

## **Wellington Financial Fund III Oversubscribed on Final Closing**

**Toronto, Ontario (October 2, 2006)** – Wellington Financial LP, a privately held specialty finance firm, today announced the third and final closing of Wellington Financial Fund III, structured to finance up to \$400 million in new debt transactions.

Fund III is now capitalized with over \$125 million in re-circulating equity commitments from several leading Canadian institutional investors. Fund III institutional limited partners include an institutional investor, the Canadian Commercial Workers Industry Pension Plan, the Canadian Medical Protective Association, Clairvest Group Inc., Export Development Canada, Industrial Alliance Insurance and Financial Services Inc. and VentureLink Funds.

“We are pleased to welcome two of Canada’s most respected financial institutions as new members of our limited partner group,” said Mark McQueen, President and Chief Executive Officer of Wellington Financial LP. “Their expertise is well known across Canada, and their capacity to assist our clients meet their business objectives is practically overwhelming. Being oversubscribed is a tribute to the hard work of our entire team, and the need for our capital in the marketplace.”

Founded in 2000, Wellington Financial is a recognized leader in providing flexible financing solutions to private and publicly traded growth companies in a broad range of business sectors across Canada. Wellington Financial provides bridge, operating, term and venture debt loans and can lead transactions up to \$30 million. Since inception, Wellington Financial has led or participated in over \$150 million of transactions.

“Wellington Financial is a perfect vehicle for EDC’s Equity program,” said Jennifer Brooy, Vice President of EDC Equity. “With a national scope, and experience with a diverse array of economic sectors, we are pleased to make Wellington one of our largest financial commitments in 2006. The product offering is of great interest to many of EDC’s own customers, and we look forward to working with Wellington’s team as we jointly assist our clients achieve new heights in 2007 and beyond.”

Wellington Financial’s current and prior portfolio companies include many of Canada’s most exciting and recognizable growth firms, including:

- Airborne Entertainment Inc. was named the “2005 Venture Capital Deal of the Year” by the Canadian Venture Capital Association, and is the 3<sup>rd</sup> fastest growth company in Canada according to Deloitte’s 2006 Fast 50 list;
- Basis100 Inc., acquired by The First American Corporation in 2004;
- MKS Inc., one of Canada’s fastest growing publicly traded software companies; and
- Top Aces Consulting Inc., named in June 2006 as “Canada’s fastest and fiercest company” by the Globe & Mail’s report on [Small] Business Magazine.

“We wouldn’t be where we are today without Wellington Financial,” said Capt. (ret’d) Dave Jennings, Managing Director and CEO of Top Aces TACS. “Their capital will help us grow our revenue in excess of 500% this year.” Top Aces is the exclusive provider of combat fighter jet support to the Canadian Department of National Defence.

Leading venture capitalist and CVCA director Mike Cohen added: “VenGrowth has enjoyed a mutually successful business relationship with Wellington for over half a decade. Their team and product offering are a great fit for many of our portfolio companies.” Mr. Cohen is Managing General Partner of VenGrowth Private Equity Partners Inc., a Toronto-based firm with over \$1 billion in assets under management.

“With the final closing now complete, Wellington Financial’s limited partner base includes some of the most recognized institutional names in Canada,” said Ken Rotman, Chairman of Wellington Financial and Co-CEO of Clairvest Group Inc. “We look forward to working with all of our partners in the years to come.”

Wellington Financial LP has led more than \$152 million in debt financings via 24 announced transactions since its founding, making it one of the most active funds of its kind in Canada. Fund III will continue to follow the same proven model by assisting both public and private companies with a demonstrated customer following, talented management and well defined growth strategies.

### **About Wellington Financial LP**

Wellington Financial LP is a privately held specialty finance firm providing operating lines of credit from \$1 million to \$5 million; term loans and amortizing loans from \$2 million to \$30 million; and venture debt loans from \$2 million to \$10 million. Wellington Financial LP is currently deploying a \$400 million investment program via its third fund. Our clients vary in size and business model, but generally have current year revenue in excess of \$5 million. Wellington Financial LP is managed by a partnership controlled by Fund management and Clairvest Group Inc. (CVG:TSX), who jointly have contributed a large financial stake to Funds II and III. Limited partners include several of Canada’s largest institutional investors, crown corporations, financial institutions and pension funds. Please visit our website at [www.wellingtonfund.com](http://www.wellingtonfund.com).

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