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ACCOUNTABILITY STATEMENT

We are invested in connecting aspiring Alberta knowledge-based companies to money, markets and mentors. We are invested in supporting a variety of businesses, encouraging innovation and economic diversification.

Alberta Enterprise Corporation was established in December 2008 upon proclamation of the Alberta Enterprise Corporation Act. The Alberta Enterprise Corporation (“Alberta Enterprise”) Board of Directors is accountable to the Minister of Innovation & Advanced Education (“IAE”).

OUR MISSION

Alberta Enterprise’s mission is to foster a thriving Venture Capital (“VC”) industry in Alberta that provides the capital and other resources needed to bring Alberta technologies to market, and create globally successful companies. We are a key component for economic diversification and development of an innovation-based economy in Alberta.

We are invested in supporting businesses that will create high skilled jobs for Albertans and contribute to a healthy provincial economy.

In compliance with our governing legislation and agreement with IAE, we are working to fulfill our mission and mandate through investment as a Limited Partner (“LP”) in venture capital funds that meet the criteria outlined in our investment policy,

and through targeted initiatives to support, grow and nurture the local VC industry. We do not invest directly in companies, but in VC funds that have a track record of success, strong global networks and a demonstrated commitment to the province of Alberta.

What makes Alberta Enterprise unique is our investment model. The capital provided is *invested*, and as such, we expect to return our capital back to the Government of Alberta – in a time frame consistent with the life of a VC fund. As a result, the Province benefits not only from the potential return on our VC fund investments, but also in the creation of a local VC industry with resident professionals which support the creation of a diversified economy.

HIGHLIGHTS

EVERY \$1 INVESTED BY ALBERTA ENTERPRISE HAS RESULTED IN MORE THAN \$4 OF INVESTMENTS BACK INTO ALBERTA COMPANIES.

Alberta Enterprise has fully committed the \$100M received from the Province for investment in 32 Degrees, the Accelerate Fund, Avrio, Azure, Chrysalix, Enertech, iNovia, McRock and Yaletown.

Our funds invest in technologies which diversify the Alberta economy; Internet and Communication Technology, Clean Technology, Energy Technology, and Life Sciences (including value added agriculture and food technology).

By investing strategically, we have as of March 31, 2015 leveraged our \$100M capital commitments into >\$820M (8.1 leverage). These investments have also extended our ecosystem by forging connections to >140 other Limited Partners, >350 portfolio companies, and >340 VC firms. We have co-invested with companies such as Dell, Citrix, Cisco, Shell, Total, Fortum, SABIC, and Newalta to mention a few.





Our VCs and their partners have already invested over \$280M in 24 Alberta technology companies, resulting in more than 750 direct jobs created in Alberta. Every \$1 invested by Alberta Enterprise has resulted in more than \$4 of investments back into Alberta companies. The amount of investment in Alberta companies is expected to grow significantly over the 10-year life of these funds.

Our investments resulted in four new and four expanded VC offices in the province, greatly increasing the number of VC professionals actively at work in Alberta. Our most recent VC fund investment, McRock, is expected to open an Alberta office during the calendar year 2015.

Our VCs have already had four profitable exits, resulting in distributions to LPs.

A renaissance in Alberta's tech ecosystem has begun. Alberta Enterprise has been instrumental in providing advice, guidance and strategic support to the ecosystem, and our efforts are seen as critical to the VC industry's success.

SUCCESS

A TECHNOLOGY INDUSTRY WHICH HAS ACCESS TO CAPITAL AND AN ENTREPRENEURIAL NETWORK TO GROW HERE IN ALBERTA.



MESSAGE FROM THE BOARD OF DIRECTORS CHAIR AND THE CHIEF EXECUTIVE OFFICER

Alberta Enterprise was successful this fiscal year in executing our strategic plan and putting our capital to work.

On behalf of the Government of Alberta, Alberta Enterprise has made investments in Venture Capital funds which invest in Alberta tech ventures. These investments have yielded new products, high tech jobs and have generated interest in Alberta entrepreneurs by VC funds.

Venture Capital is a critical part of the ecosystem that takes research from the laboratory to commercial products, and it is an important source industry for economic development, innovation and job creation. As a recent survey from EY highlights, in Canada, technology companies achieved a 36% job growth rate compared to 25% growth across all sectors¹.

A self-sustaining VC industry will result in a diversified, resilient economy, where Albertans will benefit from quality jobs, a high standard of living and there will be a broad base of economic opportunities available. Additionally, with a sustainable VC industry and capital available for investment, Alberta will be globally recognized as a competitive business choice.

In an evolutionary process that requires patience and the long view, Alberta Enterprise has produced strong short-term results that are transforming the technology and VC sector in Alberta. The unique investment model used by Alberta Enterprise has brought tangible results to Alberta technology companies. By investing in Venture Capital funds, we are generating economic development in Alberta, while also creating long term investment returns for the Province on its original investment.

As Alberta continues to move to a more diversified economy, creating access to Venture Capital is key. Venture Capital is an important part of the funding continuum for technology start-ups. It provides a bridge between grants and commercialization funding to bank loans and larger institutional funding.

We made our first investment five years ago and this year we committed the final \$10 million of our \$100 million allocation from the Government of Alberta. The success of any growing industry depends on a solid foundation of investment, professional networks and an entrepreneurial spirit. Building a Venture Capital industry is a long-term project.

The Government of Alberta has extended our mandate and we can now continue to build upon the success that we have already achieved. Building a self-sustainable Venture Capital industry in Alberta will take time. Once the industry reaches a critical mass, a process which will take years or even decades, the case for public intervention will wane. Alberta Enterprise has approached the government for additional capital to continue our investment activities and expand our industry/ecosystem development initiatives.

Alberta Enterprise is invested in creating high skilled jobs for Albertans and to keep those jobs here. We are invested in supporting the development of technologies which can solve the environmental challenges of the energy industry, and in the creation of value added products here in the Province.

[Original signed
by Paul Haggis]

Paul Haggis
Chair

[Original signed
by Kristina Williams]

Kristina Williams
CEO

¹Global job creation survey. A survey of the world's most dynamic entrepreneurs, EY, June 2014, p. 4.



showbie

Connecting the classroom.

Head office: Edmonton, Alberta | Alberta employees: 19 | Fund: Yaletown

Alberta companies are revolutionizing the ways in which technology is being used in the classroom.

Developed in Edmonton, Showbie is the fastest, easiest, and most effective learning/teaching tool for facilitating assignments and feedback on iPads. The results speak for themselves. Our software application is now being used in over 135 countries and thousands of classrooms worldwide.

The Showbie team has grown to 19 people in Edmonton. We anticipate the need to hire more staff as we continue to expand. Access to Venture Capital

funds has been critical to our success, and has allowed us to attract Canadian investors as well as those from the international community. Yaletown has brought a local presence to our investor mix and provided us with a fresh perspective to help this determined Alberta company compete globally.

Colin Bramm, CEO Showbie



Daring to dream.

Head office: Calgary, Alberta | Alberta employees: 25 | Fund: Accelerate Fund

Nearly a quarter of the population is affected by a condition called Obstructive Sleep Apnea (OSA).

Studies consistently link OSA to cardiovascular illness, metabolic issues, accidents from sleep deprivation and general poor quality of life.

Currently, 95% of OSA patients are treated with Continuous Positive Airway Pressure (CPAP). CPAP therapy is uncomfortable and compliance is reported to be low. An alternative treatment, Oral Appliance Therapy (OAT), uses a simple mouthguard to treat patients. It is successful in 60% of cases and has much higher compliance rates. Yet because there was no way of determining if OAT is right for an individual patient, physicians have been reluctant to prescribe it. As a result, it now captures only 5% of the OSA treatment marketshare.

Zephyr has created an innovative medical device (the "MATRx") – which accurately identifies which patients are eligible candidates for a mouthguard device. The MATRx evaluation is performed at a sleep lab, and reviewed by the physician. MATRx has been approved for use by the FDA and Health Canada.

Our next leap is to bring the MATRx test to the patient's home. Zephyr is currently developing a portable, self-administered version (code named NOTUS). We believe this technology will help increase OAT market share from 5% to 25% – a \$2-4 billion opportunity. To help bring NOTUS to market, we have recently closed a development partnership with a prominent US company.

Established in 2010, Zephyr Sleep Technologies now employs over 25 people at our headquarters in Calgary and two more in the US. We have developed a technology pipeline, which will eventually find its way to the NOTUS platform. Accelerate Fund co-invested with a 1.1MM angel investment round providing start-up capital. This allowed us to launch our flagship MATRx product into North America.

Paul Cataford, Founder & CEO Zephyr



Drivewyze™

Focused on the long haul.

Head office: Edmonton, Alberta | Alberta employees: 65 | Fund: iNovia

Time is money in the trucking business – an industry that helps drive the economy. Yet public safety is paramount.

Nearly five million commercial trucks are subject to myriad regulations enforced at weigh scales. Conducting all of those inspections can lead to long waits when the clock is ticking. To streamline the process, we have introduced a forward-thinking service that ensures the safe and efficient flow of goods – called Drivewyze. It is an Alberta-based innovation that is putting our province on the map as a leader in commercial trucking services.

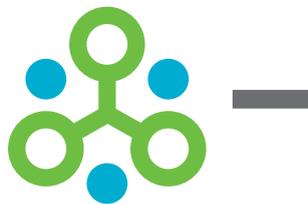
Truckers who subscribe to Drivewyze can legally bypass supported weigh scales (478 of them across 35 American states). An app on the trucker's mobile phone, or embedded in the truck's "electronic logging device", uses geofencing technology to detect an upcoming site, submits the required information over a cellular network to obtain bypass authorization, and displays a "green light" in the cab. All without driver

intervention. The market for this service is \$500M/yr, with the opportunity to introduce a broad range of additional services of even greater value.

Drivewyze is a hit with truckers. Paying customers' satisfaction ("NPS score") for Drivewyze is higher than Apple, Netflix, Amazon.com and American Express. The company is growing rapidly and already receiving inbound interest to expand into Brazil, Europe and other global markets.

iNovia Capital has been instrumental in this Alberta success story. They've helped us in developing and realizing our capital plan, identifying and recruiting key executives, and by supporting our company through board governance.

Brian Heath, CEO Drivewyze



Leading the field in precision farming.

Alberta technology hub: Lethbridge, Alberta | Alberta employees: 90+ | Fund: Avrio Capital

As the saying goes, people with full stomachs have many problems, but people with empty stomachs have only one.

At Farmers Edge, we are pursuing and providing advanced solutions to sustainability feed the world's growing population – harnessing the power of science and satellite technology to get there.

As a leader and innovator in the application of precision agricultural solutions, Farmers Edge increases our customer's profitability by helping them strategically manage their inputs (such as seed and fertilizer rates) – while promoting an environmentally sustainable approach to farming. Precision Solutions is our comprehensive turnkey package: designed for every agribusiness, every crop and every geography. It allows farmers to collect, store and transfer data in order to make better management decisions.

Farmers Edge has contributed valuable jobs within Alberta's agricultural sector. Even more importantly, we are placing Alberta on a global platform for

advancements in agriculture and value added products. While our head office is in Winnipeg, Alberta is home to our Research and Development Team, as well as our Technology hub in Lethbridge, Alberta. This hub is where all the technological advancements and development occur – and employs over 30 developers, programmers and engineers. Their expertise is critical in supporting our operations in North and South America, Australia, Russia and Eastern Europe.

The investment from Avrio Capital and their co-investors has enabled our rapid growth and evolution – and our continued expansion into international markets. In addition, they help support continued advancements in technology that benefit our customers... and the agriculture industry as a whole.

Wade Barnes, President and CEO Farmers Edge

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

Alberta Enterprise's operations focus on two key areas: investment as a Limited Partner in technology Venture Capital funds that finance early-stage, knowledge-based companies; and targeted initiatives to develop the venture capital ecosystem and improve the networks connecting entrepreneurs, experienced management, and investors.

OPERATIONAL OVERVIEW: INVESTMENTS

Alberta Enterprise was established to build a local venture capital industry which can provide the capital needed to support the growth and success of knowledge-based companies in Alberta. To achieve this, Alberta Enterprise invests as a Limited Partner in technology venture capital funds that have, or will establish, a *presence* in the province staffed with a senior level investment professional.

By investing in VC funds which finance early stage, technology start-ups in Alberta and beyond, we create access to a much larger pool of capital than the \$100 million Alberta Enterprise Fund, while also creating access to external markets and the expertise of these funds.

We have targeted three types of funds for investment: North American funds currently operating outside

Alberta, funds that are local to Alberta, and an early stage angel co-investment fund. Our strategy is to ensure that funds representing each investment objective are integrated such that each type can syndicate deals and leverage each other's network. As an example, we are encouraging VC's from out of province to co-operate with local investors so that they can leverage the local deal flow networks, and so local investors can take advantage of the global networks that external VC's bring. It is all about networks, relationships and who Alberta entrepreneurs can leverage to compete globally.

Following is a summary of our accomplishments with respect to Investment.



GOALS AND OUTCOMES: INVESTMENTS

Outcomes	Results Achieved by Alberta Enterprise to Date
Immediate and Intermediate Outcomes	
<p>1. Improved access to capital for Alberta companies and stimulate investment in knowledge based industries to diversify and broaden Alberta's economic base.</p>	<ul style="list-style-type: none"> • Alberta Enterprise has fully committed the \$100M received from the Province for investment into eight VC funds and the Accelerate Fund, an angel co-investment fund. • Through these funds Alberta knowledge-based companies now have access to \$820M in Venture Capital, successfully leveraging our capital 8:1. • Our investments resulted in four new and four expanded VC offices in the province, giving Alberta entrepreneurs easier access to VC professionals. Our most recent fund investment, McRock, is expected to open an Alberta office during the calendar year 2015. • Alberta Enterprise's investments in funds have generated more than four times the capital back into Alberta companies. As of March 31, 2015 our VCs and their syndicate partners have already invested over \$280M in 24 Alberta technology companies. This amount is expected to grow significantly over the 10-year life of these funds. • We have deployed capital across all knowledge-based sectors (ICT, clean/energy tech, and Life Sciences), working toward a diversified economy in Alberta. • We have developed a solution to address funding gaps for earlier-stage companies by launching the Accelerate Fund, an angel co-investment fund.
<p>2. Improved profile for Alberta venture capital and private equity sectors internationally, and attract external investment capital.</p>	<ul style="list-style-type: none"> • Alberta Enterprise has attracted external VC funds to Alberta. By attracting international VC funds, we bring expertise to the province and also connect Alberta entrepreneurs to international markets and opportunities. • All eight of our VC funds have international investors, and five of the funds have offices outside of Canada. We have co-invested with multi-national companies such as Dell, Citrix, Cisco, Shell, Total, Fortum, SABIC and Newalta to mention a few. • We actively engage these co-investors (also called "Limited Partners") to increase awareness of Alberta value added products. • Through Alberta Enterprise's VC funds, Alberta entrepreneurs now have access to more than 300 other international VC funds. • Our VCs and the Accelerate Fund have attracted more than \$200M of investments into Alberta technology companies. This shows that Alberta companies not only have access to the capital of our VC funds, our funds are also helping Alberta companies access a significant amount of outside capital.

Outcomes

Results Achieved by Alberta Enterprise to Date

Ultimate Outcomes

1. Building a self-sustaining VC industry in Alberta.

Alberta knowledge-based companies need access to venture capital. Venture capital serves as an important source industry for economic development, job creation, as well as innovation. Alberta wishes to move from a resource-based economy to one augmented by knowledge-based industries. The VC industry is a critical part of the ecosystem that takes research from the laboratory to commercial products. A self-sustaining VC industry will result in a diversified, resilient economy, where Albertans will benefit from quality jobs, a high standard of living and there will be a broad base of economic opportunities available. Additionally, with a sustainable VC industry and available capital for investment, Alberta will be globally recognized as a competitive business choice.

Alberta Enterprise has only been investing in VC funds for five years. A typical VC fund has a life of 10 years. It is therefore too early to predict the full impact of Alberta Enterprise's activities, but as detailed above, in only five years we have achieved excellent results. Building a self-sustainable VC industry can however take up to 20 years. To achieve this outcome we need to

1. Attract more VCs to Alberta
2. Address the critical gap in early-stage funding
3. Assist local Alberta managers
4. Support our high performing VC funds with follow-on capital to ensure they maintain a presence in the Province

To build a sustainable VC industry in Alberta **will require patience and additional investment capital from the Province.**

2. Return to the Province its initial investment capital plus an appropriate rate of return.

The investment capital from the Government of Alberta is a financial investment, not a cost. We expect to return to the Province its initial \$100M investment capital plus an appropriate return on this investment in a time frame consistent with the life of a VC fund (approximately 10 years).

Our funds have already had four profitable exits, which is well ahead of expectations for this early in the life of the funds.

The financial return to the Province on our initial investment will however not fully be known for another 6-10 years.

During the year, Alberta Enterprise's investment team continued to monitor and report on the Corporation's investments made previously:

- 32 Degrees Diversified Energy Fund II (Services & Technology Co-Invest), focused on energy technology.
- Accelerate Fund, a \$10 million angel co-investment fund focused on Alberta technology companies.
- Avrio Ventures II, focused on the agriculture and food sectors.
- Azure Capital Partners III, focused on the information technology sector.
- Chrysalix Energy Limited Partnership III, focused on the clean energy technology sector.

- EnerTech Capital Partners IV Limited Partnership, focused on the energy and clean technology sectors.
- iNovia Investment Fund III Limited Partnership, focused on the information technology sector.
- Yaletown Ventures II Limited Partnership, focused on the information and communications technology and clean technology sectors.

During the year, Alberta Enterprise committed our final \$10 million for investment in McRock iNFund Limited Partnership, focused on the industrial internet of things sector.

OPERATIONAL OVERVIEW: INDUSTRY DEVELOPMENT

Cultivating the industry ecosystem surrounding technology startups, technology investors and related networks is the key to developing a self-sustaining Alberta-based VC industry. This means bringing together and supporting investors, startups and management talent. We have seen continued revitalization in Alberta’s technology ecosystem over the past year, and Alberta Enterprise has been at the forefront of this success.

Alberta Enterprise works to fill the gaps in the ecosystem and to create links between existing organizations. Alberta Enterprise has been successful in supporting the creation of industry-driven, grassroots organizations that play a meaningful role in the technology and VC ecosystems. These groups connect Alberta entrepreneurs, startups, investors and mentors within Alberta and outside the province.

GOALS AND OUTCOMES: INDUSTRY DEVELOPMENT

Outcomes	Results Achieved by Alberta Enterprise to Date
Immediate and Intermediate Outcomes	
<p>1. Stimulated investment in knowledge based industries to diversify and broaden Alberta’s economic base.</p>	<p>To stimulate investment we are:</p> <ul style="list-style-type: none"> • connecting investors to each other through the re-launch of the Venture Capital Association of Alberta (VCAA), creating the ability for VCs to share best practices and investment opportunities, • connecting entrepreneurs to each other through founding and creating the AccelerateAB conference (with over 400 attendees in 2014) and by supporting existing organizations such as Startup Edmonton and Startup Calgary, • connecting entrepreneurs to experienced management talent through the AccelerateAB conference and by creating the A100, a non-profit, member-driven group of Alberta’s top technology executives focused on mentoring and supporting Alberta’s next generation of tech entrepreneurs, • connecting VCs to other investors (local and external) by creating events such as the Pre Banff Venture Forum Investor session.
<p>2. Improved profile for Alberta venture capital and private equity sectors internationally, and attract external investment capital.</p>	<ul style="list-style-type: none"> • Through our ecosystem efforts we showcase Alberta investment opportunities to private technology investors across the globe. For example, we sponsor and actively engage with the C100 (a US-based group of successful, expat Canadians who want to help build the next technology success) to help our entrepreneurs get exposure at US-based events such as the 48 Hours in the Valley. • We actively engage the Limited Partners of our VC funds to increase awareness of Alberta value added products. • We leverage our investment capital to engage VC’s, strategic investors, and mentors to attend local events.

Outcomes

Results Achieved by Alberta Enterprise to Date

Ultimate Outcomes

Building a self-sustaining VC ecosystem in Alberta.

Alberta Enterprise works to *fill the gaps* in the ecosystem and to *create links between existing organizations*. We have been successful in supporting the creation of industry-driven, grassroots organizations that play a meaningful role in the innovation investment ecosystem. Much effort has already been expended in this area, and early results are very promising, however, getting these groups and initiatives to long-term sustainability will require more hands-on support and some additional capital.

With a relatively small amount of capital Alberta Enterprise can effectively and efficiently enhance the Alberta innovation investment ecosystem. Our approach is highly collaborative – rather than building a large team within Alberta Enterprise, we take a partnership approach, working with many public and private organizations to fulfill our mandate. This collaborative approach allows our organization to have a very broad reach, delivering outcomes far beyond the capacity of our small team, all while keeping operating costs very low.

The key to our success is the engagement of VC's, strategic investors, entrepreneurs and mentors by leveraging our investment capital.

OPERATIONAL OVERVIEW: OPERATIONAL BUDGET AND CAPITAL DEPLOYMENT

Operational Budget and Statement of Operations

The Statement of Operations shows an operating cost of \$33 thousand below budget for fiscal 2014-2015. This is mainly a result of prudent cost management. Alberta Enterprise is a highly relevant, effective and efficient agency.

The net loss for fiscal 2014-2015 is primarily due to realized losses of \$3.2 million of the Limited Partnerships which Alberta Enterprise is an investor of. Alberta Enterprise records a proportionate share of any realized gains or losses of the Limited Partnerships. The Corporation concurrently had an unrealized re-measurement gain on investment of \$9.2 million. Similar to realized gains and losses, Alberta Enterprise records a proportionate share of any increases or decreases in the value of investments made by the funds. Changes in value form part of net assets and are not captured as income or losses (i.e. realized) until the investments are sold by the Limited Partnership.

The above reflects accounting standards' treatment for Limited Partnerships in both the private equity and venture capital industries.

Capital Deployment and Investments

To date and in the fiscal year 2014-2015, Alberta Enterprise's financial statements show total capital committed for investment of \$105.8 million. Three of our nine investments are in US dollars and the total capital committed is therefore impacted by the weaker Canadian dollar as compared to the US dollar.

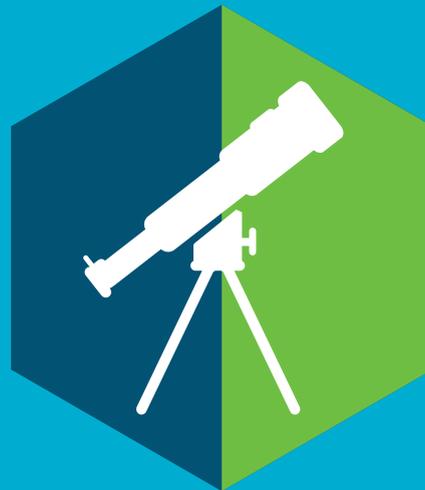
In fiscal year 2014-2015, Alberta Enterprise disbursed \$15.4 million to the limited partnerships in which we have invested, in order to meet their funding requirements for both investments and operational expenses. The balance of committed capital is held as cash until such time as is it drawn down upon.

For the fiscal year ended 2014-2015 our Partnership investments were valued at \$71.2 million, including unrealized gains and losses of the Limited Partnerships, which is \$4 million over the \$67.2 million cost of these investments.

LOOKING AHEAD

The Government of Alberta has extended our mandate and we can now continue to build upon the success that we have already achieved. However, to maintain momentum and build on our excellent results to date will require additional capital for investment.

Building a self-sustainable Venture Capital industry in Alberta will take time. Once the industry reaches a critical mass, a process which will take years or even decades, the case for public intervention will wane. Alberta Enterprise has approached the government for additional capital to continue our investment activities and expand our industry/ecosystem development initiatives.



CORPORATE GOVERNANCE STATEMENT

MANAGEMENT OF THE COMPANY

The business and affairs of the corporation are managed by or under the direction or supervision of the Board of Directors. The Board exercises all powers of the company not required to be exercised by the shareholders.

BOARD OF DIRECTORS

The Board meets four to eight times per year and as required for strategic planning purposes and to progress specific decisions. The Board is accountable to the shareholder, the Minister of Innovation & Advanced Education, in the manner set out in the Alberta Enterprise Corporation Act, Alberta Enterprise Corporation Regulation and the Alberta Enterprise Corporation Transfer Agreement.

The Board establishes strategic policy, guides and monitors the business and affairs of the corporation on behalf of the shareholder, and is committed to a high standard of corporate governance. Responsibility for the operation and administration of the company is delegated to the President and CEO who is accountable to the Board. In particular, the Board places emphasis on implementation of venture capital best practices, sound administrative systems and procedures, and regulatory compliance.

The directors are appointed by the Lieutenant Governor in Council. A director holds office for a term fixed in the order appointing the director, which term must not exceed three years. Alberta Enterprise's Board of Directors presently includes five external and independent members.

GOVERNANCE REVIEW

A governance review is undertaken at least annually, to ensure the effectiveness of governance structures.

CONFLICT OF INTEREST POLICY AND PROCEDURES

As outlined in the Alberta Enterprise Code of Conduct and Ethical Standards a conflict of interest exists when an individual's private interests interfere or conflict with or appear to interfere or conflict with the interests of the Corporation. A conflict situation may arise when an employee, officer, or director takes actions or has interests that may make it difficult to perform his or her professional obligations objectively and effectively or when he or she otherwise takes action that is inconsistent with the interests of the Corporation for his or her direct or indirect benefit or for the direct or indirect benefit of a third party. A conflict of interest may also arise when an employee, officer or director, or a member of his or her family, receives improper personal benefits as a result of his or her position in the Corporation, whether received from the Corporation or a third party. Loans to or guarantees of obligations of Employees or any of their respective family members are likely to amount to conflicts of interest as are transactions of any kind between the Corporation and any other entity in which an employee, officer or director has a material interest.

Conflicts of interest are prohibited as a matter of corporate policy, except as specifically approved by the Corporation's Board of Directors (the "Board") and except in accordance with applicable laws and regulations. It is not always easy to determine whether a conflict of interest exists, so any potential conflicts of interest must be reported immediately to senior management.

FINANCIALS

MANAGEMENT'S RESPONSIBILITY FOR REPORTING

Alberta Enterprise's management is responsible for the preparation, accuracy, objectivity and integrity of the information contained in the annual report, including the financial statements, performance results, and supporting management information. Systems of internal control are designed and maintained to produce reliable information that meets reporting requirements, and to ensure that transactions are properly authorized, reliable financial records are maintained, assets are properly accounted for and safeguarded, and relevant legislation and policies are complied with. Corporate business plans, performance results and the supporting management information are also integral to both financial and performance reporting.

The annual report has been approved by the Board of Directors and is prepared in accordance with Ministerial guidelines.

The Auditor General of the Province of Alberta, the corporation's external auditor appointed under the Auditor General Act, performs an annual independent audit of Alberta Enterprise's financial statements in accordance with Canadian generally accepted auditing standards.

Independent Auditor's Report

To the Board of Directors of the Alberta Enterprise Corporation

Report on the Financial Statements

I have audited the accompanying financial statements of the Alberta Enterprise Corporation, which comprise the statement of financial position as at March 31, 2015, and the statements of operations, remeasurement gains and losses, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Alberta Enterprise Corporation as at March 31, 2015, and the results of its operations, its remeasurement gains and losses, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, FCA]

May 26, 2015

Edmonton, Alberta

STATEMENT OF FINANCIAL POSITION

As at March 31, 2015

(in thousands)	2015	2014
Assets		
Cash (Note 3)	\$ 34,865	\$ 48,429
Accounts Receivable	-	327
Investments (Note 4)	71,176	50,772
	\$ 106,041	\$ 99,528
Liabilities		
Accounts Payable and Accrued Liabilities	\$ 688	\$ 243
	688	243
Net Assets		
Accumulated Surplus	91,477	94,591
Accumulated Remeasurement Gains	13,876	4,694
	105,353	99,285
	\$ 106,041	\$ 99,528

Contractual Obligations (Note 5)

The accompanying notes and schedules are part of these financial statements.

Approved by the Board of Directors:

[Original signed by Paul Haggis]

[Original signed by Barry Heck]

Director
May 26, 2015

Director
May 26, 2015

STATEMENT OF OPERATIONS

Year ended March 31, 2015

(in thousands)	2015		2014
	Budget	Actuals	Actuals
Revenues			
Government of Alberta Grant	\$ 850	\$ 850	\$ 1,050
Other Revenue	-	30	8
	850	880	1,058
Expenses – Directly Incurred (Note 2b, Schedule 1)			
Operating Costs	850	817	1,144
	850	817	1,144
Annual Operating Surplus (Deficit)	-	63	(86)
Investments Loss (Note 4)	-	(3,177)	(804)
Net Loss	\$ -	\$ (3,114)	\$ (890)
Accumulated Surplus, Beginning of year		94,591	95,481
Accumulated Surplus, End of year		\$ 91,477	\$ 94,591

The accompanying notes and schedules are part of these financial statements.

STATEMENT OF REMEASUREMENT GAINS AND LOSSES

Year ended March 31, 2015

(in thousands)	2015	2014
Unrealized Gains Attributed to:		
Investments	\$ 5,857	\$ 515
Foreign Exchange	3,325	1,195
Net Remeasurement Gains for the Year	9,182	1,710
Accumulated Remeasurement Gains, Beginning of Year	4,694	2,984
Accumulated Remeasurement Gains, End of Year	\$ 13,876	\$ 4,694

The accompanying notes and schedules are part of these financial statements.

STATEMENT OF CASH FLOWS

Year ended March 31, 2015

(in thousands)	2015	2014
Operating Transactions		
Annual Operating Surplus (Deficit)	\$ 63	\$ (86)
Decrease (Increase) in Accounts Receivable	327	(327)
Increase in Accounts Payable and Accrued Liabilities	445	83
Cash Provided by (Applied to) Operating Transactions	835	(330)
Investing Transactions		
Purchase of Investments	(15,412)	(15,005)
Proceeds on Sale of Investments	1,013	838
Cash Applied to Investing Transactions	(14,399)	(14,167)
Decrease in Cash	(13,564)	(14,497)
Cash, Beginning of Year	48,429	62,926
Cash, End of Year	\$ 34,865	\$ 48,429

The accompanying notes and schedules are part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2015

NOTE 1 AUTHORITY AND PURPOSE

The Alberta Enterprise Corporation (the Corporation) is a Provincial Corporation that operates under the authority of the *Alberta Enterprise Corporation Act*.

The Alberta Enterprise Corporation was established on December 5, 2008 and is part of a strategy to encourage technology commercialization and promote growth in Alberta's venture capital industry.

The Corporation is exempt from Canadian federal and Alberta provincial income taxes.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards.

a) Reporting Entity

The reporting entity is the Corporation, which is part of the Ministry of Innovation and Advanced Education and for which the Minister of Innovation and Advanced Education is accountable. Other entities accountable to the Minister are the Department of Innovation and Advanced Education, Access to the Future Fund, Alberta Innovates – Bio Solutions, Alberta Innovates – Energy and Environment Solutions, Alberta Innovates – Technology Futures, and the Public Post-Secondary Institutions. The activities of these organizations are not included in these financial statements.

The Ministry Annual Report provides a more comprehensive accounting of the financial positions and results of the Ministry's operations for which the Minister is accountable.

b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as deferred revenue.

Government transfers

Transfers from the Government of Alberta are referred to as government transfers.

Government transfers are recorded as deferred revenue if the terms for use of the transfer, or the terms along with the Corporation's actions and communications as to the use of the transfer, create a liability. These transfers are recognized as revenue as the terms are met and, when applicable, the Corporation complies with its communicated use of the transfer.

All other government transfers, without terms for the use of the transfer, are recorded as revenue when the Corporation is eligible to receive the funds.

NOTE 2

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(in thousands)

Expenses

Directly Incurred

Directly incurred expenses are those costs the Corporation has primary responsibility and accountability for, as reflected in the government's budget documents. Expenses are recorded on an accrual basis.

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations.

Cash and Accounts Receivable are the financial assets of the Corporation. The Corporation does not take out loans or issue equity.

c) Financial Instruments

Investments

The Corporation records investments using Public Sector Accounting Board (PSAB) Standard PS 3450 – Financial Instruments and PS 2601-Foreign Currency Translation.

The Corporation records investments in limited partnerships on a fair value basis. Fair value is determined by the Limited Partnerships based upon valuation techniques considered appropriate by the Corporation and may include techniques such as discounted cash flows, prevailing market values for instruments with similar characteristics and other pricing models as appropriate. The Corporation relies upon the General Partner's valuation of the investments in the Limited Partnerships.

Unrealized changes in the fair value of investments are recognized in the Statement of Remeasurement Gains and Losses. Once realized, the cumulative gain or losses previously recognized in the Statement of Remeasurement Gains and Losses are recorded in investment income. Purchases and dispositions of investments are recorded on the trade date. Management fees paid are expensed in the year.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Net Assets

Net assets represent the difference between the carrying value of assets held by the Corporation and its liabilities.

NOTE 2

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(in thousands)

Canadian Public Sector Accounting Standards require a “net debt” presentation for the statement of financial position in the summary financial statements of governments. Net debt presentation reports the difference between financial assets and liabilities as “net debt” or “net financial assets” as an indicator of the future revenues required to pay for past transactions and events. The Corporation operates within the government reporting entity, and does not finance any of its expenditures by independently raising revenues. Accordingly, these financial statements do not report a net debt indicator.

Measurement Uncertainty

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. Investments recorded at \$71,176 in the financial statements are subject to measurement uncertainty.

Measurement uncertainty exists with the determination of the fair value of the investments. The fair value of the investments is estimated by the General Partner of each fund. The process of valuing investments for which no published market exists is inevitably based on inherent uncertainties and the resulting values may differ from value that would have been used had a ready market existed for the investments.

Valuation of Financial Assets and Liabilities

Financial Statement Component	Measurement
Cash	Amortized Cost
Accounts Receivable	Amortized Cost
Investments	Fair Value
Accounts Payable and Accrued Liabilities	Amortized Cost

Fair value is the amount of consideration agreed upon in an arm’s length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of Cash, Accounts Receivable, Accounts Payable and Accrued Liabilities are estimated to approximate their carrying values, because of the short term nature of these instruments.

d) Foreign Currency Translation

Financial assets and liabilities recorded in foreign currencies are translated to Canadian dollars at the year-end exchange rate.

Revenues and expenses are translated at the average exchange rate for the year. Unrealized gains and losses due to foreign currency fluctuations are recorded in the Statement of Remeasurement Gains and Losses.

NOTE 2

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

e) Future Accounting Changes

PS 2200 – Related party disclosures and PS 3420 – Inter-entity transactions

In March 2015 the Public Sector Accounting Board issued PS 2200 – Related party disclosures and PS 3420 – Inter-entity transactions. These accounting standards are effective for fiscal years starting on or after April 1, 2017. PS 2200 – Related party disclosures defines a related party and identifies disclosures for related parties and related party transactions, including key management personnel and close family members. PS 3420 – Inter-entity transactions, establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. Management is currently assessing the impact of these standards on the financial statements.

f) Budget

A business plan with no budgeted surplus or deficit was approved by the Board on June 24, 2014 and the full financial plan was submitted to the Minister of Innovation and Advanced Education.

NOTE 3

CASH

(in thousands)

Cash in the amount of \$34,865 (2014 – \$48,429) includes deposits in the Consolidated Cash Investment Trust Fund (CCITF). The CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital.

The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2015, securities held by the Corporation had a time weighted return of 1.2 % per annum (2014 – 1.2% per annum). Due to the short term nature of the CCITF investments, the carrying value approximates fair value. Interest earned is returned directly to the General Revenue Fund of the Government of Alberta.

As at March 31, 2015 the Corporation has \$34,865 (2014 – \$48,429) in Cash. \$38,638 (2014 – \$41,977) has been committed for partnership capital contributions. Distributions from the Limited Partnerships can be used toward future cash calls from the fund which distributed the capital.

NOTE 4 INVESTMENTS

(in thousands)

The Government of Alberta originally allocated \$100,000 to the Corporation for investments in Limited Partnerships that provide venture capital in knowledge-based industries.

The Corporation is a Limited Partner in nine (2014 – eight) Limited Partnerships and \$105,823 (2014 – \$94,220) has been committed to these Limited Partnerships. Committed funds are paid into the Limited Partnership in amounts and at times determined by the General Partner in order to meet the Limited Partnership's funding requirements. Distributions from the Limited Partnerships can be used toward future cash calls from the fund which distributed the capital. The Corporation's disbursements to date and commitments are as follows:

	Chrysalix Energy III Fund (a)	Yaletown Ventures II	iNovia Fund III	Enertech Capital Partners IV(a)	Azure Capital Partners (a)	32 Degrees D.E.Fund II (S&T AIV) LP	Avrio Ventures II	Accelerate Fund	McRock iNfund	2015 Total	2014 Total
Funds disbursed to partnership for:											
Investments (b)	\$ 10,976	\$ 10,737	\$ 6,050	\$ 7,215	\$ 8,192	\$ 8,374	\$ 5,088	\$ 10,000	\$ 553	\$ 67,185	\$ 52,243
Remaining Commitment	5,737	3,263	3,950	10,701	3,002	1,626	912	-	9,447	38,638	41,977
Total Funds Disbursed and Committed	\$ 16,713	\$ 14,000	\$ 10,000	\$ 17,916	\$ 11,194	\$ 10,000	\$ 6,000	\$ 10,000	\$ 10,000	\$ 105,823	\$ 94,220

(a) Commitments are payable in US dollars. Remaining commitments are based upon the exchange rate on March 31, 2015.

(b) Investments include management fees which are part of the Corporation's capital investment in the Limited Partnerships.

NOTE 4**INVESTMENTS (Cont'd)**

(in thousands)

The Corporation's investment in Limited Partnerships is as follows:

	2015		2014	
	Share of Equity	Percentage in Partnership	Share of Equity	Percentage in Partnership
Chrysalix Energy III Fund	\$ 11,427	10.32%	\$ 8,635	10.32%
Yaletown Ventures II	10,657	15.58%	8,625	15.58%
iNovia Fund III	8,528	9.04%	4,014	9.04%
Enertech Capital Partners IV	7,630	12.66%	3,215	12.66%
Azure Capital Partners III	9,217	12.42%	5,264	12.42%
32 Degrees D.E. Fund II (S&T AIV)	9,043	99.99%	7,936	99.99%
Avrio Ventures II	5,499	6.56%	3,791	6.56%
Accelerate Fund	8,676	99.99%	9,292	99.99%
McRock iNfund	499	19.22%	-	-
Total	\$ 71,176		\$ 50,772	

NOTE 4**INVESTMENTS (Cont'd)**

(in thousands)

The changes in fair values of the investments in Limited Partnerships since April 1, 2014 are as follows:

	Chrysalix Energy III Fund	Yaletown Ventures II	iNovia Fund III	Enertech Capital Partners IV	Azure Capital Partners III	32 Degrees D.E.Fund II (S&T AIV)	Avrio Ventures II	Accelerate Fund	McRock iNfund	2015 Total	2014 Total
Investment in Partnership, Beginning of Year	\$ 8,635	\$ 8,625	\$ 4,014	\$ 3,215	\$ 5,264	\$ 7,936	\$ 3,791	\$ 9,292	\$ -	\$ 50,772	\$ 35,699
Funds disbursed to Partnership for Investments (a)	1,843	1,260	2,425	3,634	3,095	1,090	1,512	-	553	15,412	16,521
Return of Capital and Distributions	-	(626)	27	-	-	(245)	(169)	-	-	(1,013)	(2,354)
Remeasurement Gains	1,216	1,852	2,245	1,153	2,018	481	217	-	-	9,182	1,710
Investments Income (Loss)	(267)	(454)	(183)	(372)	(1,160)	(219)	148	(616)	(54)	(3,177)	(804)
Investment in Partnership, End of Year	\$ 11,427	\$ 10,657	\$ 8,528	\$ 7,630	\$ 9,217	\$ 9,043	\$ 5,499	\$ 8,676	\$ 499	\$ 71,176	\$ 50,772
Cost of Partnership Investment	\$ 10,976	\$ 10,737	\$ 6,050	\$ 7,215	\$ 8,192	\$ 8,374	\$ 5,088	\$ 10,000	\$ 553	\$ 67,185	\$ 52,243

(a) Amounts include management fees paid by Limited Partnerships to General Partners. Management fees are recovered from the Corporation as part of capital in accordance with the Limited Partnership agreements.

NOTE 4

INVESTMENTS (Cont'd)

(in thousands)

Fair Value Hierarchy

Accounting standards establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1	Fair value is based on unadjusted quoted prices in active markets for identical assets or liabilities traded in active markets. Level one primarily includes publicly traded listed equity investments.
Level 2	Fair value is based on valuation methods that make use of inputs, other than quoted prices included within level one, that are observable by market participation either directly through quoted prices for similar but not identical assets or indirectly through observable market information used in valuation models. Level two primarily includes debt securities and derivative contracts not traded on a public exchange and public equities not traded in an active market.
Level 3	Fair value is based on valuation methods where inputs that are based on non-observable market data have a significant impact on the valuation. For these investments trading activity is infrequent and fair values are derived using valuation techniques.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. An investment's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgment by the Corporation. The Corporation considers observable data to be that market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, provided by multiple, independent sources that are actively involved in the relevant market. The categorization of an investment within the hierarchy is based upon the pricing transparency of the investment and does not necessarily correspond to the Corporation's perceived risk of that investment.

NOTE 4

INVESTMENTS (Cont'd)

(in thousands)

The Corporation's investments have all been classified within level 3 as the fair value is based on valuation methods where inputs that are based on non-observable market data have a significant impact on valuation. When observable prices are not available for these securities the Limited Partnerships use one or more valuation techniques (e.g. the market approach, the income approach) for which sufficient and reliable data is available. Within level 3, the use of the market approach generally consists of using comparable market transactions, while the use of the income approach generally consists of the net present value of the estimated future cash flows, adjusted as appropriate for liquidity, credit, market and/or other risk factors.

As quoted market prices are not readily available for private investments, estimated fair values may not reflect amounts that could be realized upon immediate sale, nor amounts that may ultimately be realized. Accordingly, the estimated fair values may differ significantly from the values that would have been used had a ready market existed for these investments.

Financial Risk Management

The Corporation is exposed to a variety of financial risks associated with the underlying securities held in the Limited Partnerships. These financial risks include market risk and liquidity risk. Market risk is the risk of loss from unfavourable change in fair value or future cash flows of a financial instrument causing financial loss. Market risk is comprised of price risk and currency risk. Liquidity risk is the risk the fund will not be able to meet its obligations as they fall due.

a) Price Risk

The Corporation's price risk is driven primarily by volatility in its venture capital investments. The Corporation generally invests in Limited Partnerships in the initial stages of development. Because of the inherent uncertainty of valuations, estimated fair values may differ significantly from the values that would have been used had a ready market for the securities existed, and the difference could be material.

b) Foreign Currency Risk

The value of the Corporation's investments in Limited Partnerships denominated in foreign currencies may change due the changes in exchange rates. \$28,274, or 40% of the Corporation's investment, are denominated in US dollars (2014 – \$17,114 or 34%).

If the value of the Canadian dollar increased by 10% against the U.S. dollar, and all other variables are held constant, the potential loss in fair value to the Corporation would be approximately 4.0% of total investments (2014 – 3.4%).

NOTE 4

INVESTMENTS (Cont'd)

(in thousands)

c) Liquidity Risk

Liquidity risk is the risk that a given investment or asset cannot be traded quickly enough in the market to prevent a loss.

The Corporation's investments are long term and highly illiquid. There is no assurance that the Corporation will ultimately realize the carrying value of the investments.

To manage these risks, the Corporation has established policies around the type of limited partnerships that it invests in. In addition, each limited partnership has established a target mix of investment types designed to achieve the optimal returns within reasonable risk tolerance and in accordance with the Limited Partnership's investment mandate. The Corporation does not participate in any foreign currency hedging activities.

Investment commitments exceed cash on hand, and management plans to use future distributions from the limited partnerships to meet the commitments.

d) Other Risks

The Corporation is not exposed to significant credit, and interest risk.

NOTE 5

CONTRACTUAL OBLIGATIONS

(in thousands)

Contractual obligations are obligations of the Corporation to others that will become liabilities in the future when the terms of those contracts are met. The Corporation has committed funds to be paid into limited partnerships. The details of the commitments are listed in Note 4.

	2015	2014
Obligations under Operating Leases	\$ 151	\$ 181
Obligations under Service Contracts	134	465
	\$ 285	\$ 646

	Operating Leases	Service Contracts	Total
2015-16	\$ 32	\$ 134	\$ 166
2016-17	32	-	32
2017-18	32	-	32
2018-19	32	-	32
2019-20	23	-	23
	\$ 151	\$ 134	\$ 285

NOTE 6**COMPARATIVE FIGURES**

Certain 2014 figures have been reclassified to conform to the 2015 presentation.

NOTE 7**APPROVAL OF FINANCIAL STATEMENTS**

These financial statements were approved by the Board of Directors.

SCHEDULES TO THE FINANCIAL STATEMENTS

For year ended March 31, 2015

Schedule 1 – Expenses Directly Incurred Detailed by Object

Year ended March 31, 2015

(in thousands)	Budget		2015		2014	
Grants and sponsorships	\$	45	\$	52	\$	190
Salaries, Wages, Benefits, & Payments to Consultants		511		435		496
Supplies & Services		294		330		458
	\$	850	\$	817	\$	1,144

Schedule 2 – Salary and Benefits Disclosure

Year ended March 31, 2015

(in thousands)	2015			2014						
	Compensation ⁽¹⁾	Other Cash Benefits ⁽²⁾	Other Non-Cash Benefits ⁽³⁾	Total	Total					
Chair of the Board	\$	–	\$	41	\$	2	\$	43	\$	46
Board Members (four)		–		49		2		51		71
Executives:										
Chief Executive Officer ⁽¹⁾⁽⁴⁾		117		1		5		123		72
Interim Managing Director ⁽⁵⁾		33		–		–		33		18
Director, Investments and Interim Manager ⁽⁶⁾		69		–		–		69		186
Director, Investments		109		–		–		109		126

(1) Base compensation was established through contractual agreements until January 31, 2015. Base compensation is now established through employer and employee arrangements.

(2) Other Cash Benefits for Board members include honoraria payments and per diem allowances. Other cash benefits for Chief Executive Officer include Life and disability allowance. There were no discretionary amounts paid to executives in 2015. (2014- \$15)

(3) Other Non-Cash Benefits include Canada Pension Plan, Retirement Savings Plan and Employment Insurance payments.

(4) This position was vacant until September 2014

(5) This position was terminated effective September 2014.

(6) This position was occupied on a part time basis until September 2014, and then terminated.

Schedule 3 – Related Party Transactions

Year ended March 31, 2015

(in thousands)

Related parties are those entities consolidated or accounted for on a modified equity basis in the Government of Alberta's financial statements. Related parties also include management of the Corporation.

Entities in the Ministry refers to entities consolidated in the Ministry of Innovation and Advanced Education.

Other entities outside of the Ministry relate to the remaining entities consolidated at the Provincial level.

The Corporation had the following transactions with related parties which are recorded in the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities Outside of the Ministry	
	2015	2014	2015	2014
Revenues				
Grants	\$ 850	\$ 1,050	\$ -	\$ -
Expenses – Directly Incurred				
Other Services	\$ 26	\$ 81	\$ 33	\$ 34
Payables to	\$ -	\$ 36	\$ 1	\$ -
Contractual Obligations	\$ 25	\$ 25	\$ 260	\$ 621

CORPORATE DIRECTORY

BOARD OF DIRECTORS

Paul G. Haggis, Chair

Former President and CEO of the Ontario Municipal Employees Retirement System (OMERS)

Barry M. Heck, Vice Chair and Audit Committee Chair

President and CEO of WinSport (Calgary Olympic Development Association), President and Principal Partner of EL Merchant Capital, Chair of the Alberta Economic Development Authority (AEDA)

R. Geoffrey Browne

Founder and Managing Partner of MWI & Partners

Vicky Sharpe, Ph.D

Former President and CEO of Sustainable Development Technology Canada

Brad Zumwalt

Founder and Partner of Zinc Ventures

MANAGEMENT TEAM

Kristina Williams, President and CEO (as of September 2014)

Director of Investments and Interim Managing Director (until September 2014)

Paul G. Haggis, Managing Consultant (until September 2014)

Rebecca Giffen, Director of Investments

Connie Nye, Operations Manager

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