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FOR IMMEDIATE RELEASE

## **GrowthWorks\* and HSBC Capital are winners of CVCA's 2007 'Deal of the Year' Awards**

TORONTO: Canada's Venture Capital & Private Equity Association (CVCA) is pleased to announce that GrowthWorks Canadian Fund Ltd is the recipient of the CVCA's 2007 'Deal of the Year Award' for the venture capital category and HSBC Capital (Canada) Inc. is the recipient of the CVCA's 2007 'Deal of the Year Award' for the private equity category.

Established in 1998, the purpose of the CVCA's 'Deal of the Year Award' competition is to promote, highlight and celebrate the achievements of CVCA members who have had outstanding successes in investing in Canadian Companies. The selection process focuses on firms with the most significant return during the last twelve months ending June 30, 2007.

### Venture Capital Category Winner

"It is my pleasure to announce that GrowthWorks Canadian Fund won this year's venture capital category award for its investment in Galleon Energy Inc.," said Richard Kinlough, Chairman of CVCA's Deal of the Year Committee and Managing Director, Group Head, CIT Corporate Finance, Canada, "The investment in December 2002 generated an internal rate of return (IRR) of 134% and a multiple of 7.6 times investment."

David Levi, President and CEO of GrowthWorks\*, accepted the honour at the CVCA's AGM Dinner in Toronto on Wednesday September 19, 2007. "We are delighted to receive this recognition from the CVCA with respect to our investment in Galleon." said Mr. Levi, "We are proud to be one of Galleon Energy's largest and most active investors through multiple rounds".

Galleon is a technically oriented high growth oil and gas company with focused operations in the Peace River area of Alberta. Galleon commenced operations in October 2003 and has had significant success in acquiring undeveloped acreage, drilling and purchasing production.

GrowthWorks\* is a recognized leader in the Canadian venture capital industry, specializing in the management and growth of regionally based venture capital funds. GrowthWorks\* has combined assets under management of more than \$800 million.

### Private Equity Category Winner

"It is my pleasure to announce that HSBC Capital (Canada) Inc. won this year's private equity category award for its investment in Encore Group," said Richard Kinlough. "HSBC Capital's investment in March 2004, divested in February 2007, generated an internal rate of return of 230.69% and a multiple of 10 times investment."

Neil Johansen, Managing Director of Merchant Banking at HSBC Capital accepted the honour at the CVCA's AGM Dinner in Toronto on Wednesday, September 19, 2007. "We are pleased to accept this award in recognition of our successful investment in Encore Group", said Mr. Johansen. "HSBC Capital, together with key members of the Encore management team, acquired Encore in early 2004, creating a successful partnership that supported the business's significant growth during our ownership period."



The Encore group of metal service centre companies, headquartered in Edmonton, Alberta, specializes in the processing and distribution of alloy and carbon bar and tube, as well as stainless steel sheet, plate and bar and carbon flat rolled products.

HSBC Capital (Canada) Inc. is the merchant banking subsidiary of HSBC Bank Canada and manages over \$400 million of capital with a mandate to provide equity capital, as well as mezzanine and bridge debt to the mid-market. These investments and loans typically support leveraged and management buyouts, acquisitions, going private transactions, corporate growth, financial restructurings and project and property financings.

"I'd like to congratulate our two Deal-of-the-Year Award winners tonight, who clearly demonstrate the great success that can be achieved in the Canadian risk capital markets," said Rick Nathan, President of the CVCA and Managing Director of Kensington Capital Partners.

#### About CVCA

The CVCA - Canada's Venture Capital & Private Equity Association, was founded in 1974 and is the association that represents Canada's venture capital and private equity industry. Its over 1200 members are firms and organizations which manage the majority of Canada's pools of capital designated to be committed to venture capital and private equity investments. The CVCA fosters professional development, networking, communication, research and education within the venture capital and private equity sector and represents the industry in public policy matters.

\* GrowthWorks is a registered trademark of GrowthWorks Capital Ltd.

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