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FOR IMMEDIATE RELEASE

**CVCA CALLS ON ONTARIO PARTIES
TO ADDRESS THE STATE OF THE VENTURE CAPITAL INDUSTRY**

Toronto, October 1, 2007 - CVCA - Canada's Venture Capital and Private Equity Association is calling on all Ontario provincial parties to articulate their plans for the growth and development of the venture capital industry in the Province. The CVCA is concerned that the continuing decline in risk capital available for new ventures in Ontario represents a serious challenge for the Province – a challenge that has not received appropriate attention during the current Election.

Ontario's future economic growth in knowledge based industries such as mobile computing, telecommunications, software, life sciences, new media and clean technologies depends upon a vibrant venture capital industry in the Province. The opportunity to stake out a leadership position in these emerging industries – and the high quality jobs and economic development that goes with them – is being lost as other markets continue to surpass Ontario in the financing of new ventures.

The decline in the Ontario venture capital market is most noticeable when measured against activity in other regional North American markets. During the most recent quarterly period ended June 30, 2007, investment activity in Ontario dropped to 14th place on the ranking of all U.S. states and Canadian provinces, falling behind traditionally much smaller markets such as Colorado, Minnesota, Virginia, Florida and North Carolina. Québec also finished the quarter ahead of Ontario, in 11th place overall, in spite of its smaller capital market and population base.

Now is the time for all Ontario Political Parties to state their position on this important issue.

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.

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