



VENTURELINK INNOVATION FUND INC.

**NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON WEDNESDAY JULY 18, 2018**

AND

**MANAGEMENT INFORMATION CIRCULAR
DATED JUNE 4, 2018**



NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual and Special Meeting (the “**Meeting**”) of the Shareholders of VentureLink Innovation Fund Inc. (“**the Fund**”) will be held at 1 First Canadian Place, Suite 1600, 100 King Street West, Toronto, Ontario on Wednesday, July 18, 2018 at 3:00 p.m. (Toronto time), for the following purposes:

- a. to receive the financial statements of the Fund for the financial year ended December 31, 2017 together with the report of the auditors thereon;
- b. to elect seven (7) directors the Fund of whom two (2) are to be elected by the holders of all series of the Class A Shares voting collectively as a class, and of whom five (5) are to be elected by the holder of Class B Shares, voting separately as a class;
- c. to appoint PricewaterhouseCoopers LLP as the auditors of the Fund and to authorize the directors to fix the remuneration of the auditors;
- d. to consider and, if deemed appropriate, to pass a special resolution, with or without variation or amendment (the text of which is set out in Schedule A of the Circular for the Fund) authorizing the addition of certain amounts to the stated capital account maintained by the Fund in respect of its Class A Shares as more particularly described in the accompanying Management Information Circular dated June 4, 2018 (the “**Circular**”); and
- e. to transact such further and other business as may properly come before the Meeting or any adjournment thereof.

This Notice is accompanied by a form of Proxy and a Circular that provides particulars of the matters set out in this Notice.

DATED at Toronto on June 4, 2018.

BY ORDER OF THE BOARD OF DIRECTORS OF
THE FUND

“W. James Whitaker”

W. James Whitaker
Chief Financial Officer and Director of the Fund

At the Meeting, holders of the Class A Shares and Class B Shares are entitled to one vote per share. Shareholders who are unable to attend the Meeting are requested to complete, sign and return the enclosed form of proxy, in the envelope provided for that purpose.



MANAGEMENT INFORMATION CIRCULAR

SOLICITATION OF PROXIES

This management information circular (the “Circular”) is furnished in connection with the solicitation of proxies by the management of VentureLink Innovation Fund Inc. (hereinafter referred to as the “Fund”) to be used at the Annual and Special Meeting (the “Meeting”) of the Shareholders of the Fund to be held at 1 First Canadian Place, Suite 1600, 100 King Street West, Toronto, Ontario on Wednesday, July 18, 2018 at 3:00 p.m. (Toronto time) and at any adjournment or adjournments thereof for the purposes set forth in the accompanying Notice of Meeting. It is expected that such solicitation will be primarily by mail, however, proxies may also be solicited by the directors or officers of the Fund by means of telephone, facsimile or in person. The cost of the solicitation of proxies by management will be borne by the Fund. All information set forth herein unless otherwise stated is as at June 1, 2018.

APPOINTMENT, REVOCATION AND DEPOSIT OF PROXIES

The persons named in the enclosed form of proxy are officers and/or directors or nominees of management of the Fund. **A SHAREHOLDER HAS THE RIGHT TO APPOINT ANY OTHER PERSON TO REPRESENT HIM OR HER AT THE MEETING AND MAY DO SO BY INSERTING IN THE BLANK SPACE PROVIDED IN THE SAID FORM OF PROXY THE NAME OF THE PERSON, WHO NEED NOT BE A SHAREHOLDER, WHO HE OR SHE WISHES TO APPOINT, OR BY COMPLETING ANOTHER FORM OF PROXY AND IN EITHER CASE, DELIVERING THE COMPLETED PROXY TO THE PRESIDENT AND CHIEF EXECUTIVE OFFICER OF THE FUND, NOT LATER THAN THE DAY PRECEDING THE DAY OF THE MEETING OR BY DEPOSITING IT WITH THE CHAIRMAN OF THE MEETING PRIOR TO THE COMMENCEMENT OF THE MEETING.**

Shareholders who are unable to attend the Meeting in person should complete and sign the enclosed proxy and return same in the enclosed envelope in order that it is received by CI Investments Inc. on behalf of VL Advisors Inc. at CI Investments, 15 York Street, 2nd Floor, Toronto, ON M5J 0A3 at any time up to 3:00 p.m. (Toronto time) on July 17, 2018 or 24 hours (excluding Saturday, Sunday and holidays) prior to any adjournment thereof.

A shareholder executing the enclosed form of proxy has the power to revoke it at any time before it is exercised. Section 148(4) of the *Canada Business Corporations Act* (the “CBCA”) sets out the procedure for revoking proxies by the deposit of an instrument in writing at the registered office of the Fund at any time up to and including the last business day preceding the day of the Meeting or with the Chairman of such Meeting on the day of the Meeting or any adjournment thereof or in any other manner permitted by law.

A shareholder attending the Meeting has the right to vote in person and if he or she does so, his or her proxy is nullified with respect to the matters such person votes upon and any subsequent matters thereafter to be voted upon at the Meeting or any adjournment thereof.

MANNER OF VOTING AND EXERCISE OF DISCRETION BY PROXIES

The Chairman of the Meeting may conduct a vote on any matter by a show of hands of the shareholders and proxy holders present at the Meeting and entitled to vote thereat unless a ballot is demanded by a shareholder present at the Meeting or by a proxy holder entitled to vote at the Meeting. Proxies in favour of management will be voted on any ballot that may be called for and, where instructions are given with respect to a particular matter to be acted upon, such proxies will be voted in accordance with such instructions. If no instructions are given with respect to the particular matters to be acted upon, such proxies will be voted in favour of the motion described.

The form of proxy confers discretionary authority in respect of amendments or variations to matters identified in the Notice of Meeting and other matters that may properly come before the Meeting.

At the time of printing this Circular, the management of the Fund knows of no such amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice of Meeting. **However, if other matters which are not known to the management should properly come before the Meeting, the accompanying proxy will be voted on such matters in accordance with the best judgment of the person or persons voting the proxy.**

A simple majority of the votes cast either in person or by proxy is sufficient to pass all the matters specified in the Notice of Meeting except for the special resolution authorizing the addition of certain amounts to the stated capital account maintained by the Fund in respect of its Class A shares. The special resolution requires that at least 66 2/3% of the votes cast either in person or by proxy to be cast in favour of the resolution in order for it to pass. In the case of an equality of votes, the Chairman of the Meeting shall not be entitled to a second or casting vote.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The authorized capital of the Fund consists of an unlimited number of shares as listed below:

Fund	Class of Shares	Authorized Number of Shares	Issued and Outstanding Number of Shares as of May 25, 2018
VentureLink Innovation Fund Inc.	Class A Series I	unlimited	549,718
	Class A Series II	unlimited	357,063
	Class A Series III	unlimited	2,397,329
	Class A Series IV	unlimited	1,043,081
	Class A Series VI	unlimited	64,268
	Class B	unlimited	400
	Class P	unlimited	1,200,000

At the Meeting, holders of both Class A and Class B shares are entitled to one vote per share. The holder of Class P shares is not entitled to vote those shares.

In accordance with National Instrument 54-101 – *Proxy Solicitation* of the Canadian Securities Administrators, the Fund has fixed the close of business on June 1, 2018 as the record date for the purpose of determining shareholders entitled to receive the Notice of Meeting. All shareholders of record as at the close of business on the record date will be entitled to vote at the Meeting.

To the knowledge of management, no person or company owns of record, and management knows of no person or company who owns beneficially, directly or indirectly, more than 10% of the issued Class A shares of the Fund. The directors and senior officers of the Fund, as a group, and the directors and senior officers

of VL Advisors Inc. (the “**Manager and Investment Advisor**” or “**Advisors**”), as a group, beneficially own, directly or indirectly, less than 2% of the issued and outstanding Class A shares of the Fund. The Canadian Federal Pilots Association (the “**Sponsor**”) owns of record and beneficially all of the issued and outstanding Class B Shares of the Fund. VL Holdings LP owns of record and beneficially all of the issued and outstanding Class P Shares of the Fund.

PARTICULARS OF MATTERS TO BE ACTED UPON

Items 1 through 3 below constitute the annual business and item 4 constitutes the special business to be conducted at the Meeting.

1. Presentation of Financial Statements

The financial statements for the year ended December 31, 2017, and the report of the auditors thereon, each of which is contained in the Fund’s annual report, will be placed before the Meeting. Additional copies of such financial statements may be obtained from the Manager and Investment Advisor at 3 Church Street, Suite 602, Toronto, Ontario M5E 1M2 or by telephoning the Manager and Investment Manager at 416-681-6676 in Toronto or toll free at 1-800-253-1043.

2. Election of Directors

The Articles of the Fund (the “**Articles**”) provide that the Board of Directors (the “**Board**”) shall consist of a minimum of three (3) and a maximum of nine (9) directors. The Board presently consists of seven (7) directors, all of whom are deemed to hold office until the next annual meeting of shareholders or until their successors are elected or appointed. Management proposes that seven (7) directors be elected for the ensuing year. The Articles provide that the holders of Class A shares, as a class, are entitled to elect two directors and the holders of Class B Shares are entitled, as a class, to elect that number of directors representing the total number of directors less the number of directors that the holders of the Class A shares are entitled to elect as a class, provided that such number of directors which the holders of the Class B Shares are entitled to elect shall be a majority of the total number of directors. For the Meeting, the holder of the Class B Shares is entitled, as a class, to elect five (5) directors and the holders of the Class A shares are entitled to elect two (2) directors in total.

Management does not contemplate that any of the nominees will not be able to serve as a director, but if that should occur for any reason prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee at their discretion. Each director elected will hold office until his or her successor is duly elected at the next annual meeting of the shareholders of the Fund unless, prior thereto, he or she resigns or his or her office becomes vacant by reason of death or other cause under applicable law.

Class A shares

Two (2) persons will be nominated at the Meeting for election as directors by the holders of the Class A shares of the Fund or their duly appointed proxy. Set forth below are the names of such persons, their principal occupations, their period of service as directors of the Fund or its predecessors by amalgamation and the approximate number of Class A shares of the Fund beneficially owned or over which control or direction is exercised by them as of the date hereof.

Name and Municipality of Residence	Position with the Fund and Principal Occupation	Director of Fund (and predecessor) Since	Class A shares of the Fund Owned or Controlled
IAIN A. ROBB ⁽¹⁾ Courtice, Ontario	Director of the Fund, Lawyer in private practice	September 24, 2001	NIL

Name and Municipality of Residence	Position with the Fund and Principal Occupation	Director of Fund (and predecessor) Since	Class A shares of the Fund Owned or Controlled
ROBERT B. FALCONER ⁽¹⁾ Toronto, Ontario	Director of the Fund, Retired	December 18, 2003	NIL

⁽¹⁾ Member of the Audit and Valuation Committee and Investment Committee.

Class B Shares

Five (5) persons will be nominated at the Meeting for election as directors by the Sponsor, the holder of all of the issued Class B Shares of the Fund, or its duly appointed proxy. Set forth below are the names of such persons, other positions and offices with the Fund now held by them, their principal occupations, their period of service as directors of the Fund or its predecessors by amalgamation and the approximate number of Class A shares of the Fund beneficially owned or over which control or direction is exercised by each of them as of the date hereof.

Name and Municipality of Residence	Position with the Fund and Principal Occupation	Director of Fund (and predecessor) Since	Class A shares of the Fund Owned or Controlled
MARK A. LAURENCE Ottawa, Ontario	Director of the Fund and Chairman of the Sponsor	First time nominated to the Board	NIL
CHRISTOPHER M. HOPPER ⁽¹⁾ Toronto, Ontario	Director of the Fund, President and Chief Executive Officer of KLQ Mechanical Limited and Complete Electrical Services Inc.	December 18, 2003	NIL
W. JAMES WHITAKER Toronto, Ontario	Director and CFO of the Fund, Director and CEO of the Manager and Investment Advisor	December 23, 2005	Owens 1,393 Class A shares
GEOFFREY D. HORTON Toronto, Ontario	Director and CEO of the Fund Director and CFO of the Manager and Investment Advisor	July 25, 2006	Owens 1,235 Class A shares
MICHAEL KELLY Toronto, Ontario	Director of the Fund, Retired	July 25, 2007	NIL

⁽¹⁾ Member of the Audit and Valuation Committee and the Investment Committee.

The following is a brief biographical description, including a description of the principal occupations for the last five years of each of the proposed nominees:

Robert B. Falconer was most recently the Director of Community Loans Policy and Risk Control with the Ontario Infrastructure Projects Corporation. He has more than 25 years of experience in senior finance positions in the public and private sectors in Canada. His corporate finance experience began as a senior financial analyst with Shell Canada in 1980. He has since held senior management positions with Xerox Canada, Central Guaranty Trust, Ontario Clean Water Agency, and Altamira Financial Services. Mr. Falconer holds a B.Sc. in physics from the University of Manchester Institute of Science and Technology, and an MBA specializing in finance from the University of Saskatchewan.

Christopher M. Hopper is President and Chief Executive Officer of KLQ Mechanical Limited, a Toronto based commercial heating, ventilation, air conditioning and refrigeration contracting firm and Complete Electrical Services Inc., a Toronto based electrical contractor. Prior to this, Mr. Hopper was the President and Chief Executive Officer of Northern Home Services, a Toronto-based residential heating and air conditioning contracting firm. He has more than 25 years of experience in management positions in several industries. He began his career as an analyst in the mergers and acquisitions department of RBC Dominion

Securities, before spending five years as a strategic consultant and manager with Bain & Co. in Toronto and San Francisco. He also sits on the Board of Directors of the Electrical Safety Authority of Ontario. Mr. Hopper holds a BA in philosophy from Dalhousie University, a diploma in French studies from the Université de Franch-Comte and an MBA from the University of Western Ontario.

Geoffrey D. Horton is a Director and Chief Financial Officer of VL Advisors Inc. and Chief Executive Officer and a Director of the Fund. Mr. Horton joined the former manager of the Fund in October 2001, and has been involved in management of the portfolio investments since that time. Previously, Mr. Horton held various investment management roles at a competing labour sponsored investment fund focused on early and later stage venture capital investing, and worked as an agent to trade in the institutional fixed income market. Mr. Horton holds a Bachelor of Commerce (Honours) from Queen's University, and is a Chartered Financial Analyst.

Michael Kelly has over 25 years of experience in the financial services industry. He began his career as an investment advisor with Pitfield Mackay Ross, and has held senior sales and management positions with three major Canadian financial services companies. He was most recently a Senior Vice-President with CI Investments. He currently consults to the financial services industry.

Mark A. Laurence is the National Chairman of the Sponsor. He began representing his fellow pilots in this role on July 1, 2018. Between 1999 and 2018, Mr. Laurence was a Civil Aviation Inspector serving in various roles with Transport Canada in Ottawa, Ontario. Prior to that Mr. Laurence had a short career as an Airline Transport pilot with night freight airline based in Ottawa. From 1983 to 1997, Mr. Laurence served in the Canadian Forces, becoming a fighter pilot and an instructor on the CF-18.

Iain A. Robb is a lawyer in private practice. From 1990 to 2015 Mr. Robb was an associate (1990 to 1995) and a partner (1996 to 2015) of the law firm Gowling Lafleur Henderson LLP, where he was a member of the corporate finance group. Mr. Robb's practice is restricted to corporate and securities matters with a particular emphasis on mutual funds and structured investment products. Mr. Robb holds a Bachelor of Laws degree from the University of Toronto and a Bachelor of Arts (Industrial Relations) degree from McGill University. In addition to being a director of the Fund, Mr. Robb is a director of various other investment funds, including other labour sponsored investment funds.

W. James Whitaker is a Director and Chief Executive Officer of VL Advisors Inc. and Chief Financial Officer and a Director of the Fund. Mr. Whitaker joined Skylon, the former manager of the Fund, in March 2003. Mr. Whitaker was at Working Ventures from 1994 to February 2003, most recently as Senior Vice-President, Investments. While at Working Ventures, Mr. Whitaker led the information technology team, led investments and served as a member of the board of directors of approximately twenty venture investments and was a member of the management investment committee. Prior to such time, Mr. Whitaker worked at Ernst & Young LLP providing financial advisory services to mid-market companies in a wide range of industries. Mr. Whitaker is a Chartered Accountant and a Chartered Business Valuator. Mr. Whitaker holds a Bachelor of Commerce degree from McGill University.

The Fund does not have an Executive Committee of its Board. The members of the audit and valuation committee and the investment committee are Robert B. Falconer, Christopher M. Hopper and Iain A. Robb. The members of the independent review committee are Robert B. Falconer, Christopher M. Hopper and Michael Kelly.

The Sponsor has entered into a number of agreements between the Fund, the Sponsor and CFPA Sponsor Inc. (the "**Sponsor Agreements**"), in which it was agreed, as it relates to the Fund, that the Sponsor will elect one nominee who will be the representative of the Sponsor and four nominees nominated from time to time by the Manager who will be the representatives of the Manager on the board of directors of the Fund. Any further nominee directors will be nominated jointly by the Manager and the Sponsor.

3. Appointment of Auditors

The persons designated in the enclosed form of proxy intend to vote for the appointment of PricewaterhouseCoopers LLP, Chartered Accountants, PwC Tower, 18 York Street, Suite 2600, Toronto,

Ontario, M5J 0B2 as auditors of the Fund and to authorize the directors to fix the auditors' remuneration. PricewaterhouseCoopers LLP was first appointed as auditor of the Fund in June 2004.

4. Increase to Stated Capital of the Fund

On the Manager and Investment Advisor's recommendation the Fund intends to capitalize annually sufficient amounts of its capital gains and interest and other investment income to the extent necessary to permit the Fund to maximize refunds of tax and minimize taxes otherwise payable by it. The Fund proposes to effect the capitalization by increasing the stated capital of each series of its Class A shares. For tax purposes this will increase the paid up capital of the shares of the series. The Fund has made an election to have subsection 84(1) of the Tax Act apply, so that the increase of the paid up capital of its Class A shares will result in a deemed dividend entitling the Fund to a refund of all or part of any refundable tax otherwise payable on its interest and other investment income or net realized capital gains, as the case may be.

On the Manager and Investment Advisor's recommendation, the Fund proposes to capitalize net investment income (other than capital gains) prior to December 31, 2018 resulting in deemed dividends in an aggregate amount equal to an estimate of the amount that would allow the Fund, pursuant to subsection 129(1) of the *Income Tax Act* (Canada) (the "**Tax Act**"), to obtain the maximum refund of tax otherwise payable by the Fund on such investment income (other than capital gains) for the taxation year ended December 31, 2018. On the recommendation of the Manager and Investment Advisor, the Fund proposes to capitalize further amounts at appropriate intervals on or before February 28, 2019 resulting in deemed dividends which in the aggregate equal an estimate of the amount which would allow the Fund, pursuant to subsection 131(2) of the Tax Act, to obtain the maximum "capital gains refund" (as defined in subsection 131(2) of the Tax Act) available for its taxation year ending December 31, 2018. The Chief Financial Officer of the Fund will estimate the amounts to be capitalized and these amounts will be approved by the Manager and Investment Advisor of the Fund.

The maximum amount of the refund to which a Fund may be entitled under subsection 129(1) of the Tax Act is an amount equal to the lesser of: (1) 33 1/3% of taxable dividends paid in the year, and (ii) the Fund's "refundable dividend tax on hand" for purposes of the Tax Act at the end of the year. The Fund's refundable dividend tax on hand is a cumulative amount generally equal to a portion of the tax paid on the Fund's interest and investment income, other than capital gains. Detailed rules in the Tax Act govern the calculation of the Fund's refundable dividend tax on hand.

The maximum amount of the refund to which the Fund may be entitled under subsection 131(2) of the Tax Act is an amount equal to the lesser of: (i) 14% of capital gains dividends paid during the period commencing 60 days after the beginning of the year and ending 60 days after the end of the year, plus the Fund's capital gains redemptions for the year, and (ii) the Fund's "refundable capital gains tax on hand" (as defined in subsection 131 (6) of the Tax Act) at the end of the year. The Fund's refundable capital gains tax on hand is a cumulative amount generally equal to the unrefunded federal tax paid on the Fund's net realized capital gains. Detailed rules in the Tax Act govern the calculation of a Fund's refundable capital gains tax on hand.

Each separate increase in paid up capital will be deemed to be a dividend paid on the Class A shares for tax purposes. If you are an individual holding Class A shares directly, rather than in a registered retirement savings plan ("**RRSP**") or registered retirement income fund ("**RRIF**"), your proportionate share of the deemed dividend will (unless it is designated as a capital gains dividend) be included in your income and subject to the gross-up and dividend tax credit rules in the Tax Act. An enhanced gross-up and dividend tax credit will be available to the extent, if any, that the Fund designates the dividend to be an eligible dividend. The Fund may make an election that will cause a deemed dividend on the Class A shares to be a capital gains dividend. The election must be made in respect of the full amount of the deemed dividend. The dividend will be deemed to be a capital gains dividend to the extent that it does not exceed the Fund's capital gains dividend account at that time. Your proportionate share of the capital gains dividend will be taxed in your hands as a capital gain from the disposition of capital property.

You will not receive any cash distribution in respect of the increase in stated capital of the Class A shares. Accordingly, you may be liable to pay tax in respect of a deemed dividend (including a capital gains dividend) even though you have not received a cash distribution from the Fund with which to pay the tax.

In general, a shareholder's adjusted cost base of Class A shares of the Fund will be increased by the amount of any dividend deemed to have been received on such shares.

A holder of a Class A share which is a RRSP or a RRIF is generally exempt from tax on the amount of any deemed dividend, including a capital gains dividend.

For the purpose of the CBCA, the capitalization of income results in a corresponding increase in the stated capital account maintained by the Fund in respect of each series of its Class A shares. Under that Act, the Fund is required to obtain the approval of its shareholders by way of a special resolution to any increase in the stated capital account in respect of its Class A shares. For the purpose of satisfying this requirement, it is proposed that a special resolution be passed by the shareholders of the Fund in the form attached as Schedule A to this Circular. The special resolution must be passed by at least two-thirds of the votes cast by the holders of the Class A shares and the holder of the Class B shares of the Fund who voted on the proposed resolutions at the Meeting for the Fund. It is expected that shareholders of the Fund will be asked to approve such special resolution on an annual basis.

The foregoing summary is not intended to be, nor should it be construed to be legal or tax advice. You should consult your own tax advisors for your individual circumstances.

Assuming all necessary shareholder approvals are given at the Meeting, this special resolution will become effective and the Fund will to the extent determined appropriate by the Board, increase the paid-up capital of each series of its Class A shares, on or before February 28, 2019 by an amount determined in respect of its taxation year ending December 31, 2018.

MANAGEMENT OF THE FUND

5. Executive Compensation

Remuneration of Executive Officers

The executive officers of the Fund will receive no direct compensation or benefits, in cash or otherwise, from the Fund. The services of the Chief Executive Officer and the Chief Financial Officer are to be provided by the Manager and Investment Advisor under the Management and Investment Advisory Agreement at the expense of the Manager.

Remuneration of Directors

Directors of the Fund, other than directors who are members of the Sponsor or directors, officers or shareholders of the Manager and Investment Advisor, are entitled to receive an annual fee of \$36,000 in aggregate. There is no fee payable to directors for attending meetings of the Board or regular committees. The Board has the authority to award additional compensation to directors participating on any special committees as required from time to time. Directors of the Fund who are members of the Sponsor or are directors, officers or shareholders of the Manager and Investment Advisor will receive no compensation for attendance at meetings. All directors are entitled to be reimbursed for expenses incurred in attending meetings of the Board or any committee thereof.

Remuneration of Members of the Independent Review Committee

Members of the IRC are entitled to receive an annual fee of \$12,000.

Manager and Investment Advisor

VL Advisors Inc. was incorporated under the laws of the Province of Ontario on August 23, 2005 and is a wholly-owned subsidiary of VL Holdings LP. On January 1, 2016, the prior owner of VL Advisors Inc., VentureLink LP was dissolved and its property distributed to VL Holdings LP. VentureLink LP acted as the Manager and VL Advisors Inc. acted as Investment Advisor to each of VentureLink Balanced Fund Inc., VentureLink Brighter Future Fund Inc., VentureLink Diversified Income Fund Inc. and VentureLink Financial Services Innovation Fund Inc. VentureLink LP assigned to VL Advisors Inc. the management agreements with each of those funds as of September 10, 2010 and the Fund and VL Advisors Inc. have entered into a new Management and Investment Advisory Agreement dated October 26, 2010 effective as of September 10, 2010. The Management and Investment Advisory Agreement replaced, in its entirety, the respective management agreements between VentureLink LP and the predecessor funds and the investment advisory agreements between VL Advisors Inc, VentureLink LP and the predecessor funds.

VL Advisors Inc. is responsible for developing and implementing all aspects of the Fund's marketing and communications strategies, developing, refining and implementing the investment strategy for the Fund, including managing all investments on behalf of the Fund. VL Advisors Inc. is also responsible for organizing the retention and supervision of various service providers of the Fund. VL Advisors Inc. is responsible for managing the relationships with registered dealers who sold Class A shares of the Fund and arranged for the payment of a 10% or a 6% sales commission to dealers originating the sales of the Class A shares, Series III and Class A shares, Series IV, respectively of the Fund. Such sales commission costs will not be charged to nor amortized by the Fund. VL Advisors Inc. has arranged for a third party to provide the financing for sales commissions for which that third party will be paid an annual Distribution Services Fee of up to 1.65% and 1.15% of the net asset value of the Class A shares, Series III and Class A shares, Series IV, respectively. The Distribution Services Fee is intended to reimburse the third party for financing and administrative costs incurred to fund the payment of the sales commissions.

VL Advisors Inc.'s primary business is managing the Fund. The principals of VL Advisors Inc. who have primary responsibility for the affairs of the Fund are W. James Whitaker and Geoffrey D. Horton, biographies for whom are set out above.

The Manager and Investment Advisor has approximately \$60 million in assets under management, the majority of which is from the Fund. Under the *Securities Act* (Ontario), VL Advisors Inc. is regarded as a promoter of the Fund. VL Advisors Inc. carries on business at 3 Church Street, Suite 602, Toronto, Ontario M5E 1M2.

Officers and Directors

The officers and directors of Advisors are as follows:

Name and Municipality of Residence	Position with Advisors	Principal Occupation
W. JAMES WHITAKER Toronto, Ontario	Chief Executive Officer and Managing Partner	Managing Partner, VL Advisors Inc.
GEOFFREY D. HORTON Toronto, Ontario	Chief Financial Officer and Managing Partner	Managing Partner, VL Advisors Inc.

For brief biographical description of W. James Whitaker and Geoffrey D. Horton, please see "Particulars of Matters to be Acted Upon - Election of Directors" above.

6. SUMMARY OF THE MANAGEMENT AND INVESTMENT ADVISORY AGREEMENT

The Management and Investment Advisory Agreement outlines the services VL Advisors Inc. has to provide to the Fund, along with the terms of consideration the Fund pays VL Advisors Inc. for those services. The agreement will expire, unless terminated earlier by either party thereto in accordance with the terms of such agreement, upon the dissolution, winding-up or termination of the Fund. VL Advisors Inc. as the manager and investment advisor may terminate the agreement in the event that: (i) the Fund is in breach or default of any material provision thereof and such breach or default has not been cured within twenty business days of written notice of such breach or default to the Fund; (ii) there is a fundamental change in the investment objective, strategy or restrictions applicable to the Fund; (iii) the Fund ceases to carry on business; or (iv) the Fund becomes bankrupt or insolvent. The Fund may terminate the agreement in the event that: (i) VL Advisors Inc. is in breach or default of any material provision thereof and such breach or default has not been cured within twenty business days of written notice of such breach or default to VL Advisors Inc.; (ii) VL Advisors Inc. ceases to carry on business; or (iii) VL Advisors Inc. becomes bankrupt or insolvent. In the event that the agreement is terminated, the board of directors shall promptly appoint a successor manager to carry out the activities of VL Advisors Inc. for the Fund until a meeting of shareholders of the Fund is held to confirm such appointment.

7. Management and Investment Advisory Fees

As compensation for the services provided for and on behalf of the Fund by the Manager and Investment Advisor, the Fund pays an annual management fee of 1.25% and an investment advisory fee of 2.0% of the net asset value of the Fund, which fee is calculated and paid monthly in arrears. For the year ended December 31, 2017, management and investment advisory fees paid by the Fund and its Underlying Funds totaled \$1,515,000.

8. Performance bonus

The Investment Advisor is entitled to a performance bonus (the "**Performance Bonus**") based on realized gains and cumulative performance of the investments of the Fund, other than reserves made with capital raised from the sale of Class A shares as outlined in the prospectus documents of this Fund.

For the year ended December 31, 2017, performance fees paid were \$223,000. In addition, the Fund declared and paid Class P dividends of \$2,629,000 during the year.

9. Sponsorship Fee

The Sponsor was retained by the Fund to act as sponsor to the Fund. The Sponsor holds all of the Class B Shares. The Sponsor is entitled to receive an annual fee of 0.25% of the net asset value of the Fund, which fee is paid by the Fund monthly in arrears based on the net asset value of the Fund calculated as at the end of the preceding month. For the year ended December 31, 2017, the Fund paid an aggregate sponsorship fee of \$117,000.

GENERAL

Management knows of no other matters to come before the Meeting other than the matters referred to in the notice of Meeting. **HOWEVER, IF ANY OTHER MATTERS WHICH ARE NOT NOW KNOWN TO MANAGEMENT SHOULD PROPERLY COME BEFORE THE MEETING, THE PROXY WILL BE VOTED ON SUCH MATTERS IN ACCORDANCE WITH THE BEST JUDGMENT OF THE PERSON OR PERSONS VOTING THE PROXY.**

10. Shareholders' Proposals

A shareholder intending to submit a proposal at an annual general meeting of shareholders of the Fund must comply with the applicable provisions of the CBCA. The Fund will include a shareholder proposal in the information management circular prepared for the 2019 annual general meeting of shareholders

provided that such proposal is received by the Fund at the Manager's head office on or before at least 90 days prior to the anniversary date of the notice of meeting that accompanies this Circular and provided that such proposal is required by the CBCA to be included in the Fund's information circular.

National Instrument 81-102 Requirement Under Section 10.3 To Be Communicated Annually To Shareholders

Under the above section of the Securities Act (Ontario), the Fund is required to communicate annually to all shareholders certain matters relating to how to redeem the Fund. This is not a matter that is on the agenda for the Meeting. However, in order to reduce the cost of communicating this required information and avoid mailing it separately, we have attached to the circular, as Appendix B, that required communications under the Securities Act. We have also included in Appendix B an update on when the Fund intends to reopen in 2019. Should shareholders have questions, the Manager would be happy to address them at the Meeting.

BOARD APPROVAL

The contents and sending of this Circular have been approved by the directors of the Fund.

**BY ORDER OF THE BOARD OF DIRECTORS
OF VENTURELINK INNOVATION FUND INC.**

"W. James Whitaker"

W. James Whitaker
Chief Financial Officer and Director
of the Fund

Toronto, Ontario

June 4, 2018

SCHEDULE "A"

RESOLVED, AS A SPECIAL RESOLUTION OF THE SHAREHOLDERS OF VENTURELINK INNOVATION FUND INC. THAT:

- (a) if required, the Fund add on or before February 28, 2019 to the stated and paid up capital account maintained by the Fund in respect of each series of its Class A shares an amount of the Fund's capital gains, interest and other investment income earned in respect of such series for the 2018 financial year as the directors of the Fund, in their discretion, determine shall be added to the stated and paid-up capital of such series of Class A shares; and
- (b) any director or officer of the Fund is hereby authorized to sign all documents and do all things necessary or desirable to give effect to this resolution.

SCHEDULE "B"

VentureLink Innovation Fund Inc. Management Update on Halted Redemptions, Planned Reopening and Requirements for Redemptions

On January 19, 2018 VentureLink Innovation Fund Inc. (the "Fund") announced that **it had suspended further redemptions and stopped accepting further redemption requests at that time.** Year to date it had honoured in excess of \$11.3 million in shareholder redemption requests, representing total shareholder redemptions during its fiscal year 2018 in excess of 20% of its net asset value as of December 31, 2017.

The Fund is expected to reopen for redemptions on or about January 7, 2019 at which time the Fund anticipates that it will resume honouring redemptions of at least 20% of NAV of the Fund as at December 31, 2018, consistent with the terms laid out in the Fund's prospectus disclosure. Specific details on such future redemption opportunities will be released at a later date and will be posted to the Fund's website at www.venturelinkfunds.com.

Shareholders seeking to redeem are advised to monitor the Fund's website. Along with posting updates on the planned re-opening, the Fund will press release and e-mail brokers and planners of record who have given permission to receive e-mails from the Fund.

The Fund is planning to honour annual redemptions of at least 20% of opening Net Asset Value in each calendar year until such time as the Fund has divested of all of its holdings and it can wind up.

How to Place Redemptions Upon the Fund Reopening: A holder of Class A Shares may, subject to limited exceptions, require the Fund to redeem Class A Shares at the net asset value per applicable series of Class A Shares. Subject to redemption restrictions and the withholding of any amount required to be withheld and the deduction of redemption fees (each as described in the Fund's Annual Information Form, as filed on SEDAR www.sedar.com), redemptions of a Series of Class A Shares will be made at the net asset value per Class A Share of the respective Series. All redemptions will be made on the next valuation date (priced weekly on the last day of the week) following the day on which the Fund receives (or is deemed to have received) the request for redemption. Redemption requests must be received by the Fund by 4 p.m. (Eastern time) on the valuation date in order to be priced at the net asset value per Class A Share of the respective Series for that valuation date. Redemption requests received after that time will be priced at the net asset value per Class A Share of the respective Series for the next valuation date.

Orders will be honoured in the order received. However, if redemptions made in **any weekly** period cause redemptions for the year to **exceed the 20%** of NAV threshold, a per the terms of the articles of the Class A shares the Fund reserves the right to honour all orders placed during that week on a proportionate or **pro-rata basis**, such that redemption orders will receive not a full redemption but a partial redemption representing their portion of the amount available for redemption split evenly amongst all other shares for which redemption requests were received in that period. **VL Advisors strongly recommends that shareholders and advisors who want to ensure they or their clients are able to redeem place their orders during the initial opening week.** All shareholders who place orders during the opening first week will get some portion, possibly all, of their order filled, but deferring placing an order may mean that the Fund closes again before a client's order gets fulfilled, and that client may then have to wait another year or more for liquidity.

VL Advisors **recommends that advisors submit orders using the FundServ platform** to ensure that their sell orders reach the back office with maximum efficiency, thereby improving the chances of the request being received and processed on time. Fund redemptions will be processed on an account by account basis, meaning that **bulk redemption submissions** (i.e. spreadsheet listing multiple accounts) **will not be processed.** Prior to reopening the Fund's transfer agent will be reaching out to back offices with more specific details on how to best place orders.

Redemptions orders can be placed via the electronic trade execution platform FundSERV or manually. Manual redemptions include faxed instructions to redeem or Letters of Direction received from shareholders.

Where a shareholder has previously received a share certificate, the Fund requires the shareholder to either deliver the share certificate before the redemption can be completed, or deliver in a form acceptable to the transfer agent an indemnity in connection with the lost certificate. Share certificates or such indemnity, along with the written trade instructions, should be delivered to the Fund's transfer agent's offices:

CI Financial
15 York Street
2nd Floor
Toronto, ON M5J 0A3

Or by Facsimile:

416-364-6299 Or
(Toll Free) 1-800-567-7141

If the client fails to deliver all required documentation – the trade request will be rejected as “Not In Good Order”. At such time, the Fund's transfer agent will reach out by available means to the client to try to establish a proper resolution of the failed trade, and the trade will be executed at the net asset value per Class A Share of the respective Series for the subsequent valuation after all documentation and trade instructions have been properly delivered.

If the Fund shareholder has held the Fund for less than 8 Years, there will still be a **clawback of both Federal and Provincial tax credits** received upon initial purchase (if any were received by the client). All series will be reopened for redemption – CI Fund Code 6909, 6919, 6929, 6939 and 6949 - but CI Fund Code 6929 and 6939 may still have **deferred sales charges** withheld from the Fund shareholder if held for less than 8 Years. **Shareholders and their advisors are encouraged to reach out to customer service 1-800-792-9355 to get details on each prior to submitting sales orders.** The Fund's transfer agent will be sending material details on how to redeem to the back offices of advisors of record prior to reopening.

In any financial year, the Fund will not be required to redeem Class A Shares having an aggregate redemption value exceeding 20% of the net asset value of the Fund as of the last day of the preceding financial year and at its option may suspend redemptions for substantial periods of time in such circumstances.