

# EXITS Workshop

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## Secondary Markets and New Types of Buyers

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SFU

## Liquidity

- The Investor's options  
public or private?
- The Investee's options  
public or private?
- The GreenAngel model  
public AND private

# Investing or Gambling?



- 20 year returns: S&P500: 8.2%  
Mutual funds 3.2%  
Retail VCCs <0%
- 2000-2009 ALL indices <0% except SPX at 3.9%
- Buffet philosophy: buy and hold
- Speculating: high risk/high reward  
e.g. mining sector
- Angel (private) investing: 27%

# Pick a Winner:

Portfolio 1 - GREEN STOCKS		16:15:25 EDT - Update in 7 seconds Pause → View Portfolio 2 3   Live Ticker   Edit Portfolio   Value Portfolio   D															
Sym +Names	Bid	Ask	Last	Chg	%Ch	Vol	\$Vol	#Tr	Open	Hi	Lo	Year Hi	Year Lo	Last Tr	News	Delay	
<a href="#">ART</a> - V	23.0	0.105 · 0.14	25.5	<b>0.105</b>								0.40	0.105	Jun 02 10:16:34	May 25	realtime	
<a href="#">AXY</a> - T	10.5	0.80 · 0.81	24.5	<b>0.80</b>	-0.02	-2.4	545.9	435	316	0.80	0.81	0.77	1.53	0.80	15:59:58	Jun 01	realtime
<a href="#">AZD</a> - T	1.0	0.295 · 0.30	104.5	<b>0.30</b>	+0.04	15.4	1,142.8	330	164	0.265	0.305	0.265	0.405	0.24	15:58:16	<b>07:50</b>	realtime
<a href="#">BEV</a> - T	6.1	2.06 · 2.10	0.6	<b>2.06</b>	-0.07	-3.3	44.6	92	64	2.11	2.11	2.02	2.47	1.72	15:44:25	Jun 06	realtime
<a href="#">BLD</a> - T	0.7	1.65 · 1.66	2.9	<b>1.65</b>	-0.07	-4.1	31.4	54	91	1.75	1.75	1.65	2.45	1.34	15:59:51	Jun 02	realtime
<a href="#">CMH</a> - T	34.0	0.56 · 0.58	4.5	<b>0.56</b>	-0.01	-1.8	36.8	21	23	0.57	0.57	0.56	0.83	0.47	15:59:35	Jun 01	realtime
<a href="#">EFL</a> - T	0.4	1.95 · 1.98	0.8	<b>1.96</b>	-0.10	-4.9	72.2	144	191	2.05	2.06	1.95	3.85	1.86	15:54:30	May 20	realtime
<a href="#">FVR</a> - V	0.5	0.66 · 0.69	2.0	<b>0.66</b>	-0.02	-2.9	13.4	9	6	0.68	0.68	0.65	1.65	0.45	12:58:44	May 17	realtime
<a href="#">GAE</a> - V	6.5	0.195 · 0.21	11.5	<b>0.21</b>	+0.01	5.0	35.0	7	5	0.20	0.21	0.20	0.22	0.10	15:00:09	Jun 06	realtime
<a href="#">GRN</a> - V	1.0	0.18 · 0.19	1.0	<b>0.15</b>	-0.03	-16.7	34.5	6	11	0.18	0.19	0.15	0.40	0.18	15:54:52	Jun 06	realtime
<a href="#">LEC</a> - V	2.0	0.19 · 0.20	17.0	<b>0.20</b>	-0.01	-4.8	26.6	5	8	0.19	0.20	0.18	0.27	0.08	15:55:20	Apr 28	realtime
<a href="#">LED</a> - V	0.5	0.56 · 0.57	10.0	<b>0.59</b>									0.87	0.375	Jun 07 14:42:41	May 17	realtime
<a href="#">LPS</a> - V	98.0	0.105 · 0.12	26.5	<b>0.105</b>	-0.005	-4.5	10.0	1	2	0.11	0.11	0.105	0.60	0.10	15:38:56	May 10	realtime
<a href="#">NKV</a> - V	15.5	0.15 · 0.155	6.5	<b>0.155</b>	-0.005	-3.1	213.3	34	20	0.16	0.165	0.155	0.43	0.095	15:50:35	May 16	realtime
<a href="#">RLE</a> - V	2.5	0.48 · 0.50	5.0	<b>0.48</b>			86.6	42	6	0.48	0.485	0.48	0.75	0.19	13:59:30	May 31	realtime
<a href="#">WFI</a> - T	0.2	21.80 · 21.92	0.2	<b>21.81</b>	-0.36	-1.6	4.2	92	26	22.15	22.15	21.74	27.95	21.70	15:39:39	May 20	realtime
<a href="#">WPT</a> - T	1.4	19.35 · 19.47	1.4	<b>19.36</b>	-3.48	-15.2	285.7	5,801	1,675	21.80	21.80	19.29	26.77	14.14	16:00:00	<b>07:41</b>	realtime

## So, WHO else will invest?

- Only 2% of the population is “accredited”
- Only 10% of that is keen on tech (=0.2%)
- Do you know any VC’s that invested in mining plays?
- Challenge: tap the retail investor

## It worked for mining companies

- Rapid fire news & speculation
- Many retail investors
- Easy in/easy out
- Even though there were lots of losers

## Will it work for Tech Companies?

- It did for many:  
RIM, QLT, Ballard, Westport, Carmanah, Burntsand
- Because they thought “big”
- But, can we live with some losers?  
(and can we be a little more patient?)

## Pooling & Co-investing

A “Pool”....

- invests in several companies
- has many investors
- co-invests with knowledgeable angels
- improves the odds, gets you closer to 27%

## An alternative:



Invests in Private Companies  
Offers liquidity (at least some)  
to investors AND company founders  
Longer term play

TSXV:GAE

## Initial Investments

- REV Technologies Inc - electric drive systems (8.7%)
- Habitat Enterprises Ltd – carbon credit (12.2%)
- DPoint Technologies Inc - ERV membranes (7.7%)
- Paradigm Environmental Tech – anaerobic digesters (5.5%)
- Delaware Power Systems Inc - battery systems (5.5%)
- Light-Based Technologies Inc - LED controls (10.2%)

.....and more to come!

TSXV:GAE

## Initial Investments

- Initial (book) value in Oct. '09 \$2.1 M
- Market value today: \$3.2 M
  - +51.4 %
  - \$0.22 per share net asset value
- Expected value in 2011-2012: \$7.1 M
  - +241 %
  - \$0.49 per share net asset value

TSXV:GAE

## More info...

[www.greenangelenergy.ca](http://www.greenangelenergy.ca)

TSXV: GAE

