



2019



ANNUAL REPORT



METRICS 2019

FUND DEVELOPMENT

- Funds in the pipeline: \$35,000

INVESTMENTS

- Ashored Innovations: \$30,000
- Aurea Technologies: \$20,000
- Number of Entrepreneur Pitches:
5+ exclusive pitches observed
- Number of Investment Memos completed: 7

EXTERNAL RELATIONS

- Number of Investor Relation Meetings: 5
- Number of community events attended: 15+ events
- Number of events hosted: 5+ events

STUDENT ACCOMPLISHMENTS

- 2nd place at the New England Undergraduate VCIC at Boston University
- Entrepreneur Pick of the Year Award at the New England Undergraduate VCIC at Boston University
- Participation in the Silicon Valley Graduate Super Region VCIC at UNC Kenan-Flagler
- 1st place overall at the Innovation Challenge
- 3rd place in the ocean category at the Innovation Challenge
- 2nd and 3rd place at the local GSEA competition
- Investment in the 1st place winner of the local GSEA competition
- Featured panel member at the Funding for Founders Conference
- Two round one winners of the Blue-Green Challenge by Innovcorp
- Winner at the Volta Cohort Pitch Event
- Education and student participation with surrounding universities such as Acadia, Mount Allison, Memorial,



ABOUT VENTURE GRADE

Established in 2016, Venture Grade has grown to become recognized as the most comprehensive university venture capital program in Canada. It encompasses five core learning activities:

THEORETICAL DEVELOPMENT:

Students are required to take two courses relating the Venture Capital asset class and fund dynamics. Understanding the basis of long term, early stage investing and the complicated subtleties of funds are required for students to later participate in investing and building out the donor base.

FUND DEVELOPMENT:

Associates are responsible for identifying leads and managing investor relations in order to raise funds for the Venture Grade pool of funds. Members of the team are tasked with the responsibility to nurture leads, maintain communication, and conduct meetings to secure sustainable funding.

INVESTMENTS:

Associates are responsible for identifying potential start-ups to invest in by establishing relationships, conducting due diligence, creating an extensive investment memo and then presenting it to the University's Investment Committee.

EXTERNAL RELATIONS:

Associates represent the Venture Grade team in the community by attending entrepreneurial and venture capitalist events to source new leads and maintain existing relationships. The team is also responsible for building the fund's brand image and maintaining its online presence and hosting events throughout the year.

VENTURE CAPITAL INVESTMENT COMPETITION (VCIC):

Venture Grade is the exclusive Canadian host for VCIC at both the undergraduate and graduate level. This involves significant planning to bring stakeholders together from all across Canada. Additionally, Saint Mary's University also provides select students with the opportunity to participate in VCIC competitions at prestigious schools in the USA to apply their knowledge.



LETTER TO STAKEHOLDERS

As 2019 comes to a close, we are all feeling very grateful for the learning, experiences, opportunities, and mentorship we have received once again this year. We have achieved many great accomplishments in 2019 - both individually and collectively as a fund - all of which would not have been possible without our generous academic and community support.

We are very proud to highlight the size and diversity of our team this year. Venture Grade to us has proven to be a special passion that brings people from all types of backgrounds together for the same shared desire to learn about this unique sector of business. This year we had a mix of 26 undergraduate and graduate students from six academic programs, representing 12 nationalities, and combined work experience in 13 different countries.

The fund made two major investments this year in local businesses. The first was for Ashored Innovations which was founded by fellow SMU alumni. The second was Aurea Technologies which is a clean technology company managed by a team of three powerful female entrepreneurs. Responsible investing was a topic of priority this year

and we are very happy to have found two, thriving businesses within Atlantic Canada that are focused on providing cleaner solutions for their respective industries. We are optimistic of the scalable impact they can make, and we look forward to following their future success.

A number of Venture Grade Associates achieved individual success at various competitions throughout the year for their personal businesses or for the application of venture capital knowledge. Some highlighted achievements include: 2nd at the International Venture Capital Investment Competition (VCIC) at Boston University, 1st at the Halifax Innovation Challenge, 2nd and 3rd at the Halifax Global Student Entrepreneur Awards (GSEA) where the 1st place winners were former SMU students that the Fund invested in this year. We have three stellar entrepreneurs in our group, a student who is working with Concrete Ventures, as well as some of the highest performing students across the University.

Finally, Saint Mary's University is proud to be recognized as the exclusive host for the Canadian VCIC competition at both the undergraduate and grad-

uate levels. This is an annual event that brings together students, entrepreneurs and venture capitalists from across North America for a unique student geared learning event. Last year six startups and 17 venture capitalists travelled to Halifax to participate in this event, and it continues to build and attract interest in Universities from all across the nation.

We thank you for your ongoing support and interest in Venture Grade. It continues to provide us with unique opportunities to learn and make an impact in the Atlantic Canada ecosystem.



MEET THE TEAM

UNIVERSITIES PARTICIPATING

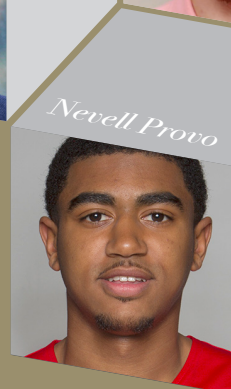
- Two

EDUCATIONAL BACKGROUNDS

- Bachelor of Commerce
- BComm Computing Information Systems
- Bachelor of Arts
- Bachelor of Environmental Science
- Bachelor of Design
- Master of Business Administration
- Master of Technology Entrepreneurship and Innovation

TEAM MEMBERS

- 26





"THE CONNECTIONS, KNOWLEDGE, AND SKILLS I HAVE DEVELOPED THROUGH VENTURE GRADE HAVE HELPED ME STAND OUT AMONGST PEERS, AND EVEN LEAD TO THE CREATION OF MY OWN BUSINESS WITH THEM"

JAKE CHAMBERS, BCOMM,CIS. STUDENT

"I REALLY APPRECIATE HOW VENTURE GRADE EMPOWERS YOU TO THINK AND ACT LIKE A BUSINESS PROFESSIONAL. LEADING TO LESSONS YOU SIMPLY WON'T LEARN FROM A TEXTBOOK."

LAURIE TAYLOR, MBA STUDENT

"AS A NEWCOMER AND GRADUATE STUDENT IN CANADA, I AM LEARNING A LOT ABOUT THE SOCIAL AND CORPORATE CULTURE OF THE "GREAT WHITE NORTH" VIA ACTIVITIES OF THE VENTURE GRADE. SPECIFICALLY, AS PART OF THE INVESTOR RELATIONS TEAM, I LIAISON WITH ATLANTIC CANADA'S SUCCESSFUL BUSINESS LEADERS SO THAT THEY CAN DONATE TO OUR EVERGREEN VC FUND".
- NURSULTAN (NURI) SULAIMANOV, MTEI STUDENT

NURSULTAN (NURI) SULAIMANOV, ASSOCIATE MTEI STUDENT

INTERNATIONAL WORK EXPERIENCE

- 13+ countries such as Saudi Arabia, Netherlands, Norway, Australia, Japan, Hong Kong, Kazakhstan, Bulgaria, Ukraine, Turkey and the USA.

CULTURAL BACKGROUNDS

- Nationalities: 12+ represented including Mexico, Yemen, India, Saudi Arabia, Lebanon, Germany, Bangladesh, Ghana, China, Kyrgyz Republic, Nigeria and Canada

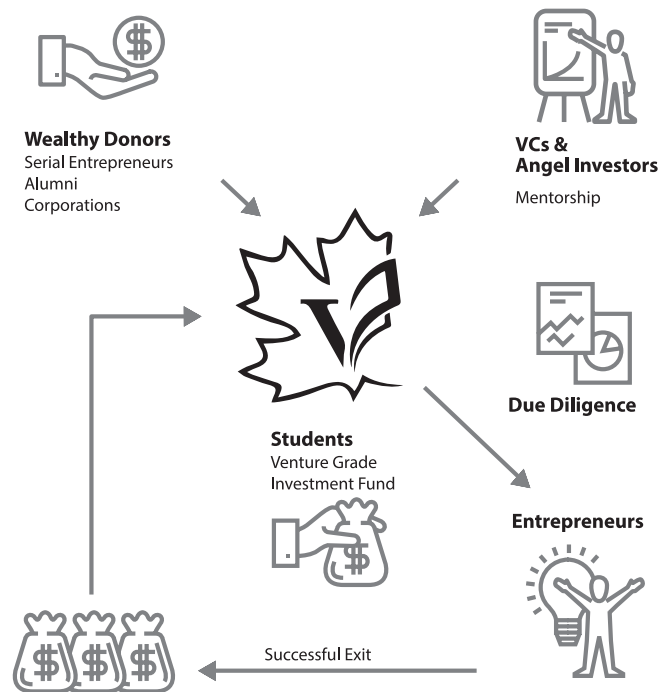
ROLE OF VENTURE GRADE ASSOCIATES

- General Partner
- Investor Relations Manager
- Investment Manager
- Promotion & Outreach Manager
- Associate

THE FUND

Venture Grade Associates are challenged to step into the community, network and identify potential funding sources. The ultimate goal is to establish an investment fund of \$250,000. Progress continues to be made towards this milestone and the team is grateful for the many generous donors to date. In 2019, the team developed \$35,000 in the pipeline which would contribute to an overall total raise to date of \$232,000.

The value of the fund is that it enables Venture Grade to contribute to the entrepreneurial ecosystem. Investing in companies within Atlantic Canada not only provides a unique learning opportunity for the students, but also leaves a lasting impact within the community, and provides significant engagement with donors who value the learning role that their funds provide. The fund is designed to be an evergreen fund: the returns from any future positive exits are maintained within the fund so that it may continue to grow for years to come. This purpose helps to ensure a sustainable learning opportunity for future students of Venture Grade.



GOVERNANCE

The Venture Grade Student Ventured Capital Fund was provided with a charter and formally established in 2016 under Saint Mary's University, thereby benefitting from 215 years of stable governance. Venture Grade is endowed with an official charter to endorse the role and work of Venture Grade.

A robust oversight framework has been developed for all Venture Grade investments. This includes an Investment Committee, which consists of faculty and local industry leaders who review the students' recommendations. Currently the Investment Committee includes the following key members:



- 1] DR. ELLEN FARRELL, PROFESSOR AND CO-DIRECTOR MTEI, SOBEY SCHOOL OF BUSINESS, SAINT MARY'S UNIVERSITY
- 2] DR. HARJEET BHABRA, DEAN, SOBEY SCHOOL OF BUSINESS, SAINT MARY'S UNIVERSITY
- 3] PATRICK FITZGERALD, PARTNER, COX AND PALMER
- 4] ANDREW RAY, VICE PRESIDENT, INVESTMENT, INNOVACORP

INVESTMENTS IN 2019

ASHORED INNOVATIONS

After completing 105 investment memos during May and June, Venture Grade directed the year's first investment in Ashored Innovations's family and friends round.

Ashored Innovations is an ocean technology company that provides sustainable hardware and software solutions for commercial fishermen that reduces the environmental risk to marine wildlife and habitats. It was founded in 2018 by a group of three Saint Mary's University graduate students that have since received tremendous support from the provincial and federal government, established an impressive board of mentors, and earned over \$435,000 in non-dilutive funding.

Ashored is still in the pre-revenue stage as they fulfill all their pilot and quality testing prior to launching their go-to market in 2021. The Venture Grade team is optimistic about the long-term reward and potential for a company acquisition once these critical milestones have been achieved.

"Ashored is tackling a major problem in an industry that has remained unchanged for decades. The team is dedicated, driven and passionate about the problem they are solving. As early investors we are proud to see their early success unfold."

KORY HENN, GENERAL PARTNER

AUREA TECHNOLOGIES

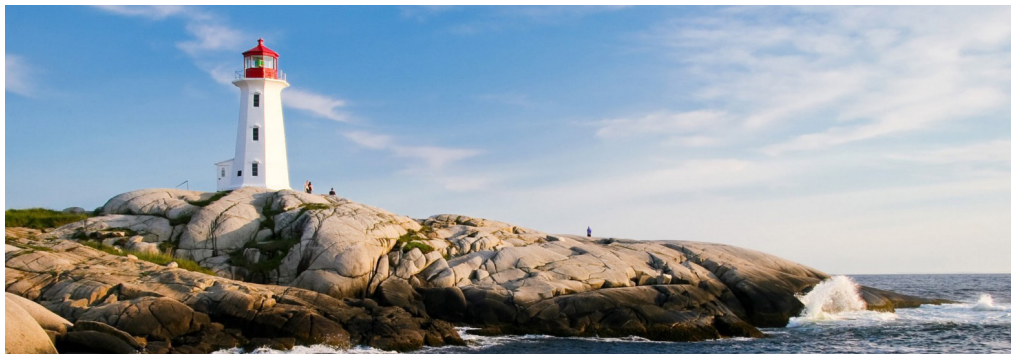
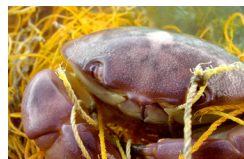
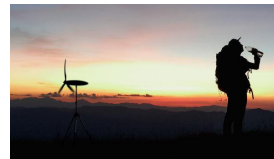
In October Venture Grade team directed an investment in Aurea Technologies.

Aurea Technologies specializes in the portable wind turbines that can be used as a power source for consumer or military environments. Venture Grade is proud to support this all-female team with their market validation. With experience in engineering, business start-ups, and successful exits, Aurea Technologies excels at establishing strategic partnerships and connections as shown through their well-respected board of advisors, and potential partnerships with the Canadian and American military, and major retailers.

Aurea Technologies is currently exploring several strategic paths, each of which entails their own respective benefits and value. The Venture Grade team is confident that the knowledge, skills, and opportunities for this team will convert into success.

"We were really drawn to Aurea because of its unique clean technology, significant pre-sale validation, potential to tap into reducing battery usage, and the strong, local, female entrepreneurs behind it."

JAKE CHAMBERS, INVESTMENT MANAGER



SUPPORTERS AND STRATEGIC PARTNERS



PARTNERS



PORTFOLIO

