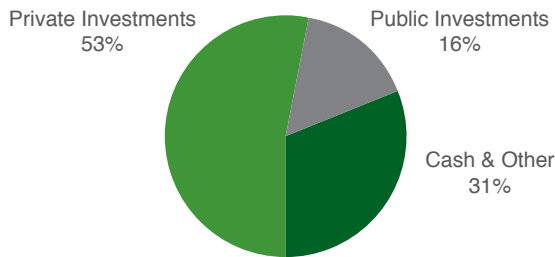


VenGrowth II Fund

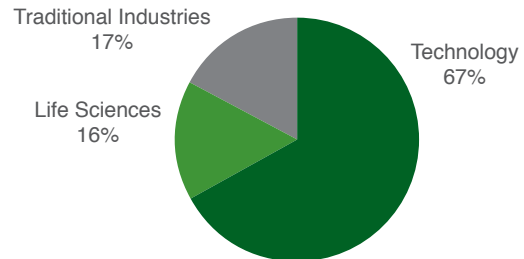
Flagship Canadian venture fund with strong technology focus.

Portfolio Update (as at December 31, 2010)

Net Asset Mix



Sector Diversification



Fund Objective

The Fund's objective is to invest in small- and medium-sized eligible Canadian businesses with the objective of obtaining long-term capital appreciation.

Launch Date

January 10, 2000

NAVPS*

\$2.61 (after distributions)

Distributions Paid	
December 18, 2009:	\$0.408
January 21, 2011:	\$0.255
Total Distributions to Date:	\$0.663

Tax Credits

15% Federal
15% Ontario

Fund Code

VEN 679 (Classic DSC)

Major Venture Holdings

Company	Amount Invested (\$ millions)	Sector
Xceed Molecular USA Inc.	\$28.1	Life Sciences
BTI Photonic Systems Inc.	20.3	Technology
TenXC Wireless Inc.	18.8	Technology
SiGe Semiconductor Inc.	18.5	Technology
Nakina Systems Inc.	16.9	Technology
BelAir Networks Inc.	16.3	Technology
JoWood Production Software	15.1	Technology
Espial Group Inc.	12.7	Technology
VG Mezzanine I LP	11.5	Traditional Industries
Mobile Computing Corp. Inc.	8.2	Technology

Major Holdings at Cost \$166.6

Total Holdings at Cost \$179.8

Portfolio Insight

Private Investments
12

Public Investments
5

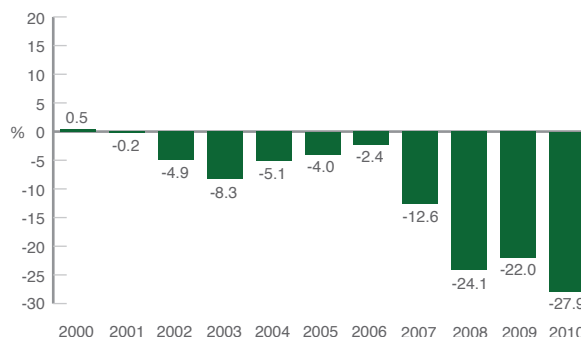
Total Current Investments
17

Number of Companies with VenGrowth Board Status
10

Investments Since Inception
82

Exits Since Inception
65

Calendar Year Returns (Classic DSC)*



Compound Returns (Classic DSC)*

Year to Date
-27.9%

1 Year
-27.9%

3 Year
-24.7%

5 Year
-18.3%

Since Inception
-11.7%

* Excluding distributions paid to date

Please visit www.vengrowth.com for performance of all Classes of the Fund.

"VenGrowth II Fund" means The VenGrowth II Investment Fund Inc." Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectuses of our Funds before investing. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. The indicated rates of return are the historical annual compounded total returns, including changes in unit value and do not take into account sales, redemption or optional charges or income taxes payable by an security holder that would have reduced returns.

VenGrowth
FUNDS