



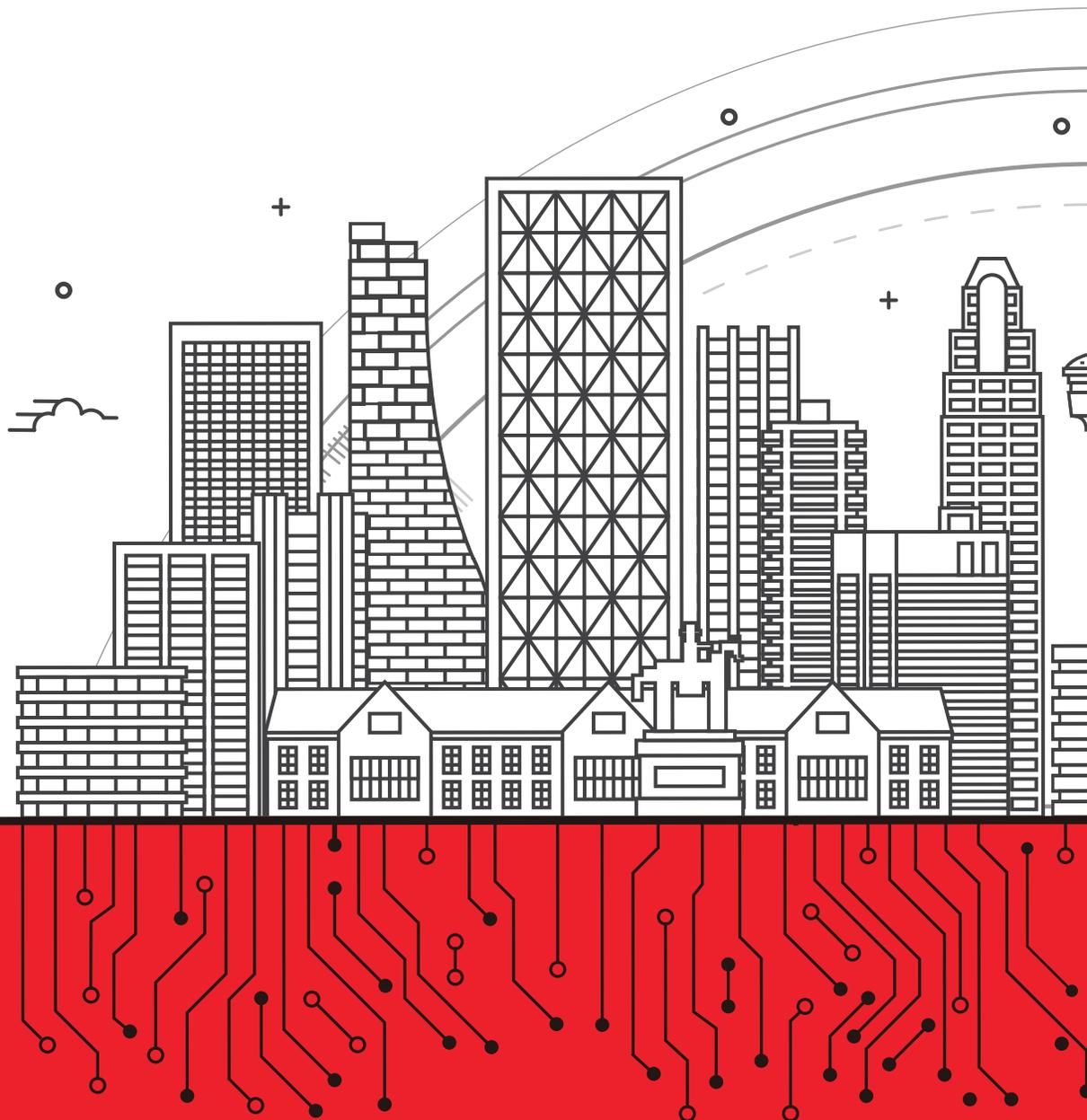
OPPORTUNITY CALGARY INVESTMENT FUND

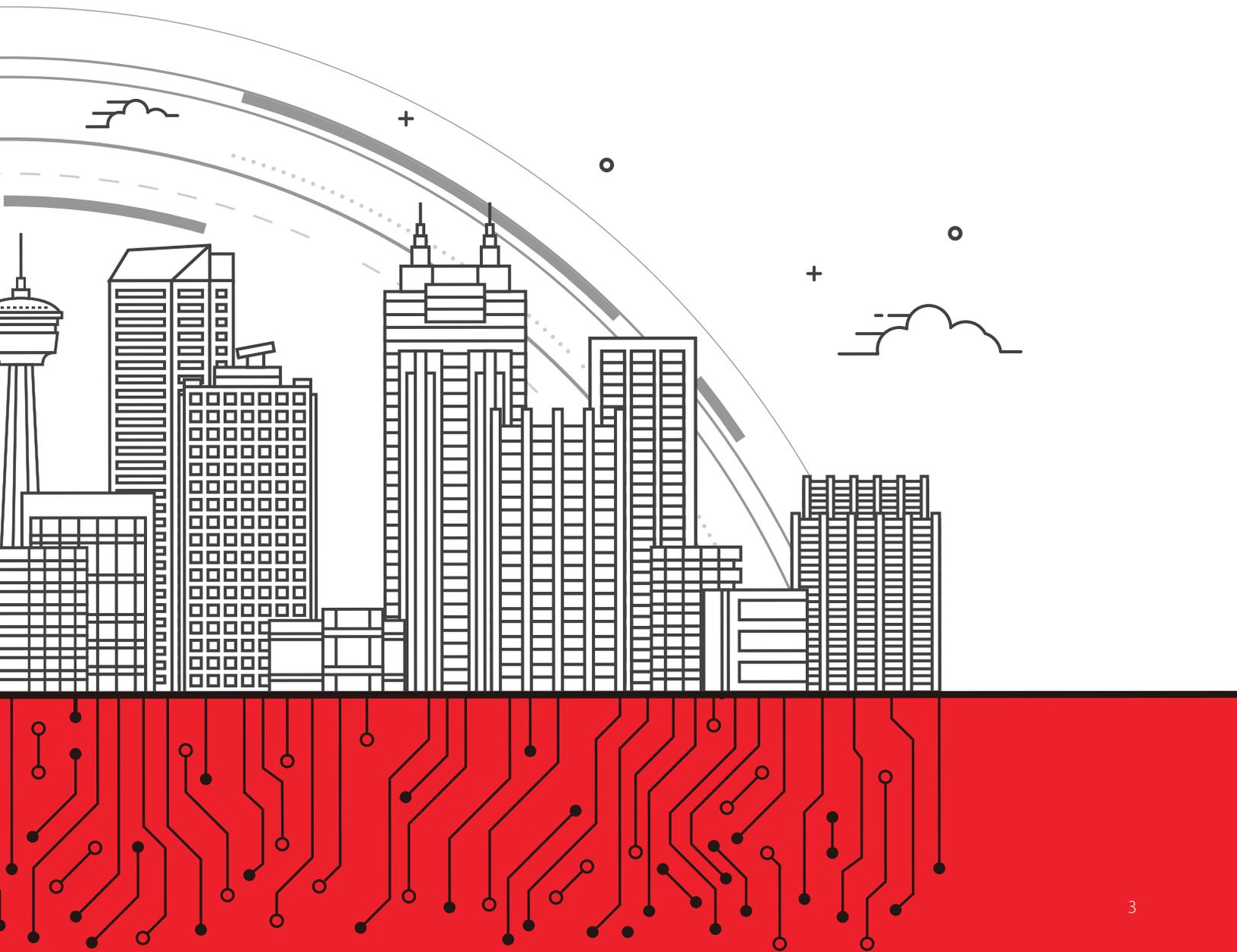
2020 ANNUAL REPORT

**Opportunity Calgary
Investment Fund**

TABLE OF CONTENTS

4	Message from CEO and Board Chair
6	2020 in review
8	Economic Strategy
10	Projects (2020)
12	Projects (2018-2019)
14	Opportunity Calgary Investment Fund Financial Statements





MESSAGE FROM CEO AND BOARD CHAIR

The acceleration of digital transformation has been one of the big impacts of COVID-19 and the Opportunity Calgary Investment Fund (OCIF) has emerged as a highly effective tool for the City of Calgary to accelerate the momentum in our city's growing tech-innovation ecosystem.

City Council established the Fund as a milestone-based program to support investment attraction and job creation and the strategic ventures it supports are pivotal to fast-track the shared vision for Calgary in the New Economy in a post-pandemic world.

OCIF is the main tool Calgary has to implement the economic strategy that identifies digital transformation as the key to diversification and sustained prosperity. The investments made in 2020 will be catalysts for significant growth in the number of companies started and scaled, jobs created, and the number of Calgarians acquiring the skills needed for the jobs created by digital transformation.

Previous investments such as the Life Sciences Innovation Hub at the University of Calgary are already proving to be game changers in turning bright ideas in healthcare and biomanufacturing into economic opportunities for our city.

The initial signs of momentum in our economic recovery emerged late last year with the news of record venture capital investment in Calgary in 2020. It was followed by series of company announcements early this year led by global tech giant Infosys revealing in March it would establish a 500-plus person operation in Calgary.

To accelerate and sustain momentum in our tech-innovation ecosystem, the OCIF Board of Directors and Management issued two Requests for Proposals (RFPs) in April 2021. The two programs would deploy approximately \$27.5 million to support early-stage and scaling companies as well as new business accelerator programs to be launched in Calgary.

The members of the volunteer Board who provide oversight and direction for the City-owned Fund and are confident these changes, which are part of an evolution of OCIF to focus on larger-impact initiatives, will bolster our tech ecosystem at a critical time. Coordinating the RFPs for the two new programs with Innovate Alberta's new investment attraction program will create synergies that allows Calgary to compete for bigger companies and projects.

The new initiatives will roll out in the third quarter of 2021; essentially a year after OCIF resumed operations following a brief pause to assess the impact of COVID-19 on the economy and individual company business plans.

We had five funding announcements in the second half of 2020 to bring the total commitments from the \$100 million Fund to \$42 million with many of the investments focused on bringing

more people and companies into the downtown core. The support from OCIF has led to a total investment of \$636 million in projects in Calgary.

The changes to the Board of Directors are detailed later in this report but we owe a debt of gratitude to Barry Munro, who completed his term as Board Chair last year. The hard work, insight and guidance of all the members of the Board was greatly appreciated in a particularly challenging year.

On behalf of the entire Board, we would also like to thank City Council, City Administration and the management staff at Calgary Economic Development for their efforts over the past year and we look forward to continuing to leverage OCIF to support investments that expand the innovation ecosystems in Calgary and position Calgary as the location of choice for the world's best entrepreneurs and business investment.



Mary Moran
President and Chief Executive Officer



Mark Blackwell
Board Chair

VISION

The Opportunity Calgary Investment Fund (OCIF) is a City of Calgary initiative with a mandate to make strategic, leveraged investments. Investments are made in key sectors identified in the economic strategy *Calgary in the New Economy* and are intended to be catalytic for growth and expansion of the innovation and technology ecosystems in Calgary.

2020 IN REVIEW

BY THE NUMBERS

Category	2020	Cumulative
Projects Announced	5	14
Funds Committed	\$19 M	\$42 M
Total Investment Size	\$472 M	\$636 M
Total Jobs	912*	1,900*
Funded	607	1,595
Unfunded	305	305
Companies Created/Scaled	105*	190*
Square Footage Occupied	142,000*	438,728*

**Forecast over three-to-five years of agreements*



The COVID-19 pandemic and global oil price war had a significant impact on the operations of the Opportunity Calgary Investment Fund in 2020. The uncertainty it created throughout the economy prompted the Board of Directors to temporarily suspend the receipt or processing of new applications and business cases in April. The downtime was focused on managing existing OCIF investments including evaluation of companies' abilities to fare disruption in operations.

Full OCIF operations resumed in July, with a dual live-stream and in-person news conference (adhering to newly enacted health and safety protocols) to announce agreements with AltaML Inc. and Harvest Builders. In total, five funding agreements were announced in 2020 that are expected to be catalysts, advancing the innovation and talent priorities in Calgary in the New Economy.

OCIF signed five agreements in 2020 representing commitments of approximately \$19 million. All five – AltaML Inc., Harvest Builders, the SAIT DX Talent Hub, Alberta IoT and LodgeLink Inc. – are vital additions or expansions to Calgary's tech and innovation ecosystems. They are expected to create more than 900 jobs, primarily in tech, over the next five years.

At year-end 2020, \$42 million in funding has been allocated to 14 projects which supports a total investment in \$636 million into the local economy. The Fund created by the City of Calgary is managed by Calgary Economic Development. Disbursements of funds are made to organizations when milestones are achieved. With the impact of COVID-19, and many of the recent agreements over three-to-five-year time frames, only \$50,000 was disbursed in 2020.

Notable among companies OCIF has supported, Finger Food Technology Group was acquired by Silicon Valley tech giant Unity Software in 2020. The transaction reflected the increased interest in Calgary's tech ecosystem.

In June, Board member Mark Blackwell was appointed the new Board Chair, replacing Barry Munro. Board member Nancy Laird was appointed Vice-Chair. In addition to Munro, who had been Board Chair since OCIF was publicly launched in 2018, we also thank Steve Allan and Geeta Sankappanavar for their service on the Board. Joining the volunteer Board in 2020 were Dr. Elizabeth Cannon, O.C., President Emerita, University of Calgary; Jill Angevine, Managing Director, Palisade Capital; and Alice Reimer, Cofounder of and Site Lead for CDL-Rockies.

OCIF has evolved as the Fund matures. The focus is increasingly on investments that will have impact on the innovation ecosystem through the number of jobs created, companies supported, or, as with SAIT's DX Talent Hub, graduates produced for jobs in Calgary's growing tech ecosystem.

Developing tech ecosystems across all sectors of Calgary's economy and contributing to a vibrant downtown are critical elements of OCIF's mandate. The focus on larger, ecosystem-building endeavors is a prudent use of OCIF funds as Calgary embraces digital transformation to spur both economic growth and diversification.

ECONOMIC STRATEGY

CALGARY IN THE NEW ECONOMY

The Opportunity Calgary Investment Fund is a powerful financial tool to accelerate the implementation of *Calgary in the New Economy*, an economic strategy that was created by the community for the community. The strategy puts in place the foundation for sustained economic prosperity based on four areas of focus: Talent, Innovation, Place and Business Environment. The Fund is primarily a catalyst for Talent and Innovation initiatives.



VISION

Calgary is the city of choice in Canada for the world's best entrepreneurs who are applying technology to solve the world's greatest challenges: cleaner energy, safe and secure food, efficient movement of goods and people, and better health solutions.

FOUR FOCUS AREAS



Talent

Canada's destination for talent



Innovation

Canada's leading business-to-business (B2B) innovation ecosystem



Place

Canada's most livable city



Business Environment

Canada's most business-friendly city



PROJECTS

2020

HARVEST BUILDER

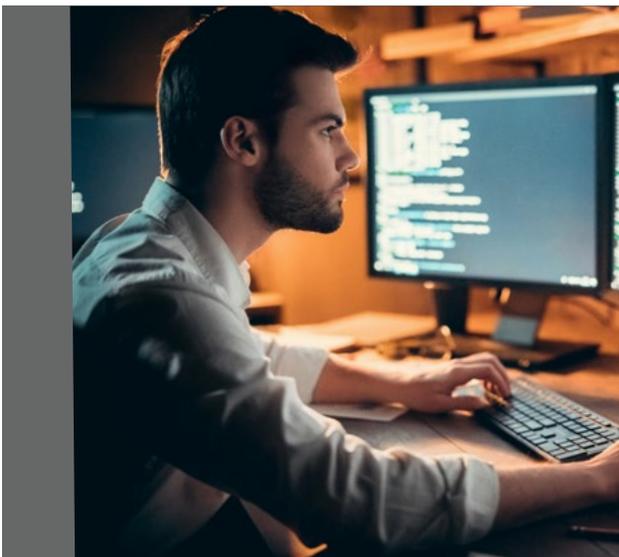
Business incubator to grow and accelerate new technology ventures

Funds approved: Up to \$4 million

Alignment with *Calgary in the New Economy*: Innovation

OCIF supported Harvest, a Calgary venture builder, to expand its development of a service infrastructure to help create and scale new technology ventures in Calgary and across Western Canada. Harvest provides a de-risked co-building approach that leverages its proven playbook, and accelerated growth programming, for startups with an initial focus on the fintech and proptech sector.

JULY



AltaML Inc.

Creating a data science internship program to accelerate AI/ML

Funds approved: Up to \$3.25 Million

Alignment with *Calgary in the New Economy*: Innovation

OCIF supported AltaML to create a data science internship program to accelerate Artificial Intelligence/Machine Learning (AI/ML) skills. Development happens through a hands-on, mentored work experience that will address the shortage of local experienced AI/ML talent. AltaML takes on interns with appropriate science, technology, engineering and math (STEM) qualifications to apply machine learning to solve real-world problems for its partners.





SAIT DX TALENT HUB

Providing integrated training programs in digital transformation

Funds approved: Up to \$8.2 million
Alignment with *Calgary in the New Economy*: Innovation, Talent

OCIF supported SAIT Digital Transformation (DX) Talent Hub to create a downtown continuing education hub to address the digital skills gap and help workers, and companies, transition to the digital economy. The DX Talent Hub will produce more than 1,500 graduates over five years and significantly enhance the tech talent infrastructure.

LODGELINK

Applying advanced technology to disrupt the crew-travel sector

Funds approved: \$3 million
Alignment with *Calgary in the New Economy*: Innovation

OCIF supported Calgary-based LodgeLink Inc. for creation of 300 tech jobs in Calgary. The positions at the Tech Centre in downtown Calgary are part of growth plans totalling 600 jobs in the city. LodgeLink applies advanced technology to transform crew-travel industry and expanding to sectors and markets globally.

NOVEMBER

SEPTEMBER

ALBERTA IoT

Empowering companies working with the Industrial Internet of Things

Funds approved: Up to \$100,000
Alignment with *Calgary in the New Economy*: Innovation

OCIF supported Alberta IoT Association for the Entrepreneurial Fast Track Program. The program will support 90 Calgary companies working with the Industrial Internet of Things (IIoT) through eight-week training cohorts over two years. The companies will receive technical support and business advice to succeed in national and international markets.

DECEMBER



PROJECTS



2018-2019



Life Sciences Innovation Hub

Incubating companies in the Life Sciences sector

Funds approved: Up to \$8.5 million

Alignment with Calgary in the New Economy: Innovation

Parkland Fuel

Driving innovations in energy from a Calgary tech hub

Funds approved: Up to \$4 million

Alignment with Calgary in the New Economy: Innovation

OCTOBER

2019

FEBRUARY

MAY

JULY

MobSquad

Providing tech talent from satellite locations

Funds approved: Up to \$1.5 million

Alignment with Calgary in the New Economy: Talent, Innovation

NPower Canada

Developing tech skills for underserved youth

Funds approved: Up to \$100,000

Alignment with Calgary in the New Economy: Talent

Attabotics

Advanced manufacturing in robotics intralogistics

Funds approved: Up to \$4.5 million

Alignment with Calgary in the New Economy: Innovation





Finger Food Advanced Technology Group

Driving digitization of global industries

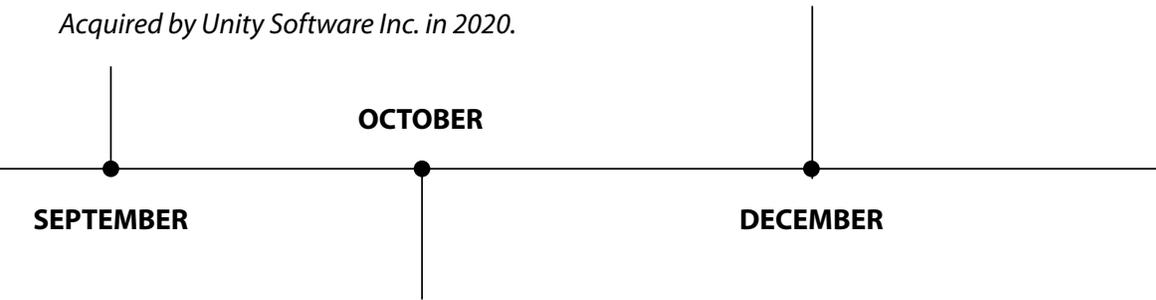
Funds approved: Up to \$3.5 million
Alignment with Calgary in the New Economy: Innovation

Acquired by Unity Software Inc. in 2020.

InterGen Capital

Knowledge transfer to next generation of entrepreneurs

Funds approved: Up to \$100,000
Alignment with Calgary in the New Economy: Talent



Hatch-YYC

Accelerating growth in Calgary's health tech sector

Funds approved: Up to \$1 million
Alignment with Calgary in the New Economy: Innovation

Lighthouse Labs

Providing tech training to Calgarians

Funds approved: Up to \$300,000
Alignment with Calgary in the New Economy: Talent





Opportunity Calgary
Investment Fund

Financial Statements
December 31, 2020

Contents

For the year ended December 31, 2020

	<i>Page</i>
Management's Responsibility	
Independent Auditor's Report	
Financial Statements	
Statement of Financial Position	1
Statement of Operations.....	2
Statement of Change in Net Assets.....	3
Statement of Cash Flows	4
Notes to the Financial Statements	5

Management's Responsibility

To the Board of Directors of Opportunity Calgary Investment Fund Ltd.:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian Public Sector Accounting Standards for Government Not-for-Profit Organizations. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors is composed entirely of Directors who are neither management nor employees of the Company. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board is also responsible for recommending the appointment of the Company's external auditors.

MNP LLP is appointed by the Board to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

March 19, 2021



Mary Moran
Chief Executive Officer
Opportunity Calgary Investment Fund Ltd.



Sheila Will
Chief Financial Officer
Opportunity Calgary Investment Fund Ltd.

To the Board of Directors of Opportunity Calgary Investment Fund Ltd.:

Opinion

We have audited the financial statements of Opportunity Calgary Investment Fund Ltd. (the "Company"), which comprise the statement of financial position as at December 31, 2020, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards for Government Not-for-Profit Organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian Public Sector Accounting Standards for Government Not-for-Profit Organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Calgary, Alberta

March 19, 2021

MNP LLP
Chartered Professional Accountants

**Opportunity Calgary Investment Fund Ltd.
Statement of Financial Position**

As at December 31, 2020

	2020	2019
Assets		
Current		
Cash	103,054	66,276
Amounts receivable (Note 3)	18,014	13,800
Prepaid expenses	344	-
Restricted cash (Note 5 and Note 7)	450,370	719,681
	571,782	799,757
Liabilities		
Current		
Accounts payable and accrued liabilities (Note 4)	85,127	32,280
Due to related party (Note 7)	36,284	47,795
Deferred revenue (Note 5)	450,370	719,681
	571,781	799,756
Net Assets		
Share capital	1	1
	571,782	799,757

Approved on behalf of the Board



Director



Director

Opportunity Calgary Investment Fund Ltd.
Statement of Operations

For the year ended December 31, 2020

	2020	2019
Revenue		
City of Calgary (Note 7)	918,920	632,697
Interest	-	40
	918,920	632,737
Expenses		
Corporate services (Note 7)	512,335	414,366
Legal services	247,373	74,669
Professional services	108,050	131,425
Technology services (Note 7)	51,162	12,277
	918,920	632,737
Excess of revenue over expenses	-	-

Opportunity Calgary Investment Fund Ltd.
Statement of Changes in Net Assets

For the year ended December 31, 2020

	<i>2020</i>	<i>2019</i>
Net assets, beginning of period	1	1
Excess of revenue over expenses	-	-
Net assets, end of period	1	1

Opportunity Calgary Investment Fund Ltd.
Statement of Cash Flows

For the year ended December 31, 2020

	2020	2019
Cash provided by (used for) the following activities:		
Operating		
Excess of revenue over expenses	-	-
Changes in working capital accounts		
Amounts receivable	(4,214)	(1,436)
Prepaid expenses	(344)	-
Accounts payable and accrued liabilities	52,847	(119,486)
Due to related party	(11,511)	(214)
Deferred revenue	(269,311)	353,729
	(232,533)	232,593
(Decrease) increase in cash and cash equivalents	(232,533)	232,593
Cash and cash equivalents, beginning of period	785,957	553,364
Cash and cash equivalents, end of period	553,424	785,957
Cash and cash equivalents are composed of:		
Unrestricted cash	103,054	66,276
Restricted cash	450,370	719,681
	553,424	785,957

Opportunity Calgary Investment Fund Ltd. Notes to the Financial Statements

For the year ended December 31, 2020

1. Incorporation and nature of the organization

Opportunity Calgary Investment Fund Ltd. (the "Company") was incorporated under the authority of the Business Corporations Act on April 19, 2018. The Company is registered as a non-profit organization under the Income Tax Act of Canada (the "Act") and is exempt from income taxes. The Company is a wholly owned subsidiary of the City of Calgary ("The City") and is governed under a unanimous shareholders agreement declared on May 11th, 2018.

The Company was established with a mandate to manage the \$100,000,000 Fund Reserve ("Fund Reserve") effectively and in a manner that creates an environment within The City of Calgary that encourages economic recovery and growth, helps reduce the impact of the economic downturn on Calgary's citizens and businesses and capitalizes on new opportunities to support Calgary's economic success into the future. The Fund Reserve is an interest-bearing capital and operating reserve fund held and administered by The City, as such, is not reflected in these financial statements.

The Company, in part by engaging the services of Calgary Economic Development Ltd. ("CED"), establishes and carries out a contribution program pursuant to which the Company, as steward of the Fund Reserve, will select, or in certain instances recommend to Calgary City Council ("Council") projects with The City of Calgary in which to contribute Fund Reserve funds.

The Company is required to conduct and manage the intake and review of applications and business cases, present reviewed business cases to the Company's Board or if required to present The City of Calgary Priorities and Finance Committee and Council for consideration; maintain timely and appropriate communication with applicants and The City, develop and enter into contribution agreements; request disbursement of funds from the Fund Reserve; and monitor and manage the execution and performance of contribution agreements. Upon approval of an application and business case and execution of a contribution agreement, the Company will deliver a request for funds to The City. The City is responsible for the disbursement of requested funds to the beneficiary from the Fund Reserve.

2. Significant accounting policies

Basis of accounting

The financial statements are expressed in Canadian dollars. The financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards for Government Not-for-Profit Organizations, with the optional 4200 series, as established by the Public Sector Accounting Board. The significant policies are described below.

Cash

Cash includes balances with banks. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash. Restricted cash will be utilized on future eligible expenditures.

Revenue recognition

The Company follows the deferral method of accounting for City of Calgary funding. These funds are recognized as revenue in the year in which the related direct costs required to administer the Fund Reserve are incurred. Interest income is recognized as revenue when earned.

Use of estimates

The preparation of financial statements in conformity with Canadian Public Sector Accounting Standards for Government Not-for-Profit Organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in the statement of operations in the periods in which they become known.

2. Significant accounting policies (Continued from previous page)

Financial instruments

The Company recognizes its financial instruments when the Company becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management. Financial assets and liabilities originated and issued in all other related party transactions are initially measured at their carrying or exchange amount in accordance with PSAS Section 2200 *Related Party Disclosures* (refer to Note 7).

At initial recognition, the Company may irrevocably elect to subsequently measure any financial instrument at fair value. The Company has not made such an election during the year.

Transaction costs related to financial instruments remeasured at fair value at each reporting date are expensed in the period, whereas they are added to the carrying value of the financial instrument for those measured at cost or amortized cost.

Financial asset impairment

The Company assesses impairment of all of its financial assets measured at cost or amortized cost. When there is an indication of impairment, the Company determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year. If so, the Company reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets; and the amount expected to be realized by exercising any rights to collateral held against those assets. Any impairment, which is not considered temporary, is included in current year deficiency of revenue over expenses. The Company reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in the statement of operations in the year the reversal occurs.

Contributed materials and services

The Company receives various contributions in the form of material or services that it uses to carry out its objectives. Because of the difficulty in determining the fair value of these materials and services, the Company does not recognize the amounts in the financial statement.

3. Amounts receivable

Amounts receivable relates to the following:

	2020	2019
Goods and Services Taxes receivable	18,014	13,800

4. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities relate to the following:

	2020	2019
Trade accounts payable	3,307	20,730
Accrued liabilities	81,820	11,550
	85,127	32,280

5. Deferred revenue

Deferred revenue consists of unspent funds from The City which are restricted for direct costs to administer the Fund Reserve. Recognition of these amounts as revenue is deferred to periods when the specified expenses are made. Changes in the deferred revenue balance are as follows:

	2020	2019
Balance, beginning of period	719,681	365,952
Funding received	649,609	986,426
Amounts recognized as revenue during the period	(918,920)	(632,697)
Balance, end of period	450,370	719,681

**Opportunity Calgary Investment Fund Ltd.
Notes to the Financial Statements**

For the year ended December 31, 2020

6. Income taxes

The Company is registered as a tax-exempt organization under the Act, and as such is exempt from income taxes. In order to maintain its tax-exempt status under the Act, the Company must meet certain requirements within the Act. In the opinion of management, these requirements have been met.

7. Related party transactions

The Company has an Operating and Funding Agreement (“Agreement”) with The City effective May 11, 2018.

The City of Calgary and affiliates

Related party balances and transactions with The City consist of:

	2020	2019
Opening balance restricted cash	719,681	365,952
Cash received from The City	649,609	986,426
Revenue recognized	(918,920)	(632,697)
Year end balance restricted cash	450,370	719,681

Calgary Economic Development Ltd.

CED and the Company are related by virtue of common control as they are wholly owned subsidiaries of The City, share two common Board of Director members and have common management.

The Company entered into an Administrative Services and Fund Management Agreement with CED effective April 19, 2018. This agreement is in consideration of the performance of the administrative services and the management of the Fund Reserve by CED for a management fee of \$1 per month.

In addition, CED will be reimbursed by the Company for reasonable out-of-pocket costs and expense incurred directly by CED including costs or expenses incurred by the retention of additional personnel specifically for the Company.

Related party balances and transactions with CED consist of:

	2020	2019
Due to related party:		
Corporate services	35,071	46,488
Technology services	1,213	1,307
Total	36,284	47,795
Expenses:		
Corporate services	480,241	366,510
Technology services	14,218	10,090
Total	494,459	376,600

All transactions are in the normal course of operations and have been recorded at the agreed exchange amounts that have been negotiated between the parties.

**Opportunity Calgary Investment Fund Ltd.
Notes to the Financial Statements**

For the year ended December 31, 2020

8. Contribution Agreements

The Company develops and executes Contribution Agreements with approved Beneficiaries. Each Contribution Agreement defines the Project, the estimated costs of the Project, schedule of payment and milestones for disbursements of funds that will be made by The City to the Beneficiary, the terms and conditions upon which the funds will be disbursed and restrict the Beneficiaries use of its allocation of the Fund Reserve to the subject of the Project. Further, the Contribution Agreement defines the expected economic outcomes and timeline in respect of the Project; provides for the return of funds from the Beneficiary to The City in the event of a material breach in terms of the Contribution Agreement, or abandonment, delay or suspension of the Project for greater than six months; and provides requirements for the reporting by the Beneficiary to the Company on the status of the subject Project and the use of the disbursed Fund Reserve funds.

The Company will monitor and manage each Contribution Agreement until all obligations of the Beneficiary have been satisfied in full. The Company will not approve and recommend The City to action a payment until the correlating milestones are achieved.

As at December 31, 2020, the Company has executed 14 Contribution Agreements and delivered to The City a commitment for funds totalling up to \$42.0 million of which \$7.1 million of instalments have been paid. Total anticipated future payments by The City are as follows:

2021	\$8,805,000
2022	\$8,405,000
2023	\$6,570,000
2024	\$6,250,000
2025	\$2,900,000
2026	\$2,000,000
Total anticipated future payments by The City	\$34,930,000

9. Financial instruments

General objectives, policies and processes

The Board of Directors, through the Audit Committee, has overall responsibility for the determination of the Company's risk management objectives and policies and, while retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure effective implementation of the objectives and policies to the Company's management. The Board of Directors receives periodic reports from the Company's management through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term requirements, considering its anticipated cash flows from operations and its holdings of cash and cash equivalents.

**Opportunity Calgary Investment Fund Ltd.
Notes to the Financial Statements**

For the year ended December 31, 2020

9. Financial instruments *(Continued from previous page)*

The following table sets out the contractual maturities of financial liabilities:

2020	<i>0-90 days</i>	<i>91 days and older</i>	Total
Due to related party	36,284	-	36,284
Trade accounts payable	3,307	-	3,307
Accrued liabilities	81,820	-	81,820
Total	121,411	-	121,411

2019	<i>0-90 days</i>	<i>91 days and older</i>	Total
Due to related party	47,795	-	47,795
Trade accounts payable	20,730	-	20,730
Accrued liabilities	11,550	-	11,550
Total	80,075	-	80,075

10. Share capital

On April 20th, 2018, the Company issued one common share to The City.

11. Significant event

In early 2020 there was a global outbreak of COVID-19 (Coronavirus), which has had a significant impact on businesses and governments through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation orders. The extent to which the Company is impacted will depend on future developments, which are highly uncertain and that cannot be predicted with confidence, such as the ultimate geographic spread of the disease, the duration of the outbreak, travel restrictions and social distancing in Canada and other countries, business closures or business disruptions and the effectiveness of actions taken in Canada and other countries to fight the virus.

BOARD OF DIRECTORS AND OFFICERS

The governance and decision making for OCIF resides with an 11-member volunteer Board of Directors comprised of two representatives from City Council and respected local business leaders experienced in complex, sophisticated and creative investment deals in a variety of sectors. The Board provides direct decision-making input, oversight and guidance to ensure OCIF has efficient processes, rigorous reviews of clients' applications and business plans, and maintains transparency and accountability.

DIRECTORS*:

Mark Blackwell, Partner, Builders VC, Board Chair

Nancy Laird, Corporate Director, Vice-Chair

Jill Angevine, Managing Director, Corporate Director

Michael Brown, President, Trico Residential

Ian Bruce, Former CEO, Peters & Co.

Dr. M. Elizabeth Cannon, O.C., President Emerita, University of Calgary

Jeff Davison, Councillor Ward 6

Cheryl Gottselig, Q.C., Partner, Burnet Duckworth & Palmer LLP

Joe Lougheed, Partner, Dentons LLP

Naheed Nenshi, Mayor of Calgary

Alice Reimer, Cofounder, The 51 and Site Lead, CDL-Rockies

** At year-end 2020*

OFFICERS:

Mary Moran, Chief Executive Officer, Calgary Economic Development

Sheila Will, Chief Financial Officer and Board Secretary, Calgary Economic Development

For more information:
opportunitycalgary.com

**Opportunity Calgary
Investment Fund**