



Tier One Capital Limited Partnership
Unaudited Interim Statement of Financial Position
As at June 30, 2014

NOTICE OF NO AUDITOR REVIEW OF THE INTERIM FINANCIAL STATEMENT

In accordance with Canadian securities laws, Tier One Capital Limited Partnership hereby gives notice that the Fund's independent auditors have not performed a review of these Interim Financial Statements in accordance with standards established by the Canadian Institute of Chartered Accountants.

Tier One Capital Limited Partnership
STATEMENT OF FINANCIAL POSITION
As at June 30, 2014 (Unaudited)

	\$
ASSETS	
Current Assets	
Cash	100
Total Assets	100
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PARTNERS' EQUITY	100
	100
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PARTNERS' EQUITY (note 4)	
Limited Partner	100
	100
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Number of units outstanding (note 4)	
Limited Partner - unit	1

Approved by the General Partner



John Richardson
Tier One General Partner LP

The accompanying notes are an integral part of this Statement of Financial Position

Tier One Capital Limited Partnership

NOTES TO INTERIM FINANCIAL STATEMENT (Unaudited)

June 30, 2014

1. STATUS AND OPERATIONS

T1 General Partner LP (the “General Partner”) and the initial limited partner agreed to form Tier One Capital Limited Partnership (the “LP”) under the terms of the Limited Partnership Act (Ontario) on February 21, 2014. As at June 30, 2014, the LP had not commenced active operations and accordingly had neither earned any income nor incurred any expenses.

The LP’s investment objectives will be to provide a return on investment for Limited Partners and provide regular cash distributions. The General Partner intends to make regular distributions, which would be assessed on a quarterly basis, to the Limited Partners, having regard to the income received or anticipated to be received from the portfolio companies held by the Limited Partnership as well as the fees, expenses and other obligations of the Limited Partnership. The LP will primarily invest in senior debt, preferred shares and debt obligations which are convertible into equities, of eligible businesses which have the greatest potential for long-term growth and may also invest in equity and other equity-related securities. The LP will be focused on funding rapidly growing Canadian companies by providing them with the capital needed to execute their growth strategies and acquisition plans. The LP will focus on companies with recurring revenue streams in the technology, healthcare and financial services industry. The LP will initially focus its investments on companies in the expansion phase of development in mid to late stages. In addition, the LP may acquire previously issued securities of portfolio companies from holders of such securities.

The General Partner, through its general partner, T1 General Partner Corp., is responsible for the management of the LP. The General Partner has the power to direct the activities of the LP.

The Registered office of the LP is located at 15 Toronto Street, Suite 400, Toronto, Ontario.

This statement of financial position was authorized for issue by the General Partner on October 17, 2014.

On February 21, 2014, Peter Hubenaar purchased the first limited partnership unit for \$100 and became the initial limited partner of the LP.

2. BASIS OF ACCOUNTING

The interim statement of financial position of the LP has been prepared in accordance with International Financial Reporting Standards (IFRS) applicable to the preparation of the interim statement of financial position including IAS 34, Interim Financial Reporting. The interim statement of financial position has been prepared under the historical cost convention. The interim statement of financial statement reflects the financial position of the LP. It does not include all of the assets, liabilities, revenue and expenses of the partner.

The policies applied in this interim financial statement are based on IFRS issued and outstanding as of October 17, 2014, which is the date on which the interim financial statement was authorized for issue by the General Partner. Any subsequent changes to IFRS that are given effect in the Fund’s annual financial statements for the year ending December 31, 2014 could result in restatement of this interim financial statement.

Tier One Capital Limited Partnership

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June 30, 2014

3. SIGNIFICANT ACCOUNTING POLICIES

FUNCTIONAL AND PRESENTATION CURRENCY

The financial statements are presented in Canadian dollars, which is the LP's functional and presentation currency.

FINANCIAL INSTRUMENTS

The LP recognizes financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments measured at amortized cost. Regular way purchases and sales of financial assets are recognized at their trade date.

The LP's financial instruments consist of cash at June 30, 2014.

Cash consists of highly liquid temporary deposits with Canadian banks. It is classified as loans and receivables and is measured at amortized cost subsequent to initial recognition.

4. PARTNERS' EQUITY

The following is a description of the authorized and issued units of the LP:

AUTHORIZED

The interests of the Limited Partners in the LP are divided into and represented by Limited Partner Units (the "Units").

ISSUED

LP Units

Balance forward from prior period

Issued during the period

Balance at end of period

Number of Units 2014

-

1

1

Units issued and outstanding are considered to be the capital of the LP. The LP does not have any specific capital requirements on the subscription of the units. The Units are not redeemable. The Units are entitled to distributions when and if declared by the General Partner.

DISTRIBUTIONS

The General Partner plans to make regular cash distributions to the Limited Partners having regard to the income received or anticipated to be received from investments of the LP as well as fees, expenses and other obligations of the LP. Distributions will be allocated to the Limited Partners in proportion to the number of Units held by them.

5. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS

The LP's overall risk management program seeks to maximize the returns derived for the level of risk to which the LP is exposed and seeks to minimize potential adverse effects on the LP financial performance.

CREDIT RISK

The LP is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. As at June 30, 2014, the credit risk is considered limited as the cash balance represents a deposit with CIBC Mellon Trust Company a R1 rated financial institution.

6. SUBSEQUENT EVENTS

On July 11, 2014 (the "Effective Date"), The Business, Engineering, Science & Technology Discoveries Fund Inc. (the "Fund") completed a transaction and re-organization whereby all the Class A and Class L Shares of the Fund were automatically redeemed in exchange for Units of the LP and the LP acquired substantially all of the assets of the Fund in exchange for the Units (the "Transaction"). The Transaction was approved by the shareholders of the Fund at a special meeting on March 28, 2014. Details of the Transaction were set out in the Fund's Management Proxy Circular dated February 24, 2014.

On the Effective Date:

1. The Fund purchased the Class A Shares held by Dissenting Shareholders who had exercised Dissent Rights which remain valid immediately before the Effective Date for cancellation and such Dissenting Shareholders ceased to have any rights as Class A Shareholders other than the right to be paid the fair value of their Class A Shares. The fair value of the Class A Shares in respect of which the Class A Shareholders dissent was determined as of the close of business on March 27, 2014.
2. The LP acquired all of the assets of the Fund (other than liquid assets needed to satisfy all outstanding liabilities of the Fund, including payments to Dissenting Shareholders), in consideration for the Units.
3. Except for Class A Shares held by Dissenting Shareholders, each issued and outstanding Class A Share and Class L Share was redeemed by the Fund and each Class A Shareholder and Class L Shareholder (other than Dissenting Shareholders) received an equivalent value of Units in payment for the redemption price of the Class A Shares and Class L Shares held by that shareholder on the Effective Date. The number of Units that a Class A Shareholder or Class L Shareholder was entitled to receive was calculated as the number of Class A Shares or Class L Shares held multiplied by the net asset value of the applicable series of shares on the valuation date immediately prior to the Effective Date divided by the deemed issue price per Unit of \$14.00. No fractional Units were issued. The number of Units issued to a shareholder of the Fund was rounded down to the next whole number of Units. The net asset value per share for each series of outstanding Class A Shares and Class L Shares used in the exchange ratio calculation were as follows: (i) \$9.3384 Class A Shares, Series I; (ii) \$9.2352 Class A Shares, Series II; (iii) \$9.3009 Class A Shares, Series III; (iv) \$9.4066 Class A Shares, Series IV; and (v) \$9.4804 Class L Shares, Series I.
4. The Fund waived all redemption fees otherwise payable in connection with the redemption of the Class A Shares in exchange for Units of the Limited Partnership.
5. The Units were listed on the Canadian Securities Exchange under the symbol "TLP.UN".

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6. The General Partner and the LP entered into an advisory services agreement with B.E.S.T. Investment Counsel Limited (the "Advisor"). The Advisor has agreed to: (a) provide oversight and advice to the General Partner in respect of the investment activities of the Limited Partnership; (b) assist the General Partner in the formation of the investment objectives, restrictions and procedures of the Limited Partnership; (c) assist the General Partner in analyzing and evaluating potential investments; and (d) provide such other services as agreed to from time to time by the General Partner. The General Partner will pay to the Advisor a fee to be agreed upon in a separate letter agreement.

The Fund has continued operations as the LP since the Transaction closed.