

THE information technology



SECTOR ON CDNX

CDNX is Canada's public venture exchange for emerging information technology companies, providing a credible and fair marketplace where businesses can raise the capital needed to develop innovative applications of technology. For information technology investors, CDNX provides an opportunity to invest in a well-regulated market and get in on the ground floor of emerging companies at the forefront of software, telecommunications and the Internet.

CDNX AND INFORMATION TECHNOLOGY COMPANIES

Canada is among the world's most wired nation and a driving force in information technology research and development. CDNX information technology companies are leaders in the use of technology to promote, buy and sell products and services, exchange information and enhance customer service and education.

CDNX offers a public market that specializes in financing companies in the development phase of their life cycle, with a particular interest in advanced technology businesses engaged in research and development, even if commercialization is still a long-range goal. An experienced management team and a business plan with strong broker appeal have helped many CDNX information technology companies graduate to senior exchanges in Canada and the United States.

SECTOR PROFILE

Some of the leading Internet subsectors raising money in Canada's public markets are:

- Application service providers
- Internet incubators
- E-commerce businesses
- Content and information suppliers
- Internet service providers
- Wireless
- Networks
- Software applications
- Embedded systems
- System design

RAISING CAPITAL ON CDNX

A heavy emphasis on research and development as well as a need for scalable growth means information technology firms have a steady demand for capital. That's where CDNX can help.

Technology financings totalled \$1.196 billion in 2000. More than \$1.1 billion came from private placements, while \$54 million was raised through initial public offerings and \$22 million from public offerings. Total market capitalization for technology companies trading on CDNX is \$4.5 billion.

WHY CDNX?

- CDNX attracts broad investor participation through a national public venture market.
- CDNX has a proven record of financing success for technology firms. Technology companies listed on CDNX raised almost \$1.2 billion in equity financings in 2000.
- A key measure of CDNX's success is the number of emerging companies that graduate to a senior exchange. In 2000, CDNX-listed companies accounted for 38 per cent of the TSE's new listings.
- CDNX maintains leading edge trading systems to ensure market fairness, integrity and transparency.
- The CDNX Web site is the online destination for disclosure of emerging information technology companies. InfoCDNX™ provides investors with more than 50 pages of disclosure on each listed company, allowing them to make informed investment decisions.

SECTOR SNAPSHOTS

CDNX-listed information technology companies are engaged in almost every area of research and development, ranging from software development to telecommunications to the Internet. Here are some examples of recent successes.

Capital Alliance Group (CPT)

Capital Alliance Group is a Vancouver-based international corporation with expertise in e-commerce, business education, mergers, acquisitions and securing investment capital for promising global technology companies. From Jan. 1, to Dec. 29, 2000 Capital Alliance Group's share price increased 44 per cent.

the **information technology** sector on CDNX

RDM Corporation (RC)

RDM of Waterloo, Ont., develops and markets payment processing hardware and software to the banking and financial services industry. The company has a niche market in three key technologies: optical character recognition, image processing and document authentication. From Jan. 1 to Dec. 29, 2000 RDM Corporation's share price increased 154 per cent.

Total Telcom Inc. (TTZ)

Total Telcom Inc. of Edmonton is a full-service telecommunications contractor specializing in the design, engineering, installation, project management and maintenance of industrial and commercial communications infrastructure systems. Total Telcom has North American presence including the building of a fibre optic corridor from Fort St. John, B.C., to Edmonton, as well as operations in Arkansas and the Pacific Northwest. From Jan. 1 to Dec. 29, 2000 the share price of Total Telcom increased 171 per cent.

CDNX INFORMATION TECHNOLOGY GRADUATES

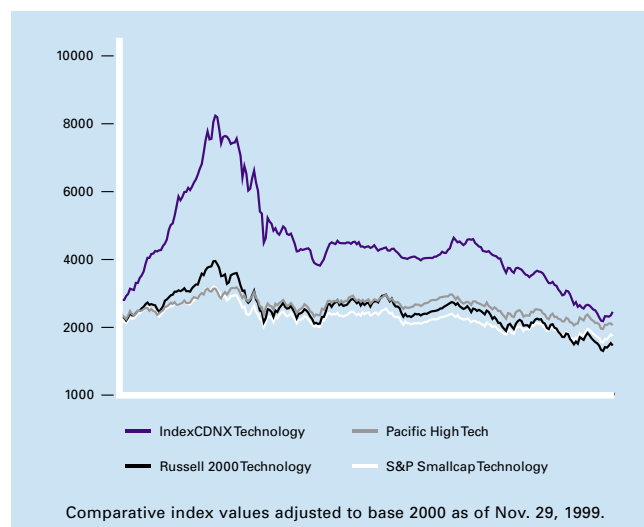
CDNX provides a stepping stone for information technology companies that are ready to graduate to a senior exchange. Some of CDNX's recent graduates experienced tremendous growth in market cap and share price before their move to a senior exchange.

- **Intrinsyc Software Inc:** Market cap at graduation was \$103 million, a 204 per cent rise in the year before graduation. Its share price experienced 102 per cent growth during the same period.
- **Cell-Loc Inc:** Market cap at graduation was \$1.488 billion, a 6,142 per cent rise in the year before graduation. Its share price experienced 4,264 per cent growth during the same period.
- **Sideware Systems:** Market cap at graduation was \$168 million, an increase of 82 per cent in the year before graduation. Its share price grew 21 per cent during the year.

TECHNOLOGY EQUITY FINANCINGS

YEAR 2000 FINANCINGS	Proceeds	Number of Transactions
Initial Public Offerings	\$54 million	9
Private Placements	\$1,120 million	331
Public Offerings	\$22 million	10
Total	\$1,196 million	350

YEAR 2000 INDEX PERFORMANCE



MORE INFORMATION

Discover how CDNX can provide information technology companies with an opportunity to grow. Call a CDNX Business Development Executive in your region today for more information.

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