

NVBC Capital Raising Seminar

May 13 2017

Spring Startup School



Build a better business
Spring can show you how

 Spring Activator

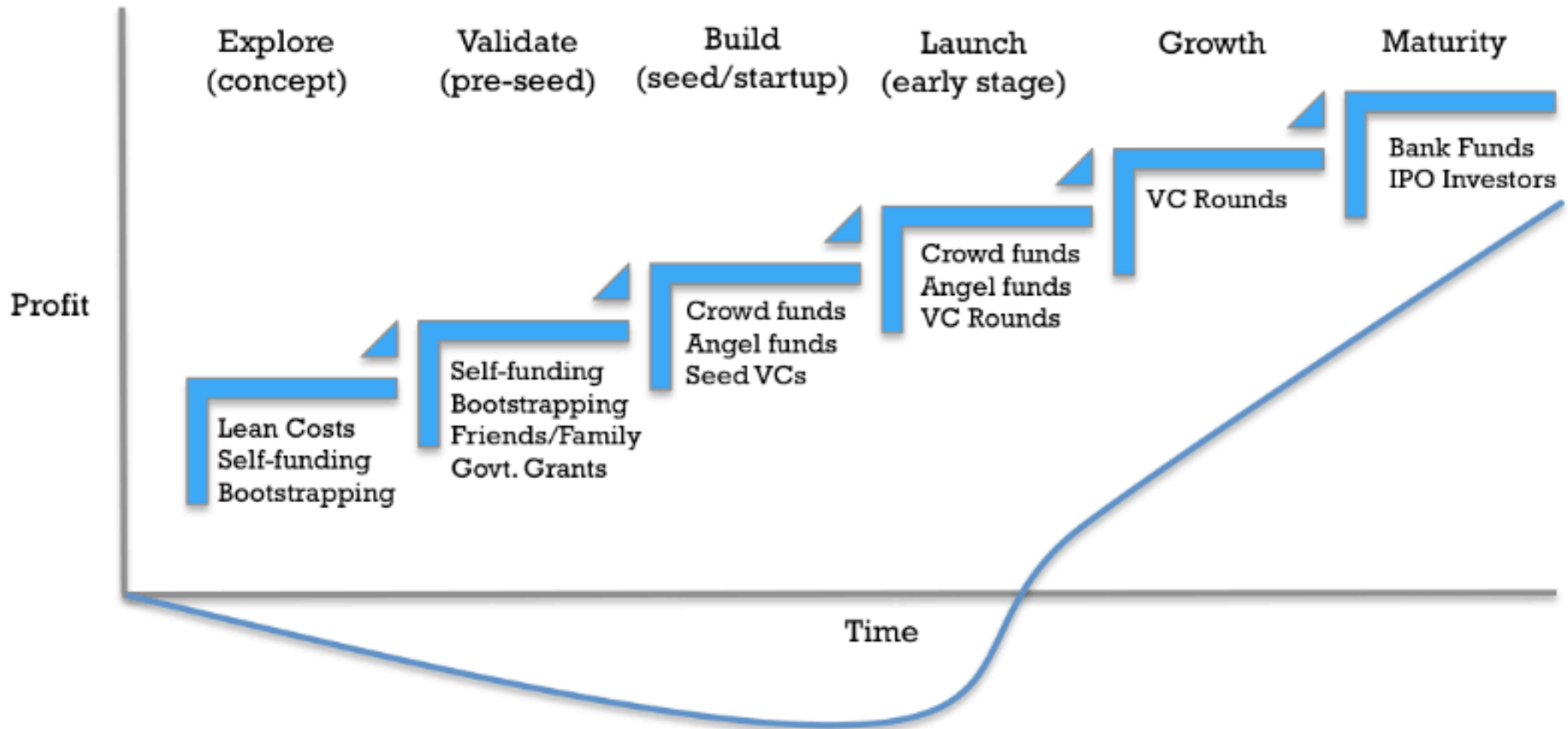
 @SpringActivator

 @Spring_is

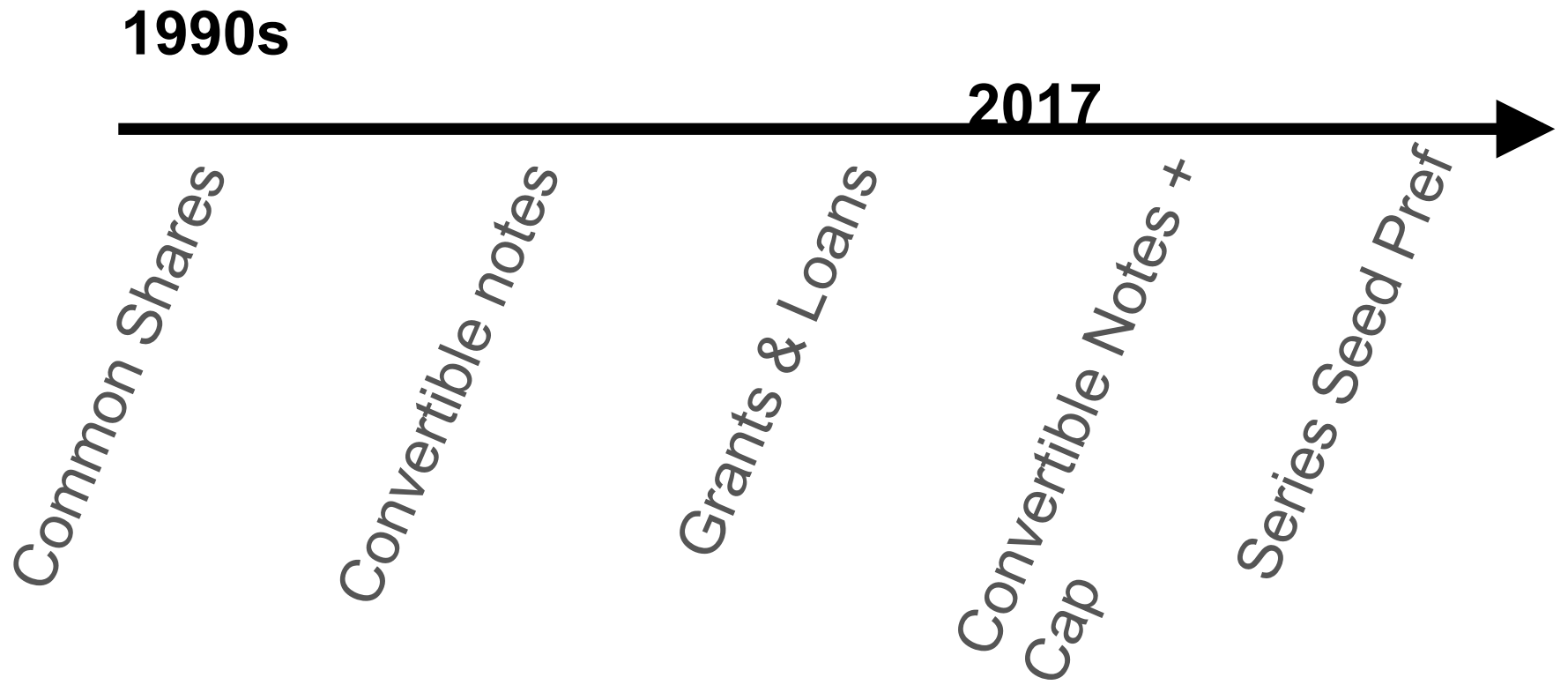
 www.spring.is
 @Spring_is

 help@spring.is

The funding landscape



Trends in types of rounds



Looking at trends

Canada

of tech financings up by almost 50% since 2011

Average VC deal size in 2016 = \$5.83 million

Highest since 2013

Of the \$716 million invested in top 10 VC deals of 2016,

\$454 million (63%) early stage

\$262 million (37%) later stage

Cross border trending up

@Spring_is

Sources: Yaletown Partners and CVCA, 2016

The Process

What is your ideal flow

How much and By When?

Seasonality

Ideal investor profile

Geographic differences

Pick your lawyer

Line up your Due Dil

Pick paper, don't get wedded

Target 40 investors

Pre-plan your traction

Find your warm intros

Pick 2-3 Advisors

Time to go

Deliver on the progress

Everyone has a lens

Focus

More traction

Aim for 120+% verbal

Get to 50% IN

15-30 days to close

Chase and negotiate

Top 3 questions early stage investors ask

Do I like you and your team?

How are you different?

How are you going to make money?



New Ventures BC

New Funding Models



May 2017

@jearthy /
@FrontFundr

The Funding Puzzle



Understand **WHY** you are fundraising



Talk to people to understand your options
(debt, equity, mix)



Make a plan & be prepared

What does your Funding Puzzle look like?



We want to work together to support you.

New Models are Emerging



To unlock capital for early stage and growth companies

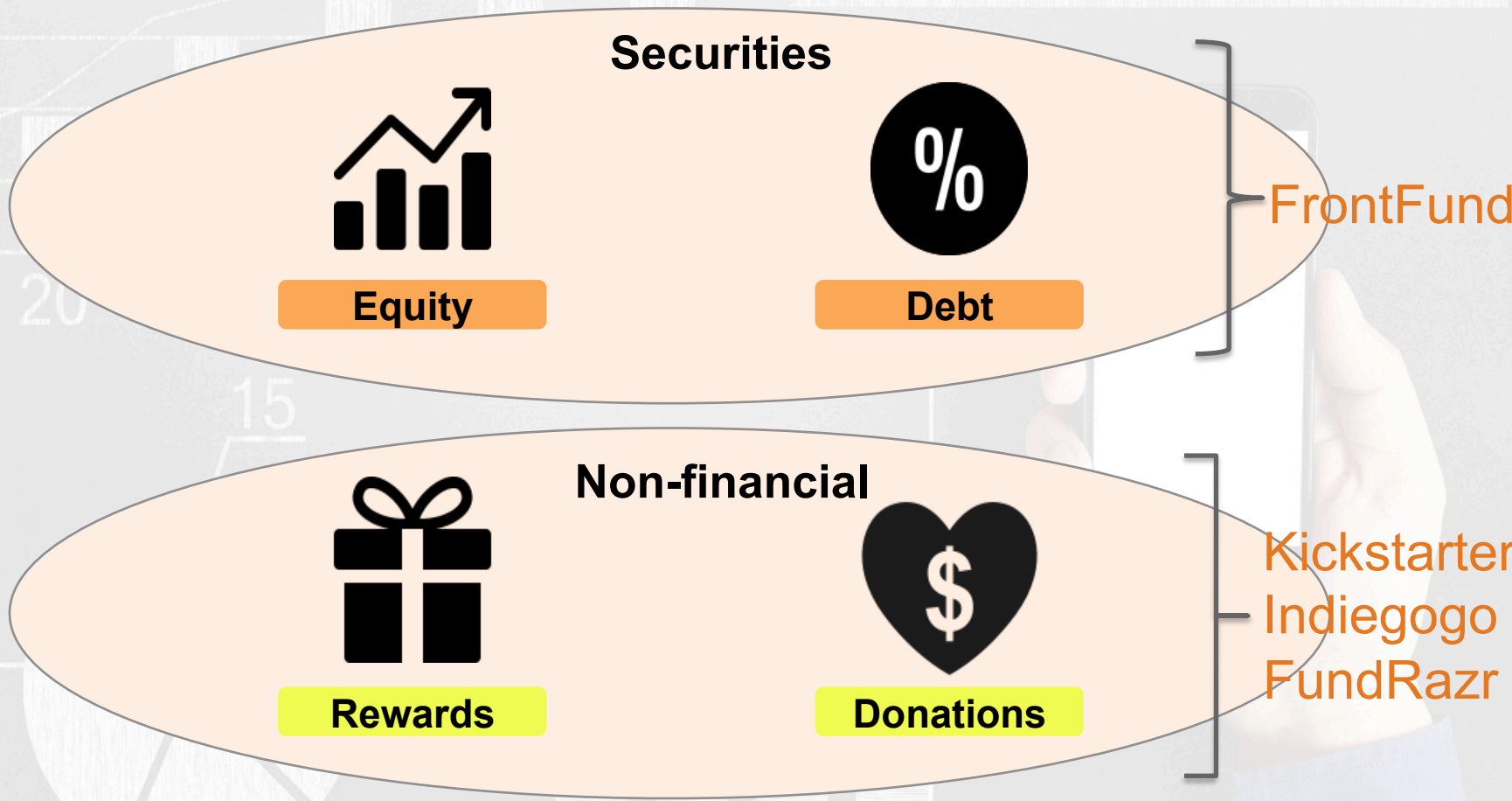


To increase accessible channels connecting investors and companies



To simplify the process

Equity ~~Investment~~ Crowdfunding

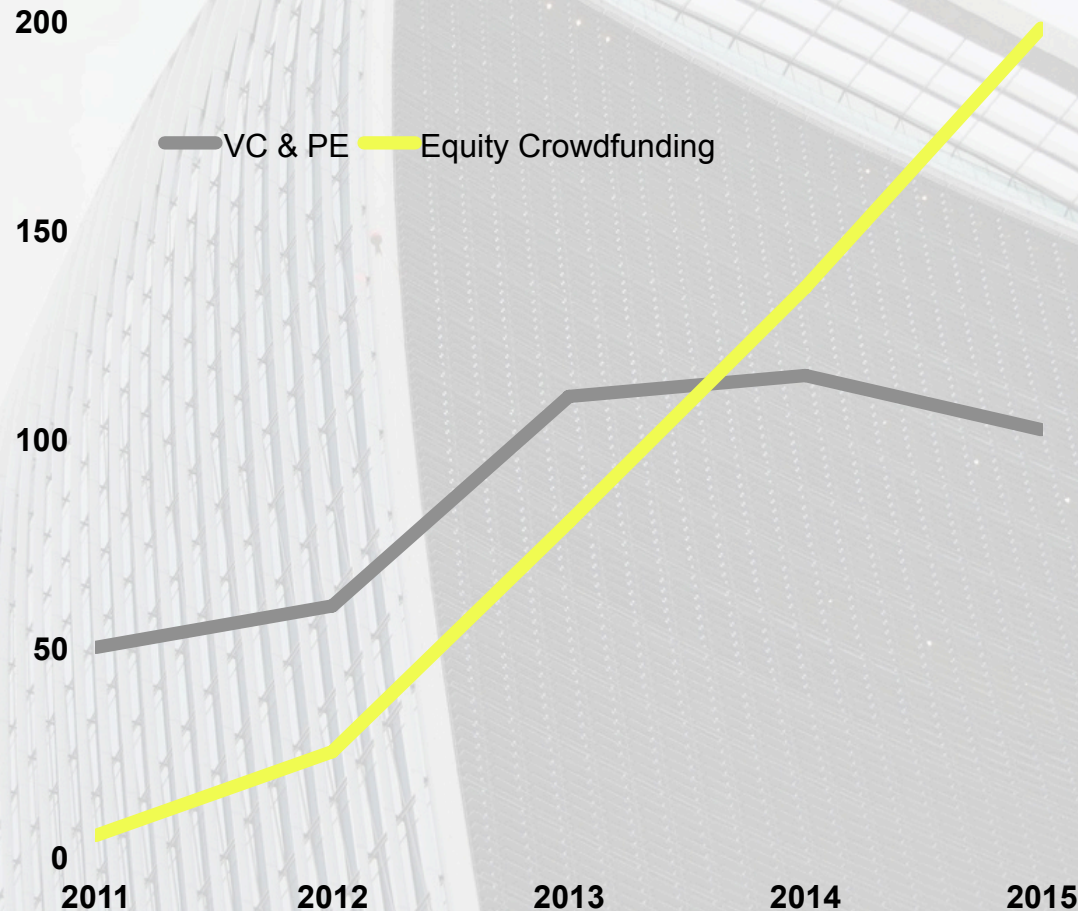


FrontFundr can issue any type of security including equity, debt & hybrids such as convertible notes and Partnership

Units

Equity Crowdfunding outperforms private equity in the U.K.

**Number of
seed stage
deals**



Who we are



Nationally registered online investment platform.



Curated marketplace of private companies.



Proven model and traction.



Unlocking funding for companies and democratizing investing.



Bringing investors together



Changing the landscape



Democratizing Investing



Social Impact



Networking Effects



SIMPLE




TRANSPARENT



ACCESSIBLE

Success Stories



Technology

Guusto Gifts

Target Raise	Equity Offered	Min Investment	Closing Day
\$25,000	3%	\$500	9/18/2015

200%




Technology

Riipen Networks Inc.

Target Raise	Equity Offered	Min Investment	Closing Day
\$121,000	3%	\$506	4/15/2016

150%




Technology

Espresso Capital

Target Raise	Equity Offered	Min Investment	Closing Day
\$500,000	NA	\$500	9/1/2016

108%




Technology

RentMoola

Target Raise	Equity Offered	Min Investment	Closing Day
\$2,000,000	17%	\$5,000	11/30/2015

115%




Technology

impak Finance
Collaborative finance for a better world™

impak Finance

Target Raise	Equity Offered	Min Investment	Closing Day
\$500,000	6%	\$100	12/18/2016

228%




Technology

Pique Fund

Target Raise	Equity Offered	Min Investment	Closing Day
\$372,000	NA	\$5,000	5/31/2016


100%



Persephone Brewing Company

Target Raise	Equity Offered	Min Investment	Closing Day
\$500,000	12%	\$250	8/31/2016


103%



Peekaboo Beans

Target Raise	Equity Offered	Min Investment	Closing Day
\$750,000	20%	\$1,050	6/30/2016

96%




Technology

HitchPlanet

Target Raise	Equity Offered	Min Investment	Closing Day
\$250,000	9%	\$500	11/4/2016

115%




Technology

FrontFundr

Target Raise	Equity Offered	Min Investment	Closing Day
\$500,000	11%	\$100	12/15/2016


131%

Impak Finance



FrontFundr

Pitch Place



impak Finance
 Collaborative finance for a better world™

Technology

impak Finance

Target Raise	Equity Offered	Min Investment	Closing Day
\$500,000	6 %	\$100	12/18/2016

228%

Highlights:

- Shared mission and story
- Accessible to everyone
- Minimum investment \$100
- Raised \$ 1 million
- 800 investors
- Largest online deal in Canada to date

Result:


A new model making a significant impact and empowering everyone to invest

VitalSines



- VIDEO
- OVERVIEW
- TEAM
- NEWS
- DOCUMENTS
- INVESTORS
- INVESTMENTS

Edit



Quantify your internal health in 30 seconds with

iheart™

As seen on DR. OZ

- 📍 British Columbia
- 🌐 Website
- ✉ Email
- 🐦 Twitter
- f Facebook

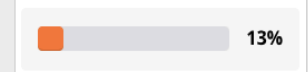
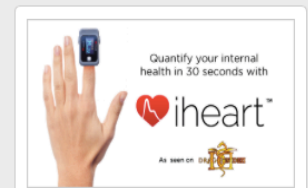
The VitalSines team has an expertise in optical sensors and bio-signal analysis. Their passion is creating products that help people live longer and healthier lives through health technology. Their first product iHeart was developed as a tool to help people monitor Aortic Stiffness easily and cost effectively. Aortic Stiffness is a scientifically proven heart, brain, and internal health metric directly related to risk of death from all causes, but was previously only measured by a \$25,000 medical device. The team developed an easy to use and much less expensive way for consumers and health and wellness professionals to measure Aortic Stiffness in just 30-seconds. iHeart is now being used in over 800 cities around the world and the VitalSines team is dedicated to bringing iHeart technology to everyone possible to help people live longer and healthier lives. VitalSines is a company with impressive IP and an exciting pipeline that will change the way internal health is measured and viewed, all over the world.

Note: iHeart is NOT a medical device, it is intended to be used as a health and wellness educational device only and not as a diagnostic tool.

Company Description

INVEST NOW

FOLLOW



Share Campaign

f
in
🐦
✉

\$ 250,000

Target Raise

7%

Equity Offered

How it works



1

EDUCATE AND UNDERSTAND

Navigating securities regulation is confusing. We work with you to understand your objectives in order to legally structure your campaign to achieve your goals.



2

PREPARE YOUR CAMPAIGN

We conduct due diligence on your company to help you get pitch ready. You will create your pitch and marketing plan that conveys why investors should invest.



3

MAKE IT HAPPEN!

Launch your campaign and engage your network. Direct the traffic to your campaign, and leave the administration to us. Execute on your marketing plan.



4

WELCOME YOUR BRAND CHAMPS

Accept your new investors, complete your regulatory filings, and receive your funds. Welcome your investors, pause to celebrate, then go grow your business!

[Apply Now](#)

Questions? Let's talk.

Contact:

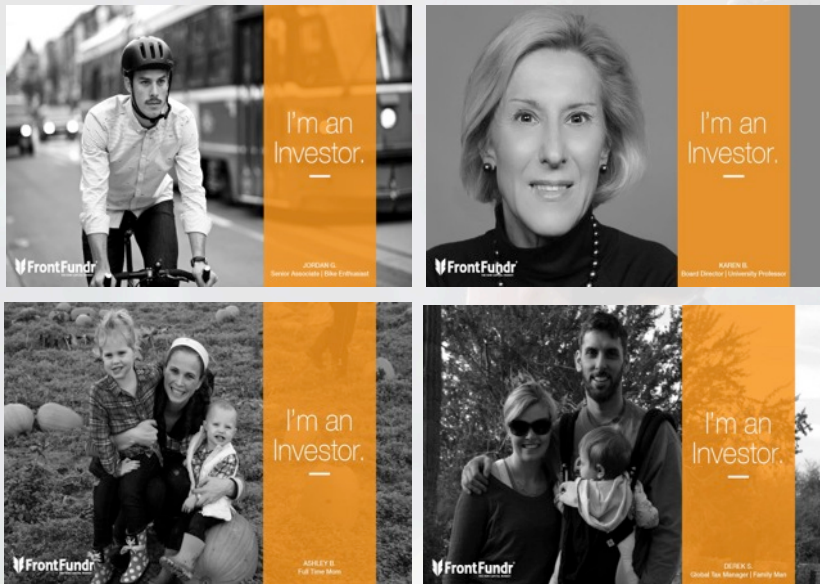
Jill Earchy (CGO)

jill@frontfundr.com

604-563-5990 (office)

604-290-4236 (direct)

[@jearthy](#) / [@FrontFundr](#)



FrontFundr is a trade name of Silver Maple Ventures Inc. (SMV). SMV is a registered Exempt Market Dealer in Alberta, British Columbia, Manitoba, New Brunswick, Nova Scotia, Ontario, Quebec, Saskatchewan.

FrontFundr is a member of:



Company Fit



Seeking \$50K - \$5M (debt or equity)

With a business model easily communicated (*AKA a great story!*)



Prepared for due diligence

- With customers &/or followers



In any industry with aligned values

Ready to work hard & share story



Customer Benefits

Companies

Better access to capital

Raise capital from wider investor community

Easy to share pitch information

Solutions for managing a large group of investors

Solutions for post-deal investor communication

Investors

Ability for any investor to participate in private companies

Access to screened investment opportunities

Easy online process to invest in private companies

Access to multiple asset classes including equity, debt, hybrids

Online account information

What is Venture Capital?

Private capital for early stage, high risk-high reward businesses

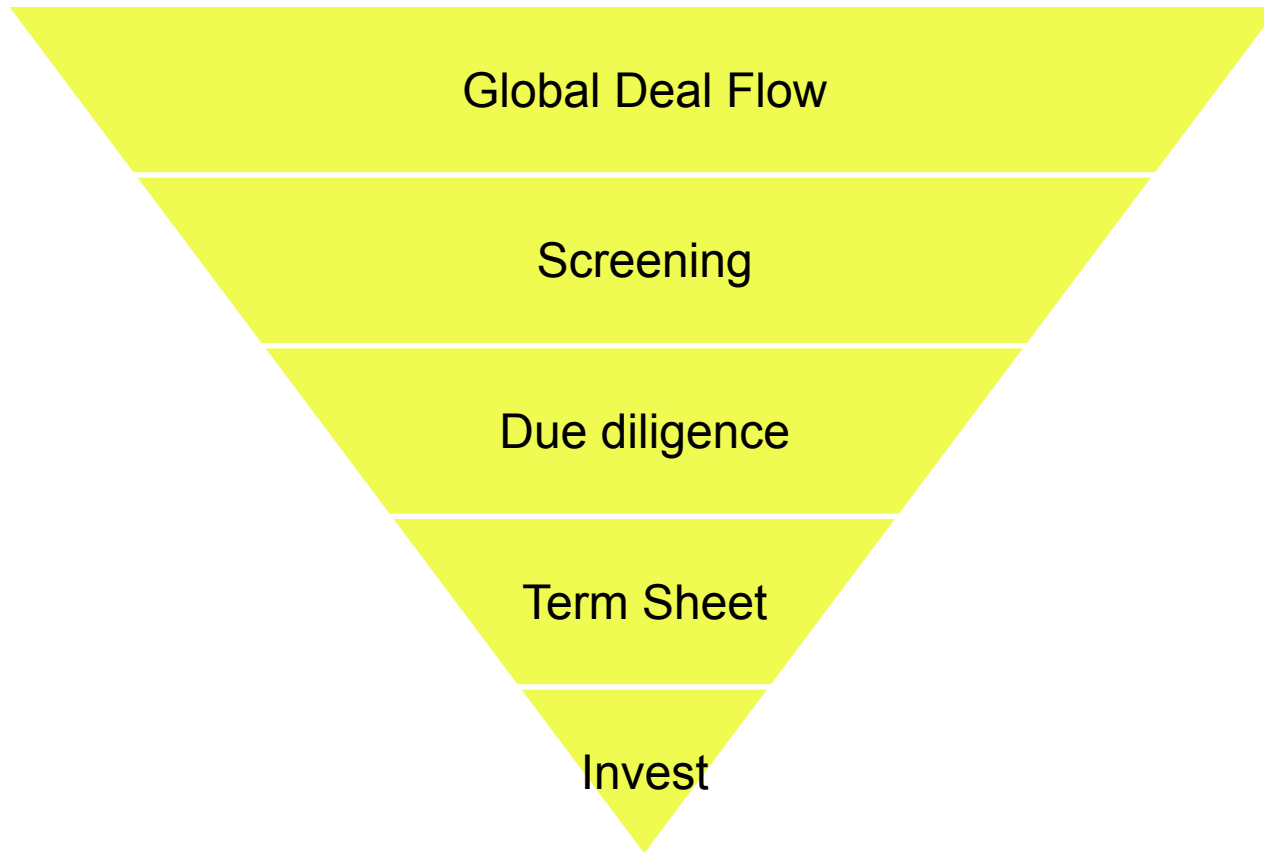
Investors acquire % equity ownership and typically are involved in management and growth of company (Board of Directors)

Sources of capital: fund founders, high net worth individuals, investment funds, corporations etc.



What's the difference?

The VC process



Getting a deal done...

After due diligence is completed, what comes next??

Investor issues a term sheet which contains the framework of deal structure

Amount of investment

Type of investment (convertible notes, preferred shares, etc).

Investor rights such as board representation

Any subjects (additional due diligence required) such as legal dd

And, Valuation of the company

Valuation – where does this number come from???

Comparable transactions

Discounted Cash Flow

Risk Adjusted NPV

probability weighted future cash flows

Venture Capital Method

Expected exit valuation and time to exit, and required rate of return inform this valuation

BUT – a company is only worth as much as an investor is willing to pay for it
TODAY.

Tips, Tricks & Suggestions.

Do your homework on the funds and principles before you pitch them so you don't waste your time or theirs.

Propose a plan that funds the company for 12-18 months, at minimum.

Ensure your interests and goals are aligned with those of your investors. This is a long term relationship!

VENTURE CAPITAL

I NEED \$100,000 FOR MY LOCATION-BASED, SOCIAL MEDIA, CLOUD START-UP.



DilbertCartoonist@gmail.com
Dilbert.com

I'M NOT GIVING YOU \$100,000 JUST BECAUSE YOU SPEWED SOME BUZZ-WORDS.

THEN HOW ABOUT \$10 MILLION?



7-12-12 ©2012 Scott Adams, Inc. /Dist. by Universal Uclick

WAIT... NOW IT SOUNDS LIKE A GOOD INVESTMENT. HOW DID YOU DO THAT?

I CAN TELL YOU, BUT IT WON'T BE FLATTERING.

