

Form 51-102F3

Material Change Report

Item 1 Name and Address of Company

Pender Growth Fund (VCC) Inc. (the "Fund")
Suite 2200, 885 West Georgia Street
Vancouver, British Columbia
V6C 3E8

Item 2 Date of Material Change

October 26, 2007

Item 3 News Release

Press Release was issued at Vancouver, British Columbia on November 16, 2007.

Item 4 Summary of Material Change

The Fund has changed its accounting policy with regard to unearned performance fees.

Item 5 Full Description of Material Change

Effective October 26, 2007, the Fund changed its accounting policy with regard to unearned performance fees. The Manager is entitled to a performance bonus in certain circumstances, based on achieving certain performance criteria set out in the Management Agreement. Specifically, when all three conditions are met: (1) an individual investment in the Fund has achieved an annual internal rate of return on the investment since its acquisition equal to or exceeding 10% per year (the "Individual Investment Objective"); (2) when the total realized gains, unrealized gains and net investment income from the portfolio of venture investments of the Fund have generated a return greater than the annualized average rate of return on five year guaranteed investment certificates offered by a major Canadian bank plus 2% per annum (the "Portfolio Objective"); and (3) the Fund has realized a cash amount equal to the amount that it invested in such investment; a performance fee is payable to the Manager.

Previously, the Fund recorded such performance fees as a due to related party liability and current period operating expense when the Individual Investment Objective had been met but the Portfolio Objective had not been met. The Manager believes that the new policy is preferable because the Fund is required to achieve both the first and the second performance fee criteria before recording a liability and the Fund is required to achieve all three performance fee criteria before discharging a liability, which is consistent with a performance fee only being payable when both the Individual Investment Objective and the Portfolio Objective have been met.

This new policy is consistent with other VCC funds and therefore, enhances the comparability of the Fund's financial statements.

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

The following executive officer of the Fund is available to answer questions regarding this report:

David Barr, Chief Financial Officer
Telephone: 604-630-5446

Item 9 Date of Report

Date the Report.

November 19, 2007