EVERY SYMBOL TELLS A STORY

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What makes junior ventures successful? Holding steady toward strategic, long-term goals was a key feature for this year's crop of TSX Venture 50 companies.

Selected from a pool of nearly 400 eligible Venture-listed companies, the 2013 Venture 50 is made up of the 10 highest-performing companies in five sectors: clean technology, diversified industries, mining, oil and gas, and technology and life sciences. Winners

scored highest on a ranking of four equally weighted criteria: one-year share price change; one-year trading volume; market capitalization change and amount of analyst coverage.

While no two companies follow the exact same path, *Listed* thought it would be illuminating, informative and perhaps inspiring to speak with CEOs at five of the top 50 companies. Without exception, raising capital was their primary concern. Also important: exit plans, partnerships, building a superior staff and managing investors.

Based on those interviews, we present the following snapshots of successes, challenges and lessons learned—tales from the Venture 50.

Jeff Ciachurski, founder, former CEO Western Wind Energy

Western Wind Energy Corp. (TSX-V:WND)

Sector: Clean Technology Rank: 3 IPO: 2002

Share price gain: 39% Market cap growth: 66%

Western Wind Energy Corp. is the prototypical small, feisty company that grew. Its business: producing renewable energy from wind and solar power. And it grew so successfully that, at the time of this writing, it's in the process of going extinct as a standalone company, having been bought by Brookfield Renewable Energy Partners in a protracted bidding, auction and bargaining process. In early March, Brookfield announced its $2.60 per share offer had a greater than 90% acceptance rate and that de-listing and assimilation would begin.

The CEO: Jeff Ciachurski, 53, came from a "very, very poor immigrant family." He grew up in east Vancouver, the son of a Polish father and a Chinese mother. His humble beginnings, he says, taught him to live by his wits and creativity. "I'm very tenacious, and I go after long goals, one at a time."

Highlights/milestones: The company grew to $430 million in assets from $20 million in the past five years in a tough industry where energy prices were low. Ciachurski is fond of heroic analogies to describe his former company's circumstances and achievements. But having just let go of a business he built for more than a decade, and after a selling process that started with an unsolicited takeover bid in fall 2011, he's earned some slack. "How did I do it?" he asks back. "The answer is, 'I never stopped.' 'No' has to be an opportunity. We carried the project all the way to completion without giving up and selling the project partially finished, even though it was tempting. Instead we applied hard-core effort, to ultimately cross the finish line and hold the big prize."

Challenges/lessons learned: "Building a 120-megawatt wind farm in California that costs $313 million without dilution is an extreme challenge to build from the ground up," says Ciachurski. Energy prices were low and competition from the giants was fierce. "We used nimble response times and focused on rich markets that we knew the big guys would have even harder challenges with." A lucrative bonus system helped motivate his team.

Managing investors: Ciachurski preferred retail investors to institutional investors. "If you have institutional investors, they think they know it all. They might micromanage your affairs. Whereas retail shareholders join you in your struggle to succeed."

Future: Western Wind is being absorbed by Brookfield. Ciachurski's new company is Greenbriar Capital Corp. (TSX-V:GRB). He says of the real estate venture: "Greenbriar is my new flagship."

Zenyatta Ventures Ltd. (TSX-V:ZEN)

Sector: Mining Rank: 1 IPO: 2010

Share price gain: 445% Market cap growth: 463%

Zenyatta is a junior exploration company based in Thunder Bay, Ont. The company recently discovered the Albany graphite deposit in the Arc (Ring) of Fire district in northern Ontario. Graphite is an important element in manufacturing and industrial development.

The CEO: President and CEO is Aubrey Eveleigh, age 48. Eveleigh studied geology at Memorial University in Newfoundland and has been involved in mineral exploration for 28 years.

Highlights/milestones: Zenyatta was formed as a private company in early 2010. It went public in Dec. 2010, having raised $10 million to drill identified targets in the Arc (Ring) of Fire. In late 2011, the company made a rare discovery of graphite and 2012 was dedicated to raising awareness of this find. The recognition of this discovery in the marketplace led to remarkable share price appreciation in 2012.

Unique features: In February 2013, the company announced that a second set of tests yielded 99.6% carbon purity. "This large vein-like graphite deposit appears to be 'one-of-a-kind' globally in both size and quality," Eveleigh said in a press release. Zenyatta plans to position the material to compete for a share of the $13-billion synthetic graphite market.

Challenges/lessons learned: "The entire market is challenging but junior mining is even more so," Eveleigh tells *Listed*. "Capital is the biggest problem presently for small companies. Zenyatta has done extremely well in a very poor market, which shows that even in tough times a great discovery will always attract attention."

Managing investors: Company directors, managers and advisers own 23.3% of Zenyatta, while 55% of investors are retail and 9% are institutional. International mining company Cliffs Natural Resources owns 12.7%.

Future: The company plans to advance the Albany graphite deposit and grow Zenyatta for the benefit of shareholders.

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iCO Therapeutics Inc. (TSX-V:ICO)

Sector: Technology/Life Sciences Rank: 1 IPO: 2008

Share price gain: 222% Market cap growth: 318%

iCO is a Vancouver-based company focused on developing drugs for new or expanded uses. The company has three products: iCO-007, which is in phase 2 trials for the treatment of diabetic macular edema (eye disease), iCO-008, which is being developed for sight-threatening illnesses, and an antifungal drug to treat infectious diseases.

The CEO: This is serial entrepreneur Andrew Rae's third start-up. He took iCo public via the TSX-V's capital pool program. Formerly, Rae worked in equities, and was a biotech analyst. Now 46, he grew up in Owen Sound, Ont., and has lived in Vancouver since 1989. His father is a doctor, so this is where he gets his "medical roots."

Highlights/milestones: iCo's most significant recent milestone was partnering with the Juvenile Diabetes Research Foundation, the largest funder of type 1 diabetes research in the world, to investigate iCo-007. The phase 2 trial, involving as many as 208 patients in up to 30 sites across the U.S., is underway. "This allows us to do the study at a 40% lower price," says Rae. "It's huge for me as an entrepreneur." The company has established other significant partnerships and grants. "Partnerships mean leverage for us and help us do things efficiently."

Unique features: Diabetes rates are on the rise. It's expected there will be 40 million diabetic patients in the U.S. by 2025, and 22% of those will have visual impairment, so safe and effective drugs in this realm will pay off. The model for iCO is to take products that have already been through preclinical (phase 1) testing. "We run the second and third legs of a four-by-100 relay, then we hand off," says Rae. "Assuming success, we're in a sweet spot for speculative investors."

Managing investors: Company leaders spend a lot of time on the road, telling the iCO story. "We met greater than 50 institutional investors in the last year, primarily in the U.S., and a number of retail investors," says Rae. "People have been on the sidelines for a long time. They want to re-enter the market."

Future: Rae's focus is threefold: return on capital investments, shortening timelines and decreasing risk. This is a key year for iCO, as the company expects phase 2 results for iCO-007 before the end of Q4. "It is very exciting."

Mosaic Capital Corp. (TSX-V:M)

Sector: Diversified Industries Rank: 10 IPO: 2011

Share price gain: 111% Market cap growth: 152%

Mosaic Capital is a diversified investment company based in Calgary. It was created in 2006. Mosaic invests in mid-market companies that dominate their niche market. It seeks companies with strong, sustainable cash flow, exceptional management and competitive advantage. "Last year we looked at 300 opportunities and made two acquisitions," says executive chairman and CEO John Mackay.

The CEO: Mackay, age 47, took his first company public when he was 22. He then went to law school in England and returned to Canada, where he spent 11 years practicing corporate finance and M&A law at McCarthy Tétrault LLP. "I realized what a tremendous opportunity there was in acquiring companies at good values with strong cash flow and I created Mosaic," he says.

Highlights/milestones: Last year Mosaic acquired Ambassador Mechanical, a mechanical contractor based in Winnipeg, and Kendall's Supply, an Estevan, Sask.-based supplier of parts and supplies. The first nine months of 2012 saw growth of 227% for revenue and 297% for adjusted EBITDA.

Unique features: Demographics indicate that Canadian business owners are aging and an increasing number plan to exit in the next 10 years. Mosaic is set to take advantage of this trend.

Challenges/lessons learned: Their biggest challenge is finding and retaining employees, at all levels. "Unemployment is zero in some of the places where we operate," says Mackay. Mosaic recently brought together key managers from all seven of its businesses across Canada for several days of human resources sessions. "It is important to our business that we are good at this," says Mackay.

Managing investors: Seeing a need to communicate Mosaic's story to investors, advisers and analysts, Mackay hired vice-president Tim Taylor, from the financial services industry, in Aug. 2011. "The message is, if you want to have the benefits of being a public company such as access to capital and capital appreciation, you need to spend a considerable amount of time telling people your story," says Taylor.

Future: Mosaic's leaders plan to continue to acquire great businesses at good prices with growing free cash flow and hold them long term. "Our plan is not to sell this company. We are creating intergenerational wealth for our shareholders," says Mackay.

Loyalist Group Ltd. (TSX-V:LOY)

Sector: Diversified Industries Rank: 1 IPO: 2011

Share price gain: 309% Market cap growth: 1,382%

Loyalist, based in Toronto, is an owner, operator and consolidator of private education schools in Toronto, Vancouver and Victoria. It offers four types of courses: English as a second language (ESL), training programs for teachers, professional development and corporate English for professionals.

The CEO: Andrew Ryu, age 38, is CEO and director. He has 15 years of experience in the private education sector in North and South America.

Highlights/milestones: Since listing on the Venture exchange in January 2011, Loyalist has acquired seven ESL schools and three career colleges. Its three growth drivers are acquisitions, organic growth and consolidations. It combines operations to cut overhead and reduce overlaps in staff. For instance, Western Town College in Vancouver moved into Universal College of Language's space in February 2012 to save $624,000 a year in rent. Through reductions in staff salaries and benefits at PGIC Vancouver, Loyalist saved $1.2 million a year. In 2012, Loyalist received a vote of confidence from well-known education investor Seymour Schulich, who acquired 7 million shares in the open market, bringing his ownership in the company to 15.3%.

Unique features: Loyalist estimates the Canadian foreign education market is worth $6.5 billion. The ESL market is worth approximately $745 million, with $400-$450 million of that in Ontario and British Columbia. There are approximately 30,000 new students annually. "There are 180 Languages Canada accredited ESL schools and they are mostly mom-and-pop shops with no exit strategy, so there are lots of consolidation opportunities," says Ryu.

Challenges/lessons learned: After acquisitions have been completed, Loyalist undertakes restructuring, which involves layoffs. Ryu sympathizes with staff. "Considering this has been their bread and butter, I find this a very challenging factor as a CEO," he says.

Future: The plan is to continue growth through acquisitions. “In three years, we hope to have 25% of the Ontario and British Columbia market, $100 million in revenue and earnings before interest and taxes of more than $20 million,” he says.

Photography: Brian Howell