



PenderFund Capital Management Ltd.

885 West Georgia Street, Suite 2200

Vancouver, BC V6C 3E8

Tel: 604 688 1511

Toll Free: 8 866 377-4743

Fax: 604 681 7116

www.penderfund.com

NEWS RELEASE

FOR IMMEDIATE RELEASE

**February 26, 2008
2008-03**

Pender Growth Fund Announces Investment in Municipal Solutions, Group Inc.

Vancouver, British Columbia, February 26, 2008 – Pender Growth Fund (VCC) Inc. ("Pender") announces that it has acquired ownership and control of CDN\$950,000 principal amount of 12% series A convertible secured debentures (the "**Debentures**") of Municipal Solutions Group, Inc. ("**Municipal**") in a private placement. The Debentures are convertible at the election of Pender after August 25, 2008 until maturity on August 25, 2009 into common shares of Municipal at CDN\$0.25 per common share. Municipal may prepay the Debentures at any time, subject to Pender's rights to convert such Debentures after August 25, 2008.

Pender beneficially owns 9,705,106 common shares of Municipal representing approximately 52% of the outstanding shares of Municipal.

The 3,800,000 common shares of Municipal which could be acquired by Pender after August 25, 2008 under the Debentures (the "**Conversion Shares**") would, upon issue, represent approximately 17% of the outstanding shares of Municipal. Under applicable securities legislation, Pender will be deemed to beneficially own the Conversion Shares on June 26, 2008 unless Municipal prepays the Debentures before such date, thereby increasing its ownership and deemed ownership of common shares of Municipal to 60%.

It is Pender's intention to evaluate its investment in Municipal and to increase its shareholdings as it may determine for investment purposes, including by way of the conversion of the outstanding Debentures into common shares.

About Pender Growth Fund (VCC) Inc.

Pender Growth Fund (VCC) Inc. is an established, diversified venture capital fund that invests in technology companies within the province of British Columbia with the objective of long-term capital appreciation

Pender Growth Fund is an investment vehicle with significant tax incentives for retail investors to participate in the recovery and growth of the British Columbia technology sector. The Fund has approximately \$25 million of assets under management.

About PenderFund Capital Management Ltd.

PenderFund Capital Management Ltd. is the manager of Pender Growth Fund (VCC) Inc.

Contact

For further information, including a copy of the early warning report filed in connection with the private placement, contact:

David Barr
Chief Financial Officer
Tel: (604) 630-5446
Toll Free: 1 866 377-4743
dbarr@penderfund.com
www.penderfund.com

On behalf of the Board of Directors of
PenderFund Capital Management Ltd.

“David Barr”
Chief Financial Officer

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this press release.