



# Municipal Software

FOR IMMEDIATE RELEASE

TSX Venture Exchange Symbol: MSZ

## **Municipal Solutions Announces Completion of Financings**

**Victoria, British Columbia, April 12, 2005** – Municipal Solutions Group, Inc. (“Municipal Solutions” or the “Company”) (TSX Venture: MSZ), a provider of business process automation solutions for government, today announced the completion of the \$900,000 second tranche of the \$1,000,000 financing (the “Second Tranche”) and \$256,000 equity private placement (the “Private Placement”) which were both previously announced on February 28, 2005. The investors participating in these transactions are Pender Growth Fund (VCC) Inc. and Pender Financial Group Corporation. The Company intends to use the proceeds from the Second Tranche for general working capital and execution of the 2005 business plan of the Company, while the proceeds of the Private Placement will be used to retire loans made to the Company by Robert Bennett and Troy Kusy, both founders of the Company.

The securities issued at the completion of these transactions are subject to a four month hold period that expires on August 13, 2005.

Iain McLean, Chief Executive Officer of Municipal Solutions, commented, “these funds are the catalyst that will allow Municipal to continue with our reshaping of the company over the balance of 2005. We will use these funds very carefully and selectively to take the company forward. We are working to broaden our client base and offer more to our existing customers.”

“Municipal has an excellent new product set built on 23 years of experience with clients across North America,” added McLean. “The solutions we offer help local governments deliver improved services and be more efficient. Our CityView product platform enables our clients to evolve their processes as they grow.”

### **About Municipal Software Corporation**

Municipal Software Corporation provides easily installed, packaged software solutions that manage the everyday business processes of local governments. The solutions are based on 23 years of experience with a product platform that is easy to adapt to the changing practices of clients. Branded under the CityView name the company provides a number of out of the box solutions automating practices in Property Management, Permits and Inspections, Planning, Code Enforcement, Business Licensing and Cashiering. CityView Application Builder is a set of application development tools that allows the client to develop unique applications to match specific needs. Municipal offers a complete range of services from training and customer support of its suite of products to custom development for unique applications.

### **About Municipal Solutions Group, Inc**

Municipal Solutions Group Inc was formed in January 2002 as the public financing arm for Municipal Software Corporation.

### **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 now the first fund of its kind in British Columbia to focus specifically on expansion and restructuring opportunities within the technology sector that offer investors the potential for liquidity through either existing public listings or near term liquidity events. 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 \$16 million of assets under management.

### **About Pender Financial Group Corporation**

Pender Financial Group Corporation (TSX-V: PDF) is a publicly traded merchant bank that owns or manages approximately \$30 million of assets focused on technology, life sciences and healthcare companies based in British Columbia. Pender's strategy is to build long-term value by investing its capital into a relatively few undervalued companies and to actively participate in their development so as to enhance their value and the liquidity of Pender's investments. Through its subsidiary PenderFund Capital Management, Pender is the manager of Pender Growth Fund and Pender NDI Life Sciences Fund.

### **Contacts**

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### *Forward-Looking Statements*

*Certain statements in this news release are not historical and may constitute forward-looking statements reflecting Municipal Solutions Group Inc's current expectation in the local government sector. These statements are subject to important risks, uncertainties and assumptions concerning future conditions that may ultimately prove to be inaccurate and may differ materially from actual events or results.*