

**Middlefield Canadian Income PCC, in respect of its cell, Middlefield Canadian Income – GBP PC (together the “Company”)**

***Amendment to the Company’s Investment Policy***

Following consultation with a number of the Company’s largest shareholders, the board is proposing an amendment to the Company’s investment policy to increase the percentage of the value of the portfolio which may be invested in securities listed on a recognised stock exchange outside of Canada, from 20 per cent. to 40 per cent. The Company, as managed by Middlefield Limited and advised by Middlefield International Limited, believes such flexibility will be primarily used to invest in the US and will enhance its opportunities for providing a favourable total return to shareholders. The amendment requires the approval of shareholders by way of an ordinary resolution. Any investment outside Canada and the US would be limited to 10 per cent. of the value of the portfolio.

Should this amendment be approved by shareholders, the Fund’s Canadian-centric focus and its benchmark will remain unchanged. The managers believe certain areas of the US stock market which are underrepresented in the Canadian market are undervalued, and the ability to invest in these areas will potentially reduce portfolio volatility and enhance shareholder total returns.

The Company will retain its focus on income and does not expect the overall portfolio yield and ability to pay dividends to change as a result of the proposed amendment.

The board intends to distribute a circular to shareholders shortly convening an extraordinary general meeting at which the resolution to approve the amendment will be proposed. A further announcement will be made once the circular has been distributed.

**Enquiries:**

**Middlefield Canadian Income PCC**

Company Secretary, +44 (0)1534 613000  
Kleinwort Benson (Channel Islands) Corporate Services Limited

**Middlefield International Limited**

Dean Orrico, President +44 (0)20 3709 4016

**Canaccord Genuity Limited**

Andrew Zychowski/Neil Brierley/Helen Goldsmith +44 (0)20 7523 8000