

Portfolio Holdings

December 31, 2010

	% OF NET ASSET VALUE
Cash and Short-Term Investments	12%
Enbridge Inc.	10%
TransCanada Corp.	9%
Russel Metals Inc.	8%
Manulife Financial Corporation	8%
Canadian Utilities Ltd.	8%
BCE Inc.	8%
Bank of Montreal	7%
AGF Management Limited - Class B	6%
Teck Resources Limited - Class B	6%
National Bank of Canada	6%
The Toronto-Dominion Bank	6%
Thompson Reuters Corp.	6%
The Bank of Nova Scotia	5%
Royal Bank of Canada	5%
Barrick Gold Corporation	4%
Canadian Imperial Bank of Commerce	4%
Cameco Corporation	3%
Canadian Natural Resources Ltd.	3%
Talisman Energy Inc.	3%
Agnico-Eagle Mines Limited	2%

Results of Operations

Distributions

For the year ended December 31, 2010, cash distributions of \$0.48 per unit were paid to unitholders compared to \$0.43 per unit in 2009. Since the inception of the Fund in November 2006, the Fund has paid total cash distributions of \$2.11 per unit.

Revenues and Expenses

The Fund's total revenue per unit increased to \$0.26 per unit for the year ended December 31, 2010 from \$0.23 per unit for 2009, largely reflecting higher dividend income earned on a per average-unit basis. Overall expenses (excluding warrant offering costs) decreased slightly from \$0.6 million in 2009 to \$0.5 million in 2010, mainly attributable to a decrease in average net asset value and unitholder activity in the current year partially offset by the unfavourable impact of the Ontario harmonized sales tax and the administrative costs associated with the normal course issuer bid. However, total expenses per unit increased by \$0.02 per unit to \$0.22 per unit in 2010 due to a decreased number of units outstanding during the year. The Fund had a net realized and unrealized gain of \$0.67 per unit in 2010 as compared to a net realized and unrealized gain of \$1.45 per unit in 2009.

Net Asset Value

The net asset value per unit of the Fund increased by \$0.23 per unit, or 3.1 percent, from \$7.40 per unit at December 31, 2009 to \$7.63 per unit at December 31, 2010. The total net asset value of the Fund decreased \$3.3 million, from \$17.3 million at December 31, 2009 to \$14.0 million at December 31, 2010, primarily as a result of annual redemptions in December totalling \$4.0 million.