

6 July 2006

Middlefield Canadian Income Trusts Investment Company PCC

Middlefield Canadian Income Trusts Investment Company PCC (the "Company") announces that the initial issued share capital of Middlefield Canadian Income Trusts-GBP PC (the "Fund") will be 55,000,000 Shares. These Shares, which are being issued pursuant to the Placing undertaken by the Company at a price of £1.00 per Share, for total gross proceeds of £55 million, will be admitted to the Official List of the UK Listing Authority and to trading on the London Stock Exchange's market for listed securities at 8.00 am on Thursday 6th July 2006.

The Company is a Jersey-incorporated protected cell company whose issued listed share capital will consist of Shares in respect of the Fund, a closed-ended protected cell of the Company. The Fund's objective is to produce a high income return whilst also seeking to preserve shareholder capital, which it is seeking to do by entering into a swap arrangement in order to achieve efficient currency-hedged economic exposure to the Canadian income trust market.

Canadian income trusts offer investors an economic interest in underlying businesses or assets that generate relatively stable levels of cash flow. Income trusts have been in existence for several years and comprise four sub-asset classes including oil and gas royalty trusts, business trusts, real estate investment trusts and power and pipeline trusts. Unlike their corporate counterparts, income trusts regularly distribute the bulk of their cash flows to investors and generally rely on secondary public offerings to finance growth. As at 1 May 2006, the broader income trust universe in Canada had a current market capitalisation of approximately C\$200 billion comprising approximately 240 issuers.

Middlefield International Limited ("MIL"), a member of the Middlefield Group, has been retained to act as investment advisor to the Fund. MIL will provide investment management advice in respect of securities selection and asset allocation for the Fund. MIL is based in London, England and is involved primarily in the investment advisory and securities placement services. MIL is registered with The Financial Services Authority in the United Kingdom. Middlefield Capital Corporation, an affiliate of MIL, currently manages aggregate income trust assets of approximately C\$3.0 billion.

The Board of Directors of the Company expects that, on the basis of the Assumptions (as defined in the Company's prospectus dated 19 June 2006) and in the absence of unforeseen circumstances, the Fund will pay gross dividends totalling not less than 7.0 pence per Share in the period from today's date to 31 July 2007. Dividends are expected to be paid on a quarterly basis with a first dividend of 1.75 pence expected to be payable in October 2006.

Middlefield Canadian Income Trusts-GBP PC will trade on the London Stock Exchange under the symbol MCT.L.

Enquiries

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