

MIDDLEFIELD CANADIAN INCOME TRUSTS INVESTMENT COMPANY PCC MIDDLEFIELD CANADIAN INCOME TRUSTS – GBP PC

Dividend Announcement and Portfolio Update

22 December 2010

Dividend Announcement

Middlefield Canadian Income Trusts Investment Company PCC is pleased to announce an interim dividend of 1.25 pence per Share (the “Dividend”) in respect of Middlefield Canadian Income Trusts – GBP PC (the “Fund”) for the quarter to 31 December 2010. The Dividend will be paid on Monday, 31 January 2011 to Shareholders on the register as at close of business on Friday, 14 January 2011. The ex-dividend date is Wednesday, 12 January 2011.

Going forward, the Directors expect, subject to unforeseen circumstances, to pay dividends totaling 5 pence per Share in respect of the financial year ended 31 December 2011, payable in four equal quarterly dividends.

Portfolio Update

Income trusts become taxable entities beginning January 2011 and most have converted or are in the process of converting to corporations. As expected, despite the introduction of a corporate tax, a significant number of these companies have confirmed their intention to continue to pay high levels of dividend income which, in turn, the Fund’s Investment Adviser, Middlefield International Limited (“Middlefield”), believes will enable the Fund to continue to pay its anticipated dividend. This view is further supported by: (i) the forecast of Middlefield’s oil and gas consultant, Groppe, Long & Littell, of a significant recovery in natural gas prices in 2011; and (ii) Middlefield’s expectation for a gradual recovery in the global economy over the next several months, which should translate into increasing cash flows for portfolio companies as well as relatively low levels of inflation and interest rates for the foreseeable future.

Given the significant number of Canadian equities that continue to pay high dividend rates, Standard & Poor’s has announced the launch of its newly created S&P/TSX Equity Income Index, effective 20 December 2010. Middlefield views this as a positive development since the Equity Income Index is expected to become the new benchmark for the vast majority of dividend, income and balanced fund mandates in Canada and, given the relatively attractive yield it offers, it will likely act as a catalyst for additional domestic and foreign institutional investment in the unique Canadian equity income sector. Going forward, the Fund is likely to compare its performance against this index.

The Fund’s investment objectives are to produce a high income return whilst also seeking to preserve shareholder capital. To achieve its objectives, the Fund provides investors with exposure to a broadly diversified portfolio comprised primarily of Canadian equity income securities through a Swap agreement whose reference is CIT Trust, a Canadian unit trust. **The Fund has generated total returns based on net asset value for the one month, three month, one year and annualized three-year periods ended 30 November 2010 of 7.8%, 22.1%, 50.7% and 12.9%, respectively, including the reinvestment of dividends.** As at 30 November 2010, the asset class weightings of the portfolio of CIT Trust were:

Asset Class	Portfolio Weighting
<i>Energy Producers</i>	48.2%
<i>Power and Pipeline</i>	8.3%
<i>Oil and Gas Services</i>	7.9%
<i>Consumer Discretionary</i>	6.8%
<i>Utilities</i>	6.1%
<i>Gold</i>	5.6%
<i>Industrials</i>	4.8%
<i>Metals and Mining</i>	4.6%
<i>Real Estate</i>	2.5%
<i>Other</i>	5.2%

The Fund trades on the London Stock Exchange under the symbol MCT.L.

For additional information, please contact any of the undersigned:

Gary Boudin
Company Secretary
Kleinwort Benson (Channel Islands) Fund
Services Limited
Tel.: 01481 727111

W. Garth Jestley
Director
Middlefield Canadian Income Trusts Investment Company PCC
Tel.: 01481 727111