

News Release

ROLLOVER OF MRF 2001 LIMITED PARTNERSHIP

Middlefield Mutual Funds Limited (“MMF”) is pleased to announce that, in connection with the dissolution of **MRF 2001 Limited Partnership** effective June 26, 2003 all of the assets of the Partnership were transferred to **Middlefield Mutual Funds Limited**, an open ended mutual fund, in exchange for the equivalent value of shares in MMF - Growth Class. **For the purposes of the exchange, the net asset value of the Partnership was \$22.91 per unit. This translates into an after-tax total return on money at risk of approximately 34% for an Ontario investor subject to the highest marginal tax rate.**

The transfer is a tax free exchange which means that no disposition occurs and therefore no capital gains tax is payable as a result of the rollover. **The capital gains tax liability that would arise upon disposition can be deferred by retaining the shares of the mutual fund rather than redeeming them.** In the event of redemption, the capital gains will be included in the shareholder’s tax return for that year when the shares are redeemed. Investors have the opportunity to switch into other classes of mutual funds and still be able to defer capital gains taxes until they actually redeem their mutual fund shares for cash. To provide investors with optimal flexibility in maintaining a diversified portfolio, in addition to the Growth Class, other funds currently offered are Income Plus Class, Equity Index Plus Class, Index Income Class, Canadian Balanced Class, Global Technology Class, U.S. Equity Class and Resource Class. All the funds that are offered under this multi-class structure are fully eligible as Canadian content in RRSPs and other registered plans.

New MMF - Growth Class shareholders can determine their holdings by multiplying the number of units they held in the Partnership by 6.03863. Shares of MMF – Growth Class have been credited to the beneficial holders. There are no fees charged on the transfer of units into MMF, nor on any redemption of the transferred assets. The adjusted cost base of shares in MMF – Growth Class is 1.68636 per share. **To provide investors with time to determine which fund classes best suit their investment profile, MMF will waive the \$30 switch fee for all switch requests received prior to July 31, 2003.**

For further information visit our website at www.middlefield.com or contact the undersigned:

J. Dennis Dunlop
(416) 362-0714, ext. 403

July 3, 2003

MIDDLEFIELD GROWTH CLASS-INVESTMENT PORTFOLIO AS AT JUNE 26, 2003

Description	No. of Shares/Units	Market Value
ARC Energy Trust	20,000	\$ 253,000
Atlas Energy Ltd.	250,000	837,500
Bonavista Petroleum Ltd.	25,000	954,750
Bow Valley Energy Ltd.	188,000	300,800
Canadian Natural Resources Limited	65,000	3,464,500
Canadian Oil Sands Trust	25,000	881,250
Canadian Superior Energy Inc.	425,000	671,500
Cequel Energy Inc.	100,000	675,000
Clear Energy Inc.	50,000	152,500
Compton Petroleum Corporation	522,727	3,057,953
Cougar Hydrocarbons Inc.	800,000	1,400,000
Crescent Point Energy Ltd. – Class A	400,000	2,460,000
Crescent Point Energy Ltd. – Class B	90,000	823,500
Devlan Exploration Inc.	375,000	806,250
EnCana Corporation	50,000	2,575,000
Energy North Inc.	1,666,600	716,638
Enerplus Resources Fund	10,000	311,800
High Point Resources Inc.	416,667	645,834
Husky Energy Inc.	50,000	882,000
Ketch Resources Ltd.	200,000	1,400,000
Luke Energy Ltd.	56,500	125,430
Navigo Energy Inc.	1,000,000	3,100,000
Oiltec Resources Ltd.	985,000	1,221,400
Olympia Energy Inc.	229,870	896,493
Paramount Energy Trust	100,000	876,000
Paramount Resources Ltd.	200,000	1,846,000
Pengrowth Energy Trust	10,000	172,100
Penn West Petroleum Ltd.	40,000	1,740,400
Petro-Canada	50,000	2,674,500
Peyto Exploration & Development Corp.	25,000	368,750
Provident Energy Trust	58,496	646,381
Purcell Energy Ltd.	596,914	1,390,810
Ravenwood Resources Inc.	625,000	643,750
Suncor Energy Inc.	100,000	2,498,000
Terraquest Energy Corporation	1,000,000	270,000
True Energy Inc.	527,000	500,650
Vermilion Energy Trust	100,000	1,340,000
Viking Energy Royalty Trust	153,007	1,011,376
OIL AND GAS: 52.4%		44,591,815
Bank of Montreal	25,000	1,063,750
Bank of Nova Scotia	25,000	1,501,500
Canadian Imperial Bank of Commerce	50,000	2,677,500
National Bank of Canada	25,000	915,500
Power Financial Corporation	25,000	1,087,500
Royal Bank of Canada	20,000	1,153,000
Sun Life Financial Services of Canada Inc.	50,000	1,380,000
Toronto Dominion Bank	60,000	2,250,000
FINANCIAL SERVICES: 14.1%		12,028,750
British Petroleum plc	10,000	574,990
Burlington Resources Inc.	50,000	3,624,968
Citigroup Inc.	25,000	1,478,392
EOG Resources, Inc.	25,000	1,419,554
Pogo Producing Company	25,000	1,455,059
Westport Resources Corporation	25,000	759,485
FOREIGN: 11.0%		9,312,448
Aber Diamond Corp.	50,000	1,400,000
Airane Gold Corp.	12,500	7,000
Miramar Mining Corporation	328,750	568,738
River Gold Mines Ltd.	250,000	625,000
SouthernEra Resources Limited	76,655	407,805
MINING: 3.5%		3,008,543
Canadian Hydro Developers, Inc.	211,000	409,340
TransCanada Corporation	150,000	3,627,000
OTHER: 4.8%		4,036,340
CASH: 14.2%		12,077,920
Total Investment Portfolio, including Cash		\$ 85,055,816