



**JOINT PRESS RELEASE
U.S. DIVIDEND GROWERS INCOME CORP. TO MERGE WITH
MIDDLEFIELD U.S. DIVIDEND GROWERS MUTUAL FUND**

May 4, 2017 – Middlefield Group, on behalf of U.S. Dividend Growers Income Corp. (“TSX Fund”), is pleased to announce that the TSX Fund intends to merge with Middlefield U.S. Dividend Growers (the “Mutual Fund”) on or about July 6, 2017 (the “Effective Date”), with the Mutual Fund being the continuing fund.

The merger will benefit shareholders of the TSX Fund by providing an opportunity to hold series F shares of the Mutual Fund, an open-end mutual fund that offers a lower management fee and daily purchases and redemptions at net asset value. In addition, the merger will benefit shareholders of both Funds by providing a reduction in general and administrative costs.

The merger will be effected on a **tax-deferred “rollover” basis** and no tax consequences will occur until the investor redeems their shares, if the shares are held in a non-registered account. The exchange ratio will be calculated at the net asset value per share of the TSX Fund divided by the net asset value per series F share of the Mutual Fund, determined as of the close of trading on the Toronto Stock Exchange on the business day immediately prior to the Effective Date.

Information About U.S. Dividend Growers Mutual Fund

Investment Objective - The objective of the Mutual Fund is to maximize long-term total return by investing primarily in equity and fixed income securities with a strategy that focuses on U.S. issuers.

Performance - Since its inception on May 13, 2014, the Mutual Fund has generated an annualized total return of 10.0% for Series F shareholders, as illustrated in the table below:

Fund	1-Year	Since Inception
U.S. Dividend Growers Class – Series F	19.2%	10.0%

Source: Middlefield. As at April 30, 2017. Figures reflect annualized total returns, net of fees, and assume the reinvestment of distributions.

After the conversion to a mutual fund on or about July 6, 2017, you will have the ability to redeem daily at net asset value with no costs. Securities regulations require the TSX Fund to also provide shareholders with an election to redeem their shares prior to the merger. However, shareholders should be aware that by tendering to this election they will be exposed to pricing risk for the 7 days between the deadline to tender shares and the effective date of the redemption. The deadline to tender shares under this election is June 13, 2017 and surrendered shares will be redeemed effective as of June 20, 2017 at a price equal to the net asset value per share as of that date. The redemption may be considered a disposition for purposes of calculating taxable income. The Manager will be responsible for the costs and expenses associated with the merger.

Completion of the merger is subject to the receipt of all necessary approvals and customary closing conditions. Middlefield Limited will submit an application to de-list the Fund’s shares from trading on the TSX as of the trading day immediately prior to the Effective Date

For further information on either of the Funds, including their respective annual reports, please visit our website at www.middlefield.com or contact Nancy Tham or Michael Bury in our Sales and Marketing department at 1.888.890.1868.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compounded total returns including changes in unit/share value and reinvestment of all distributions and does not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

Certain statements in this press release may be viewed as forward-looking statements. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, intentions, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects", "is expected", "anticipates", "plans", "estimates" or "intends" (or negative or grammatical variations thereof), or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved) are not statements of historical fact and may be forward-looking statements. Statements which may constitute forward-looking statements relate to: the proposed timing of the merger and completion thereof; the benefits of the merger; and the funds that are proposed to be merged. Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements including as a result of changes in the general economic and political environment, changes in applicable legislation, and the performance of each fund. There are no assurances the funds can fulfill such forward-looking statements and the funds do not undertake any obligation to update such statements. Such forward-looking statements are only predictions; actual events or results may differ materially as a result of risks facing one or more of the funds, many of which are beyond the control of the funds.