

ENERVEST DIVERSIFIED INCOME TRUST

Notice of Special Meeting

and

Information Circular

with respect to the

Special Meeting of Unitholders

To be Held On August 30, 2013

Dated: August 1, 2013

EnerVest Diversified Income Trust

Notice of the Special Meeting of Unitholders

Date: August 30, 2013

Time: 10 a.m. (Calgary Time)
The Conference Centre, First Canadian Centre,
350 – 7th Avenue S.W.
Calgary, Alberta

To: The Unitholders of EnerVest Diversified Income Trust

Notice is hereby given that a Special Meeting (the **Meeting**) of the holders (**Unitholders**) of trust units (the **Units**) of EnerVest Diversified Income Trust (the **Trust**) will be held on August 30, 2013 at The Conference Centre, First Canadian Centre, 350-7th Avenue S.W., Calgary, Alberta at 10:00 am (Calgary time), for the following purposes:

A. DISTRIBUTION REINVESTMENT

To consider and, if deemed advisable by the Unitholders, to pass a special resolution, substantially in the form attached as Appendix A to the accompanying information circular dated August 1, 2013 (the **Circular**), to provide the Manager with specific authority to amend the Trust's distribution reinvestment plan (the **Plan**) by adding a Premium Distribution™ Component and to make any corresponding amendments to the Trust's declaration of trust (the **Declaration of Trust**) as the Manager may determine as a result of amending the Plan, and to amend the Declaration of Trust to require the Trust to issue a news release announcing amendments to the Plan and to post such revised Plan on the Manager's website.

B. PREFERRED UNITS

To consider and, if deemed advisable by the Unitholders, to pass a special resolution, substantially in the form attached as Appendix B to the Circular to approve amendments to the Declaration of Trust and the Trust's management agreement (the **Management Agreement**) to provide the Trust with the authority to issue a new class of preferred equity securities, issuable in series.

C. FIXED ADMINISTRATION CHARGE, INVESTMENT OBJECTIVES, INVESTMENT RESTRICTIONS, AUTOMATIC YEAR-END DISTRIBUTIONS AND OTHER ADMINISTRATIVE MATTERS

To consider and, if deemed advisable by the Unitholders, to pass a special resolution, substantially in the form attached as Appendix C to the Circular, to approve: (i) amendments to the Declaration of Trust and the Management Agreement to provide for a fixed administration charge to be paid to the Manager for certain expenses incurred on the Trust's behalf by the Manager in connection with the operation and administration of the Trust and which are currently paid for by the Trust; (ii) amendments to the Declaration of Trust to update the Trust's investment objectives to reflect changes in the current investment environment; (iii) amendments to the Declaration of Trust to amend the Trust's investment restrictions to permit the Trust to invest more than 10% of the assets of the Trust in mutual funds (including non-Canadian mutual funds), to restrict the application of the 10% issuer concentration restriction to immediately after a portfolio transaction instead of at all times, to expand on the Trust's ability to purchase and sell derivatives to the extent permitted by applicable securities laws, to permit the Trust to own more than 10% of a class of equity securities of an entity whose sole purpose is to invest in portfolio securities on behalf of the Trust, and to permit the Trust to own more than 10% of a class of equity securities of an investment fund or mutual fund issuer to the extent permitted by applicable securities laws; (iv) amendments to the Declaration of Trust to permit automatic year-end distributions to be paid in the form of Units and to permit subsequent consolidations of Units following such non-cash distributions; and (v) amendments to the Declaration of Trust to: (a) amend the provisions relating to the retention of a successor trustee; (b) provide for certain permitted mergers not requiring

Unitholder approval; and (c) revise the provisions that govern the circumstances in which certain actions involving the Trust do not require Unitholder approval, all as more fully described in the Circular.

D. OTHER

To transact such further and other business as may properly come before the Meeting or any adjournment or adjournments hereof.

The nature of the business to be transacted at the Meeting is described in further detail in the Circular.

The record date for the determination of Unitholders entitled to receive notice of and to vote at the Meeting is July 26, 2013 (the **Record Date**). Only Unitholders of record at the close of business on that date will be entitled to receive notice of and to attend and vote at the Meeting.

A Unitholder may attend the Meeting in person or may be represented by proxy. Unitholders who are unable to attend the Meeting or any adjournment thereof in person are requested to date, sign and return the accompanying form of proxy for use at the Meeting or any adjournment thereof. Beneficial Unitholders will receive a voting instruction form in lieu of a form of proxy, which they can use to instruct the registered holder how to vote their Units. Those forms must be returned to Broadridge Financial Solutions, Inc. (Broadridge) at the address provided in that form.

To be effective, the enclosed proxy must be received by the Corporate Secretary of Canoe Financial Corp., c/o Alliance Trust Company (the Transfer Agent), #450, 407-2nd Street S.W., Calgary, Alberta T2P 2Y3, or be voted by internet by following the instructions provided on the form of proxy or voting instruction form by 10 a.m. (Calgary time) on August 28, 2013, or not later than 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) prior to the time set for the Meeting or any adjournment thereof.

The persons named in the enclosed form of proxy are directors and/or officers of the Manager. Each Unitholder has the right to appoint a proxyholder other than such persons, who need not be a Unitholder, to attend and to act for such Unitholder and on such Unitholder's behalf at the Meeting. To exercise such right, the name of the Unitholder's appointee should be legibly printed in the blank space provided.

In the event of a strike, lockout or other work stoppage involving postal employees, all documents required to be delivered by the Unitholder should be delivered to the Transfer Agent at #450, 407-2nd Street S.W., Calgary, Alberta T2P 2Y3 or sent by facsimile to 1 (403) 237-6181.

DATED at Calgary, Alberta this 1st day of August, 2013.

By Order of the Board of Directors of Canoe Financial Corp.,
as general partner of Canoe Financial LP

Nevin Markwart

President and Chief Executive Officer

SECTION 1 – MEETING OF THE UNITHOLDERS

A special meeting (the **Meeting**) of the holders (the **Unitholders**) of trust units (the **Units**) of EnerVest Diversified Income Trust (the **Trust**) has been called for August 30, 2013 at 10 a.m. (Calgary time), to be held at the The Conference Centre, First Canadian Centre, 350 – 7th Avenue S.W., Calgary, Alberta to consider a proposal (the **Proposal**) made by Canoe Financial LP (the **Manager**) to approve certain amendments to the Trust's Declaration of Trust (as defined below) and the Trust's Management Agreement (as defined below).

Unitholders will be asked to consider three special resolutions (the **Unitholder Resolutions**), one dealing with providing the Manager with specific authority to, among other things, amend the Trust's distribution reinvestment plan (the **Plan**) by adding a Premium Distribution™ Component and a change to the notice requirements when amending the Plan (Resolution A), one dealing with the authorization to create and issue a new class of preferred equity securities of the Trust (Resolution B) and one dealing with the addition of a fixed administration charge, updates to the investment objectives of the Trust, amendments to the investment restrictions of the Trust, amendments providing for automatic distributions for tax purposes to be made in Units and automatically consolidated and other administrative matters (Resolution C), all as more fully described in the Circular. The texts of Resolutions A through C are attached as Appendices A through C hereto, respectively.

This Information Circular (this **Circular**) has been prepared by the Manager and (i) provides Unitholders with some background information about the Trust and the Manager; (ii) discusses the analysis made by the Manager in developing the Proposal; (iii) provides details of the Proposal and its implications for Unitholders and the Trust; (iv) explains how Unitholders who cannot attend the Meeting in person may vote by proxy; and (v) provides certain additional information that the Trust is required to disclose under applicable Canadian securities laws.

SECTION 2 – HISTORY AND DESCRIPTION OF THE TRUST

The Trust:

The Trust is the largest diversified closed-end investment fund in Canada, established under the laws of Alberta pursuant to a Declaration of Trust dated as of August 5, 1997, as amended and restated from time to time (the **Declaration of Trust**).

Trustee and Custodian:

Computershare Trust Company of Canada is the Trust's trustee (the **Trustee**). CIBC Mellon Global Securities Services Company is the custodian of the Trust's assets.

Manager:

Canoe Financial LP is the Manager and portfolio manager of the Trust as of November 1, 2010 pursuant to a management agreement dated as of July 24, 1997 (as amended and restated from time to time), as assigned (the **Management Agreement**).

The Manager retained Haber Trilix Advisors, LP to carry out the portfolio management of the Trust as sub-advisor to the Manager (the **Sub-Advisor**) pursuant to a sub-advisory agreement dated as of November 15, 2010, as amended and restated from time to time. Effective July 29, 2013, Mr. Robert Taylor, Senior Vice President and Portfolio Manager of the Manager, assumed portfolio management responsibilities for the Trust from the Sub-Advisor.

Address:

The head office of the Trust is located at Suite 3900, 350 - 7th Avenue South West, Calgary, Alberta, T2P 3N9. The registered office of the Trust is located at Suite 3500, 855 – 2nd Street S.W., Calgary, Alberta, T2P 4J8.

Formation and Offerings of Units:

The Trust was formed in 1997 and closed its initial public offering in August 1997 through the offering of 6,450,000 Units. Since that time, the Trust has effected a number of offerings so that, as at the Record Date (as defined herein), an aggregate of 82,829,041 Units were issued and outstanding.

Stock Exchange Listing

The Units of the Trust are listed on the Toronto Stock Exchange (the **TSX**) under the symbol EIT.UN.

Investment Policies:

The investment objectives of the Trust are to maximize monthly distributions relative to risk and maximize net asset value, while maintaining and expanding a diversified investment portfolio, primarily through acquiring, investing, holding, transferring, disposing of or otherwise dealing with or in equity and debt securities of royalty and income trusts, corporations, partnerships, or other issuers and such other investments as the Manager may determine in its sole discretion from time to time.

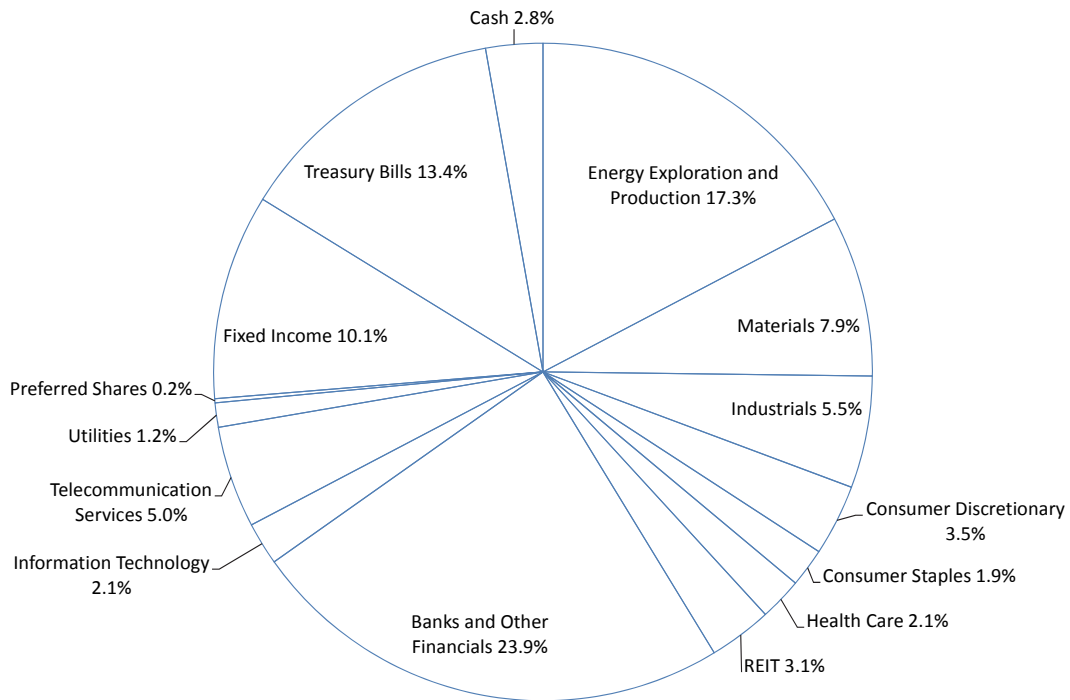
The investment objectives set forth above may be achieved through direct acquisitions, investments or, at the election of the Manager, through "exchange offers" or rights offerings completed by the Trust from time to time. The assets of the Trust may be invested in equity or debt securities which include, but are not limited to, (i) energy-related royalty and income trusts and corporations and partnerships (including, but not limited to, oil and gas, oil and gas services, industrial, propane, natural gas liquids, pipeline, production and handling facilities, and coal royalty and income trusts, corporations or partnerships, or other issuers and such other investments as the Manager may determine in its sole discretion from time to time), (ii) other resource-oriented royalty trusts, corporations or

partnerships or other issuers and such other investments as the Manager may determine in its sole discretion from time to time, and (iii) real estate investment trusts.

See “Section 3 – The Meeting” for a discussion of the proposed updates to the investment objectives of the Trust.

Current Portfolio Holdings:

Sectoral Breakdown of the Trust, as at June 30, 2013



SECTION 3 – THE MEETING

The Manager has called this Meeting to ask Unitholders to approve certain amendments to the Declaration of Trust and the Management Agreement. The following describes the matters being dealt with at the Meeting.

SUMMARY OF PRINCIPAL MATTERS REQUIRING UNITHOLDER APPROVAL

The following is a summary of the principal amendments to the Declaration of Trust and the Management Agreement proposed to be adopted by the Trust.

Resolution	Description
Resolution A – Distribution Reinvestment Plan	Provides the Manager with specific authority to amend the Plan by adding a Premium Distribution™ Component and to make any corresponding amendments to the Declaration of Trust as the Manager may determine as a result of amending the Plan, and amends the Declaration of Trust to require the Trust to issue a news release announcing amendments to the Plan and to post such revised Plan on the Manager’s website.
Resolution B – Preferred Units	Amends the Declaration of Trust and Management Agreement to provide the Trust with the authority to issue a new class of preferred equity securities, issuable in series.
Resolution C – Fixed Administration Charge, Investment Objectives, Investment Restrictions, Automatic Distributions for Tax Purposes and Other Administrative Matters	<p>(i) Amends the Declaration of Trust and Management Agreement to provide for a fixed administration charge (the Administration Charge) to be paid to the Manager for certain expenses incurred on the Trust’s behalf by the Manager in connection with the operation and administration of the Trust and which are currently paid for by the Trust.</p> <p>(ii) Amends the Declaration of Trust to update the Trust’s investment objectives to reflect changes in the current investment environment;</p> <p>(iii) Amends the investment restrictions of the Trust to expand the Trust’s investment options by (a) permitting the Trust to invest more than 10% of the assets of the Trust in mutual funds (including non-Canadian mutual funds), (b) restricting the application of the 10% issuer concentration restriction to immediately after a portfolio transaction instead of at all times, (c) expanding on the Trust’s ability to purchase and sell derivatives to the extent permitted by applicable securities laws, (d) permitting the Trust to own more than 10% of a class of equity securities of an entity whose sole purpose is to invest in portfolio securities on behalf of the Trust; and (e) permitting the Trust to own more than 10% of a class of equity securities of an investment fund or mutual fund issuer to the extent permitted by applicable securities laws.</p>

Resolution	Description
Resolution C – Fixed Administration Charge, Investment Objectives, Investment Restrictions, Automatic Distributions for Tax Purposes and Other Administrative Matters	<p>(iv) Amends the Declaration of Trust to permit automatic year-end distributions to be paid in the form of Units and to permit subsequent consolidations of Units following such non-cash distributions.</p> <p>(v) Amends provisions of the Declaration of Trust relating to successor trustees, certain permitted mergers and the list of matters that would not require Unitholder approval to conform with current market practice for closed-end investment funds.</p>

DETAILED DISCUSSION

The following is a more detailed discussion of the matters to be considered at the Meeting. For the text of the changes to be made to the Declaration of Trust and the Management Agreement, please see Appendices A through C.

Resolution A – Distribution Reinvestment Plan

It is proposed that the Declaration of Trust be amended, subject to the approval of Unitholders, to give the Manager the specific authority to amend the Plan by adding a Premium Distribution™ (denotes trademark of Canaccord Genuity Corp.) Component to the Plan (the **Premium Distribution™ Component**). This amendment will augment the existing general power of the Manager to make amendments to the Plan, which will continue. The text of the proposed amended language to the Declaration of Trust that would authorize the Manager to make such amendments to the Plan in respect of the Premium Distribution™ Component and such corresponding amendments to the Declaration of Trust as the Manager may determine necessary as a result of amending the Plan, and that would amend the notice requirements associated with an amendment to the Plan, as described below, is contained in Appendix A of this Circular.

It is anticipated that the Plan, as amended, will provide Unitholders with the opportunity to, at the participant's election and through a plan agent (expected to be Alliance Trust Company, as “**Plan Agent**”), either (i) reinvest their distributions in new Units at a discount of up to 5% to the average market price of the Units on the TSX (the “**Average Market Price**”, as more specifically defined in the Plan) on the applicable distribution payment date under the distribution reinvestment component of the Plan and have such new Units credited to the participant's account, or (ii) reinvest their distributions in new Units at a 5% discount to the Average Market Price on the applicable distribution payment date under the Premium Distribution™ Component, which new Units will be disposed of under the Premium Distribution™ Component through a plan broker (expected to be Canaccord Genuity Corp., as “**Plan Broker**”) in exchange for a cash payment equal to 102% of the reinvested distributions.

In addition, the Manager proposes, concurrently with the amendments, to allow the optional cash payment available to be made by participants in the Plan at the time of each distribution date to increase from \$1,000 to \$10,000 and Units purchased under the optional cash payment to be made at a discount of up to 5% of the Average Market Price of such Units.

A description of certain Canadian federal income tax considerations will be set forth in the amended version of the Plan, which should be reviewed by Unitholders wishing to participate in the Plan. **Unitholders are urged to consult their own tax advisors concerning the implications of their participation in the Plan having regard to their particular circumstances.** As is currently the case for the distribution reinvestment component of the Plan, Unitholders which are non-residents of Canada for purposes of the *Income Tax Act* (Canada) (the “**Tax Act**”) will not be able to participate under the Premium Distribution™ Component.

The Manager believes that these proposed changes to the Plan will provide investors with a convenient and more cost effective way to increase their investment in the Trust. Similar to the regular distribution reinvestment

component of the Plan, there will be no additional costs to the investor associated with the Premium Distribution™ Component of the Plan. The Premium Distribution™ Component will help increase the sustainability of the Trust by supporting the Trust's efforts to stay fully invested.

It is anticipated that the Manager will be in a position to implement these changes to the Plan later in 2013 following completion of arrangements with the Plan Agent and the Plan Broker. However, there is no guarantee that such arrangements will be completed satisfactorily in order to permit the implementation of the Premium Distribution™ Component. In such case, the Manager expects that it would make other amendments to the Plan as it may determine to be appropriate. The implementation of the Premium Distribution™ Component will also be subject to the approval of the TSX. In any event, the Trust will issue a news release to announce the amendments to the Plan and the text of the revised Plan will be posted on the Manager's website.

Finally, it is proposed that the Declaration of Trust will be amended to remove the existing requirement for the Trust to provide written notice of all amendments to the Plan to the Unitholders and to replace such requirement with an obligation of the Trust to issue a news release and publish a revised copy of the Plan on the Manager's website. The Manager believes that the cost of mailing a notice outweighs the benefits of doing so, and believes that the use of the Manager's website to be more economical to the Trust.

See "Section 6 – Risk Factors" for a discussion of the risks related to the Plan.

Resolution B – Preferred Units

The Manager is proposing to amend the Declaration of Trust, subject to the approval of the Unitholders, in order to provide the Trust with the authority to issue a maximum aggregate amount of preferred equity securities equal to 25% of the Trust's total assets after giving effect to the offering, issuable in series (**Preferred Units**), with such designation, rights, privileges, restrictions and conditions attached to each series as determined by the Manager.

Management believes that the proposed amendments to allow the Trust to issue Preferred Units will provide the Trust with the ability to raise additional capital and thereby further ability to more actively pursue value enhancing investment opportunities should they arise in the future. With fixed income yields at historical lows, Management believes that this may be an opportune time to secure longer term, lower cost capital and allow its Unitholders to achieve a greater rate of return on the re-investment of those proceeds. Further, as holders of Preferred Units will not be entitled to participate in any increase in the net asset value, such increase shall be solely retained by Unitholders.

Currently, the Units are the only authorized class of participating trust units of the Trust and provide a holder with the following rights:

- to one vote per Unit at any meeting of Unitholders;
- to participate equally and rateably in distributions made by the Trust; and
- upon termination of the Trust, to participate equally and rateably in the distributions of the net assets of the Trust remaining after the satisfaction of all liabilities.

Accordingly, the Manager is proposing to amend the Declaration of Trust to provide the Trust with the authority to issue a new class of preferred equity securities, issuable in series, being designated as the "Preferred Units". The Manager is of the view that the creation of the Preferred Units will enable the Trust to access capital to the extent that it is considered prudent by permitting the Trust to offer potential investors a security that provides an attractive yield with less risk.

Any issued and outstanding Preferred Units may be considered liabilities of the Trust according to International Financial Reporting Standards and deducted from the assets of the Trust for purposes of calculating the net asset value of the Trust. Currently, under the Management Agreement, the calculating of Management Fees (as defined

below) is done with reference to the net asset value of the Trust. In order to fully reflect the total assets of the Trust being managed by the Manager, the Manager is proposing to amend the Management Agreement to provide that Management Fees be calculated as though the Preferred Units were accounted for as equity of the Trust and not deducted from the net asset value of the Trust.

The Manager has determined that it is advisable for the Trust to obtain an advance tax ruling from the Canada Revenue Agency in connection with the proposed amendments to the Declaration of Trust prior to the issuance of any Preferred Units in order to confirm the tax consequences related to any issuance of Preferred Units to each of the Trust and the Unitholders.

The material aspects of the Preferred Units will be as follows:

1. the Preferred Units will rank in priority to the Units;
2. the Preferred Units shall have attached thereto the following attributes:
 - (a) the Preferred Units may from time to time be issued in one or more series, and the Manager may fix from time to time before such issue the number of Preferred Units which is to comprise each series and the designation, rights, privileges, restrictions and conditions attaching to each series of Preferred Units including, without limiting the generality of the foregoing, any voting rights, the rate or amount of distributions (which may be cumulative or non-cumulative and variable or fixed) or the method of calculating distributions, the dates of payment thereof, the terms and conditions of redemption and purchase, if any, any rights on the liquidation, dissolution or winding-up of the Trust, and any sinking fund or other provisions;
 - (b) the Preferred Units of each series shall, with respect to the payment of distributions (other than distributions paid solely through the distribution of additional Units) and the distribution of assets of the Trust or return of capital in the event of liquidation, dissolution or winding-up of the Trust, whether voluntary or involuntary, or any other return of capital or distribution of assets of the Trust among its Unitholders for the purpose of winding-up its affairs, be entitled to preference over the Units, and over any other Equity Interests of the Trust ranking by their terms junior to the Preferred Units. However, such distribution preference will be limited to the redemption value of such Preferred Units. The Preferred Units of any series may also be given such other preferences, not inconsistent with this Declaration of Trust, over the Units, and any other Equity Interests of the Trust ranking by their terms junior to the Preferred Units, as may be fixed in accordance with subsection (a); and
 - (c) if any cumulative distributions or amounts payable on the return of capital in respect of a series of Preferred Units are not paid in full, all series of Preferred Units of equal ranking shall participate ratably in respect of cumulative distributions and return of capital, based on the cumulative distributions and return of capital of a series of Preferred Units as a proportion of the cumulative distributions and return of capital of all series of Preferred Units of equal ranking.

The terms of a particular series of Preferred Units as fixed by the Manager in accordance with subsection (a) above shall be set out in a certificate of amendment which certificate shall be approved by the Manager prior to the issue of such Preferred Units and, upon such approval, the certificate shall become a part of the Declaration of Trust.

Notwithstanding anything else contained in the Declaration of Trust, except as otherwise provided in the terms of a particular series of Preferred Shares as fixed by the Manager, neither the Units nor any series of Preferred Units shall have or be deemed to have any term, condition, right or other attribute which would provide any holder of either Units or Preferred Units of any series with an interest in the income of the Trust as a percentage in any distribution received by that unitholder that is greater or lesser than an interest in the income of the Trust as a percentage of any distribution received by the holder of any other Units or Preferred Units of any series.

3. for so long as any Preferred Units remain issued and outstanding, the Trust can not pay or declare payable any amount to holders of Units (other than amounts that are paid solely through the issuance of additional Units) unless and until the distribution entitlements of the Preferred Units have been paid in full.

See “Section 6 – Risk Factors” for a discussion of the risks related to Preferred Units.

If the proposed amendments are approved by Unitholders and Preferred Units are issued by the Trust, a complete copy of the amendments to the Declaration of Trust to facilitate the issuance of the Preferred Units can be obtained by contacting the Manager at Suite 3900, 350 – 7th Avenue S.W., Calgary, Alberta, T2P 3N9, telephone (403) 571-5550.

Resolution C – Fixed Administration Charge, Investment Objectives, Investment Restrictions, Automatic Distributions for Tax Purposes and Other Administrative Matters

Fixed Administration Charge

Currently under the Management Agreement, the Trust is responsible to pay all the expenses associated with the operation and administration of the Trust (the “**Operating Expenses**”), which comprise a portion of the management expense ratio of the Trust. The Manager is proposing to amend the Management Agreement to provide that the Manager will pay the Operating Expenses other than the “Fund Costs” (as defined below) in exchange for the payment by the Trust of a fixed monthly Administration Charge.

The Trust will remain responsible for expenses relating to: (i) all taxes (including, without limitation, HST, GST, capital taxes, income taxes, withholding taxes); (ii) borrowing and interest costs; (iii) unitholder meeting costs; (iv) costs and expenses relating to the issuance of units of the Trust; (v) the fees and expenses of the Independent Review Committee of the Trust; (vi) the cost of compliance with any new governmental and regulatory requirements imposed on or after August 30, 2013 (including relating to Operating Expenses) or with any material change to existing governmental and regulatory requirements imposed on or after August 30, 2013 (including extraordinary increases to regulatory filing fees); (vii) any new types of costs, expenses or fees not incurred prior to August 30, 2013, including arising from new government or regulatory requirements relating to the Operating Expenses or related to those external services that were not commonly charged in the Canadian investment fund industry as of August 30, 2013; (viii) operating expenses that would have been outside the normal course of business of the Trust prior to August 30, 2013; and (ix) expenditures incurred upon the termination or conversion of the Trust (the “**Fund Costs**”).

The Trust will also continue to pay its portfolio transaction costs, which include costs associated with the purchase and sale of securities and other property, such as brokerage commissions for portfolio trading and related trading fees, foreign exchange costs, service charges and research and execution costs, as well as forward agreement and derivative transaction costs. Portfolio transaction costs are not considered to be Operating Expenses and are not currently included in the management expense ratio of the Trust.

In addition to the above expenses, the Trust pays and will continue to pay the Management Fee to the Manager.

The proposed monthly Administration Charge will be calculated as follows:

- i. when the average Total Asset Value (as defined below) of the Trust during the month is less than or equal to \$750,000,000, the Administration Charge shall be equal to one-twelfth (1/12) of 0.35% of the average Total Asset Value of the Trust during the month;
- ii. when the average Total Asset Value of the Trust during the month is greater than \$750,000,000 but less than or equal to \$1,500,000,000, the Administration Charge shall be equal to one-twelfth (1/12) of 0.35% of \$750,000,000 plus one-twelfth (1/12) of 0.13% of the amount of the average Total Asset Value of the Trust during the month in excess of \$750,000,000; and

- iii. when the average Total Asset Value of the Trust during the month is greater than \$1,500,000,000, the Administration Charge shall be equal to one-twelfth (1/12) of 0.35% of \$750,000,000 plus one-twelfth (1/12) of 0.13% of \$750,000,000 plus one-twelfth (1/12) of 0.11% of the amount of the average Total Asset Value of the Trust during the month in excess of \$1,500,000,000.

The “**Total Asset Value**” of the Trust shall be the net asset value of the Trust (calculated in accordance with the Declaration of Trust) plus the amount representing any outstanding preferred equity securities of the Trust if they are deducted from the assets of the Trust in calculating the net asset value of the Trust. The average Total Asset Value of the Trust during any calendar month shall be calculated by dividing the sum of the Total Asset Value of the Trust on all Trading Days (as defined in the Declaration of Trust) by the number of Trading Days during the month.

The Manager is proposing this approach in order to regularize the annual expenses of the Trust and to provide for a more consistent and predictable annual management expense ratio. This approach also is expected to lead to a reduction in the administrative burden associated with the allocating and reimbursing expenses between the Manager and the Trust. The Manager’s proposed Administration Charge is set at a level that ensures that, had the Administration Charge been in place during the last financial year of the Trust (i.e. during the period from January 1, 2012 to December 31, 2012), all Unitholders would have benefited from a lower management expense ratio. The below chart compares the expenses that were borne by the Trust in 2012 that are proposed to be included in the Administration Charge against what the fee would have been if the proposed Administration Charge was in place in 2012.

Year	Historical expenses borne by the Trust proposed to be included in the Administration Charge	Proposed Administration Charge that would have been in place
2012	\$3,496,484 * excludes one-time, extraordinary expense items	\$3,292,626

The Fund Costs, being the expenses of the Trust that will not be borne by the Manager, are expenses that are irregular or outside the control of the Trust and the Manager, and that therefore do not lend themselves to being replaced by a fixed administration charge.

The fixed Administration Charge paid to the Manager may, in a particular period, be less than or exceed the actual Operating Expenses (other than Fund Costs) that are incurred by the Trust in such period.

The Manager also proposes to amend the Declaration of Trust to provide that any future increases in the Administration Charge to be paid to the Manager under the Management Agreement shall require the approval of the Unitholders by the affirmative vote of a two-thirds majority of the votes cast at a meeting duly called for that purpose.

Investment Objectives

The investment objectives of the Trust set out the types of issuers in which the Trust may invest from time to time as part of its diversified investment portfolio, which currently includes royalty and income trusts. The Manager is proposing to update the investment objectives set out in the Declaration of Trust to remove specific references to royalty and income trusts in order to reflect changes in the current investment environment. Since the implementation of the specified investment flow-through trust rules in the Tax Act, there are far fewer trust issuers available to invest in. Although the Trust may continue to invest in such entities if available, it is no longer a focus of the Trust given their limited availability.

Investment Restrictions

Restriction on Investments in Mutual Funds

The Declaration of Trust has a number of investment restrictions that reduce the opportunities for generating Trust returns. The Trust is not permitted to invest more than 10% of its net assets in mutual funds as defined under the *Securities Act* (Alberta). The Manager is proposing that this restriction be removed. Any investment in a single mutual fund issuer will still be limited to 10% of the Trust's net assets under the issuer concentration restriction in the Declaration of Trust. This amendment will provide the Manager with the flexibility to invest in mutual funds (including non-Canadian mutual funds which are not considered to be mutual funds under the securities legislation of the provinces and territories of Canada and are not subject to the various policies and regulations that apply to mutual funds under such legislation) where it considers such investment appropriate to potentially provide the Trust with greater diversification and access to certain asset classes to which it may not otherwise have access. Consequential amendments to the investment restrictions contained in the Declaration of Trust are being proposed to ensure that the increased flexibility to investment in mutual funds does not give rise to any income tax issues. There will be no duplication of management fees chargeable in connection with investments by the Trust in another mutual fund issuer managed by the Manager.

Purchase Test for Issuer Concentration Restriction

The issuer concentration restriction in the Declaration of Trust limits any investment by the Trust in any security issued by any issuer (other than certain government debt securities) to 10% of the Trust's net assets. The Trust currently must comply with such restriction at all times, which may necessitate the selling of portfolio securities by the Trust from time to time. This forced selling may place a burdensome liquidity constraint on the Manager and limit the Trust's ability to generate returns from a broader set of investment opportunities. The Manager is proposing that a "purchase test" be applied to such restriction instead, meaning that the 10% limitation imposed by such restriction will only be applied immediately after a portfolio transaction, and any subsequent change in concentration resulting from a change in the market value of portfolio securities will not be relevant in respect of such restriction. Such an amendment is consistent with current market practice for closed-end investment funds.

Restriction on Use of Derivatives

The Trust is currently not permitted to purchase or sell derivatives, other than certain permitted covered call or put options, exchange-traded options and derivatives used for the purpose of currency hedging. The Manager is proposing to remove this restriction to expand on the Trust's ability to purchase or sell derivatives, including to enter into forward contracts, to the extent permitted by applicable securities laws, in order to provide the Trust with further investment flexibility to meet its investment objectives. The use of derivatives by the Trust is not intended to create leverage.

Restriction on Issuer Control

The Trust is currently not permitted to own more than 10% of any class of securities issued by any issuer or purchase securities for the purpose of exercising control over management of any issuer. The Manager is proposing to allow for two exceptions to this restriction. First, the Manager is proposing to allow for the Trust to own more than 10% of a class of equity securities of an entity whose sole purpose is to invest in portfolio securities on behalf of the Trust. The Trust's proportional ownership of the underlying portfolio securities held by such entity will otherwise meet the investment restrictions of the Trust. Such flexibility allows the Trust to be better situated to participate in fund merger transactions on a tax-deferred basis. Second, the Manager is proposing to allow for the Trust to own more than 10% of an investment fund or mutual fund issuer. Such flexibility allows the Trust to efficiently gain exposure to investments deemed by the Manager to benefit Trust returns. As discussed above, there will be no duplication of management fees chargeable in connection with investments by the Trust in another mutual fund issuer managed by the Manager. The ability of the Trust to implement both such exceptions would be subject to applicable securities laws.

Ancillary Amendment

The Trust is currently restricted from making any investments that would result in the Trust failing to qualify as a “unit trust” under the Tax Act. For additional Unitholder protection, the Manager is proposing to expand the language to also restrict the Trust from conducting any activity that would result in the Trust failing to qualify as a “unit trust” under the Tax Act.

See “Section 6 – Risk Factors” for a discussion of the risks related to the proposed amendments to the Trust’s investment restrictions.

Distributions for Tax Purposes

The Declaration of Trust currently does not provide for automatic distributions for tax purposes to be paid in the form of Units or the subsequent consolidations of Units following such non-cash distributions. The Trust intends in each year to make distributions of its net income and net realized capital gains such that it will not generally be liable for income tax under Part I of the Tax Act. Without the ability to make distributions in the form of Units, the Trust may be liable for income tax where its net income (including net realized capital gains) exceeds the amount of cash on hand for distributions in that year. The Manager is proposing that the Declaration of Trust be amended to permit automatic distributions for tax purposes to be paid in the form of Units and to permit subsequent consolidations of Units following such non-cash distributions.

Other Administrative Matters

The Manager is proposing a number of other amendments to the Declaration of Trust for the purpose of enhancing the operational efficiency of the Trust, and to provide rights of Unitholders that are consistent with current market practice for closed-end investment funds.

First, the Manager is proposing to eliminate the requirement for a successor trustee to be confirmed by the Unitholders, and the requirement that a trustee shall be a corporation that has at least \$100 million of shareholders’ equity on its balance sheet, which unduly restricts the Manager’s ability to appoint an otherwise qualified trustee. The Manager believes that the standard of care to which the Manager is subject in considering and appointing a successor trustee would be adequate to protect the interests of the Unitholders without requiring a separate Unitholder vote and without specific limitations on the trustees that could be considered.

Second, the Manager is proposing to provide for certain permitted mergers that would not require Unitholder approval. This amendment will align the Declaration of Trust more closely with current practice and with TSX rules on the subject. Permitted mergers are mergers of two funds, that, among other things, have similar investment objectives and may be merged without a resulting increase in the management expense ratio for Unitholders. Such a permitted merger may be completed on either a tax-deferred basis or a taxable basis at the discretion of the Manager. If this amendment is approved by Unitholders, a merger of the Trust with another fund may be effected on a taxable basis without Unitholder approval.

Third, the Manager is proposing to amend the list of actions that can be undertaken by the Trust or Manager without Unitholder approval to conform the list more closely with current practice in the investment fund industry. The proposed list, contained in Resolution C, is designed to eliminate the need for the calling and holding of an expensive Unitholder meeting in non-material circumstances, which include amendments to conform the Declaration of Trust with current market practice within the securities or investment funds industries, provided that any amendments in reliance on such provision do not in the opinion of the Manager adversely affect the pecuniary value of the interest of the Unitholders or restrict, in the opinion of the Trustee, any protection for the Trustee or the Manager or increase their respective responsibilities. Such provision will be used to further amend the Declaration of Trust to, among other things, (i) update the provision regarding the calculation of net asset value to conform with current industry practice, (ii) amend the timing for calculating the 10% of the Units that may be retracted to ensure that Unitholders are returned their Units that are not being retracted on a timely basis, and (iii) update the Declaration of Trust for tax and accounting standard changes. The Trust may also use such provision to provide additional redemption rights to Unitholders as determined by the Manager.

See “Section 6 – Risk Factors” for a discussion of the risks related to such proposed amendments to the Declaration of Trust.

Unitholder Approval

In order to be implemented, each of the Unitholder Resolutions must be passed by at least 66 2/3% of the votes cast thereon at the Meeting. The Declaration of Trust and the Management Agreement shall be amended to reflect the text of the Unitholder Resolutions that are so passed at the Meeting.

Termination of the Proposal

At any time before or after the Meeting, the Manager may in its sole discretion delay or terminate the implementation of all or parts of the Proposal, including any or all ancillary changes relating to the Proposal, without further notice to, or action on the part of, the Unitholders.

Proposed Regulatory Changes

The Canadian Securities Administrators recently published proposed amendments (the **Proposed Amendments**) to the regulation of investment funds, including closed-end investment funds such as the Trust. If the Proposed Amendments are enacted in their current form, the Trust’s ability to implement all or parts of the Proposal may be restricted unless it is able to obtain exemptive relief. The Proposed Amendments are subject to a notice and comment procedure followed by the Canadian Securities Administrators and may be subject to future alteration. Accordingly, it is unclear what impact, if any, the final enacted amendments may have on the Trust. The timing of the finalization of the Proposed Amendments is also uncertain.

SECTION 4 – INDEPENDENT REVIEW COMMITTEE

REFERRAL TO THE INDEPENDENT REVIEW COMMITTEE

As required by National Instrument 81-107 – *Independent Review Committee for Investment Funds*, the Manager has established an independent review committee (**IRC**) for the Trust. The Manager referred the calling of the Meeting to the IRC for its consideration. On July 15, 2013, the IRC advised the Manager that it had concluded that the calling of this Meeting to put before Unitholders the Unitholder Resolutions is a fair and reasonable process to be followed by the Trust and the Manager. Also after due consideration and examining both the positives and negatives related to all three Unitholder Resolutions, the IRC believes that the Manager's proposed actions related to the Unitholder Resolutions, if approved by the Unitholders, would achieve a fair and reasonable result for the Trust.

SECTION 5 – INCOME TAX CONSIDERATIONS FOR CANADIAN INVESTORS

The following is, as of the date hereof, a summary of the principal Canadian federal income tax considerations of the proposed amendments to the Trust's Declaration of Trust and other proposed changes as described herein (the **Trust Amendments**) to a Unitholder who is an individual (other than a trust) and who, for purposes of the Tax Act, is resident in Canada, deals at arm's length with the Trust and holds Units (including the new Units purchased under the Plan with the cash from the Distributions) as capital property. Generally, the Units will be considered to be capital property to a Unitholder provided the Unitholder does not hold such Units in the course of carrying on a business of buying and selling securities and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade. Certain Unitholders who might not otherwise be considered to hold Units as capital property may, in certain circumstances, be entitled to have the Units and all other "Canadian securities" owned or subsequently acquired by them treated as capital property by making an irrevocable election permitted by subsection 39(4) of the Tax Act. This summary assumes that no Unitholder has entered or will enter into a "derivative forward agreement" as that term is defined in proposed amendments to the Tax Act contained in a Notice of Ways and Means Motion that accompanied the federal budget tabled by the Minister of Finance (Canada) on March 21, 2013 with respect to the Units.

This summary is based on the facts set out in this Circular, a certificate of the Manager as to certain factual matters, the current provisions of the Tax Act and the regulations thereunder (the **Regulations**), all specific proposals to amend the Tax Act and the Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof, and the administrative and assessing practices of the Canada Revenue Agency (the **CRA**) published in writing prior to the date hereof. This summary does not otherwise take into account or anticipate any changes in law or the administrative policies or assessing practices of the CRA, and it is not exhaustive of all possible Canadian federal income tax considerations nor does it take into account or anticipate any provincial or territorial laws of Canada or the tax laws of any other country.

This summary is not exhaustive of all possible Canadian federal income tax considerations applicable to a Unitholder regarding the Trust Amendments. In particular, this summary does not discuss the Canadian federal income tax considerations applicable to the acquisition, holding or disposition of any Preferred Units that may be issued by the Trust in the future. Furthermore, this summary does not discuss the Canadian Federal income tax considerations relating to any permitted merger involving the Trust in the future; see the discussion under "Section 3 – The Meeting". This summary is of a general nature and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Unitholder and no representations with respect to the income tax consequences to any particular Unitholder are made. Accordingly, Unitholders should consult their own tax advisors for advice with respect to their particular circumstances.

Taxation of the Trust

The Trust Amendments will not, in and of themselves, result in a resettlement of the Trust. The Trust Amendments will not, in and of themselves, affect the status of the Trust as a "mutual fund trust" under the Tax Act with the result that the Units will continue to be qualified investments under the Tax Act for trusts governed by registered retirement savings plans, registered retirement income funds, registered disability savings plan, deferred profit sharing plans, registered education savings plans and tax-free savings accounts. Based on the investment restrictions of the Trust, as proposed to be amended by Appendix C of this Circular, the Trust Amendments will not result in the Trust itself being a SIFT trust for purposes of the Tax Act.

Taxation of Unitholders

The Trust Amendments will not, in and of themselves, give rise to a disposition of Units by Unitholders for purposes of the Tax Act.

If the Trust adopts the Premium Distribution™ Component as described herein, a further explanation of certain Canadian federal income tax implications of the Plan will be contained under the heading "Canadian Federal Income Tax Considerations" of the Plan.

SECTION 6 – RISK FACTORS

Unitholders should consider the following additional risks relating to the proposed amendments if they are implemented by the Trust.

Distribution Reinvestment Plan Risks: The value of the Units held by a Unitholder that does not enroll in the distribution reinvestment component or the Premium Distribution™ Component of the Plan may be diluted in the event that new Units are issued by the Trust thereunder at an issuance price less than the net asset value per Unit on the relevant distribution date. Additionally, the issuance by the Trust of new Units under the distribution reinvestment component or the Premium Distribution™ Component of the Plan may have a dilutive impact on the Trust's distributable income per Unit.

Preferred Unit Risks: If Preferred Units are issued by the Trust, the Preferred Units will act as a form of leverage for the Trust. The risk to Unitholders may increase if securities purchased with proceeds from the issuance of Preferred Units decline in value. The Trust utilizes leverage in order to enhance returns for Unitholders. The use of leverage may result in capital losses on the disposition of Units by Unitholders or a decrease in distributions to Unitholders. The Trust may use leverage in order for it to achieve its targeted monthly distributions to Unitholders. The Trust's ability to make distributions on the Units may be impacted by the terms attached to any Preferred Units. The degree to which the Trust is leveraged could have important consequences for Unitholders. All or part of the Trust's cash flow generated by the portfolio may be dedicated to the payment of distributions to holders of Preferred Units, thereby reducing funds available for distribution to Unitholders. The Trust may also issue such Preferred Units with an agreed mechanism to adjust distribution rates in the future following their issuance to reflect then-current rates of interest, which exposes the Trust to the risk of increased interest rates. This could have a material adverse effect on the portfolio and the Trust's financial condition and cash flows and therefore on the distributable income available to be distributed to Unitholders. The distributions payable to holders of Preferred Units may exceed the incremental capital gains, if any, and income generated by the incremental investment in portfolio securities with proceeds from the issuance of Preferred Units. There can be no assurance that the leverage strategy employed by the Trust will enhance returns for unitholders.

The issuance of the Preferred Units could have adverse income tax consequences to the Trust. For that reason, the Preferred Units will not be issued unless an advance tax ruling from the CRA has been obtained that confirms that no such adverse income tax consequences will take place.

Concentration Risks: If the amendments to the concentration restriction are approved by Unitholders, it is possible that more than 10% of the net assets of the Trust may be invested in the securities of a single issuer. If that is the case, the Trust's portfolio will be less diversified and may be less liquid. As a result, the Trust may experience difficulties in liquidating certain positions. This may involve some risk for Unitholders, particularly over short periods, since the value of the Units will increase or decrease in line with the market value of the Trust's portfolio securities. To the extent that portfolio investments are concentrated in a particular sector, region or asset class, the Trust may be susceptible to loss due to adverse occurrences affecting that sector, region or asset class.

Derivatives Risks: If the amendments to the derivatives restriction are approved by Unitholders, the Trust would be able to use a broad range of derivative financial instruments including, without limitation, credit default swaps, options, futures, forwards, interest rate swaps and cross-currency swaps and may use derivative techniques for hedging and for trading purposes, including for the purpose of obtaining the economic benefit of an investment in an entity without making a direct investment. The risks posed by such instruments and techniques, which can be extremely complex, include, in addition to the risks outlined above: (i) legal risks (the characterization of a transaction or a party's legal capacity to enter into it could render the financial contract unenforceable, and the insolvency or bankruptcy of a counterparty could pre-empt otherwise enforceable contract rights); (ii) operations risk (inadequate controls, deficient procedures, human error, system failure or fraud); (iii) documentation risk (exposure to losses resulting from inadequate documentation); (iv) liquidity risk (exposure to losses created by inability to prematurely terminate the derivative or a cease trade order being issued in respect of the underlying security); (v) investment risk arising from the disappearance of any conversion premium due to premature redemptions, changes in conversion terms or changes in issuer's dividend policy; and (vi) lack of liquidity during market panics.

Although a derivative hedge reduces risks, it does not eliminate risk entirely. The use of derivatives for hedging purposes involves certain additional risks including (i) dependence on the ability to predict movements in the price of the securities hedged; (ii) imperfect correlation between movements in the securities on which the derivative is based and movements in the assets of the underlying portfolio; and (iii) possible impediments to effective portfolio management or the ability to meet short term obligations because of the percentage of a portfolio's assets segregated to cover its obligations. In addition, by hedging a particular position, any potential gain from an increase in value of such position may be limited.

The use of derivative instruments involves risks different from and possibly greater than the risks associated with investing directly in such securities and other traditional investments. Derivatives are subject to a number of risks, such as liquidity risk, interest rate risk, market risk, credit risk, leveraging risk, counterparty risk, trading execution risk and short selling risk. Derivatives also involve the risk of mispricing or improper valuation and the risk that changes in the value of a derivative may not correlate perfectly with the underlying asset, rate or index.

In entering into forward contracts, to the extent permitted by applicable securities laws, the Trust is subject to the credit risk that its counterparty (whether a clearing corporation, in the case of exchange traded instruments, or other third party, in the case of over-the-counter instruments) may be unable to meet its obligations. In addition, there is risk of loss by the Trust of margin deposits in the event of the bankruptcy of the dealer with whom the Trust has an open position in a futures or forward contract. The ability of the Trust to close out its positions may also be effected by exchange imposed daily trading limits on futures contracts. If the Trust is unable to close out a position it will be unable to realize its profit or limit its losses until such time as the futures or forward contract terminates, as the case may be. The inability to close out futures and forward positions could also have an adverse impact on the Trust's ability to use derivatives instruments to effectively hedge the Trust's investments or implement its investment strategies.

The Trust currently is and is expected to continue to be a mutual fund trust and a unit trust under the Tax Act. In the event that the Trust ceased to be a mutual fund trust or unit trust under the Tax Act, there could be material and detrimental tax consequences to the Trust or Unitholders. The Trust could cease to be a mutual fund trust and a unit trust if it fails to satisfy the detailed quantitative restrictions under paragraph 108(2)(b) of the Tax Act. The Manager intends to conduct the Trust's affairs in a manner that will comply with those restrictions, but no assurances can be given in this regard.

Supplementary information released concurrently with the federal budget tabled by the Minister of Finance (Canada) on March 21, 2013 identified as a target of the proposed amendments to the Tax Act contained in a Notice of Ways and Means Motion that accompanied such federal budget (the "March 2013 Proposals") certain financial arrangements (described in the supplementary information as "character conversion transactions") that seek to reduce tax by converting, through the use of derivative contracts, the return on an investment that would have the character of ordinary income to capital gains. The derivative contracts utilized by the Trust do not have the intent or effect identified in the supplementary information. However, the March 2013 Proposals are broad in scope and, as currently drafted, could apply to other agreements or transactions (for example, certain forward contracts). If the March 2013 Proposals were to apply to derivatives utilized by the Trust the gains in respect of which would otherwise be capital gains, gains realized in respect of such derivatives would be treated as ordinary income rather than capital gains. It is possible that, when revised proposals in respect of the character conversion transaction rules are released, the scope of the proposed rules may be narrower in certain respects to reflect the intent identified in the supplementary information. However, there can be no assurance that the March 2013 Proposals will be enacted in a form that does not adversely affect the Trust and the Unitholders.

Permitted Merger Risks: Under the Proposal, a permitted merger of the Trust with another fund could be effected on a taxable basis without Unitholder approval. On such a merger transaction, the Trust may realize net income and/or net realized capital gains which may be allocated to Unitholders, and Unitholders may also realize income or capital gains on a disposition of their Units as part of the merger transaction. The tax considerations of a taxable merger transaction would depend on, among other things, the specific form of such merger transaction, the existence of any losses of the Trust, the tax attributes of the property of the Trust, and the tax attributes of a Unitholder's Units. Unitholders are advised to speak to their own tax advisors regarding the potential consequences to them of a taxable merger in their particular circumstances.

Redemption Risks: The Trust may provide additional redemption rights to Unitholders as determined by the Manager without further Unitholder approval. While additional redemptions rights provide Unitholders with additional liquidity, there can be no assurance that it will reduce trading discounts or allow a holder to redeem all of the Units sought to be redeemed. If a significant number of Units are redeemed, the expenses of the Trust would be spread over fewer Units, resulting in a higher management expense ratio for the Trust.

SIFT Rules Risk: The Tax Act includes special rules which impose income tax on certain mutual fund trusts that are “SIFT trusts” for purposes of the Tax Act. In order for the Trust to be a “SIFT trust” as defined in the Tax Act, the Trust must hold one or more “non-portfolio properties”, as defined in the Tax Act. The definition of “non-portfolio property” in the Tax Act includes a property held by a trust that is a security of a “subject entity” as defined in the Tax Act (other than a “portfolio investment entity” as defined in the Tax Act) if at any time the trust holds securities of the subject entity that have a total fair market value that is great than 10% of the “equity value” as defined in the Tax Act of the subject entity. The Trust should not be a SIFT trust for the purposes of these provisions because the Trust should not hold “non-portfolio property”, as defined in the SIFT Rules, based on its investment restrictions, as proposed to be amended pursuant to Appendix C. If these provisions were to apply to the Trust, they may have an adverse impact on the Trust including on distributions received by Unitholders.

SECTION 7 – NOTICE AND PROXIES

SOLICITATION OF PROXIES FROM UNITHOLDERS ENTITLED TO VOTE AT THE MEETING AND ADVICE TO BENEFICIAL UNITHOLDERS

Each registered holder of one or more Units on the Record Date (as defined below) is entitled to one vote at the Meeting for each Unit held. Unitholders of record will be entitled to vote those Units held and included in the list of Unitholders entitled to vote at the Meeting prepared as at the Record Date even though the Unitholder may have since that time disposed of his or her Units. No Unitholder who becomes a Unitholder after the Record Date shall be entitled to vote at the Meeting.

The Trust has fixed the record date for the Meeting as being the close of business on July 26, 2013 (the **Record Date**). As of the Record Date, there were 82,829,041 Units issued and outstanding.

The information set forth below is of significant importance to many Unitholders, as a substantial number of the Unitholders do not hold Units in their own name. Unitholders who do not hold their Units in their own name (referred to in this Circular as **Beneficial Unitholders**) should note that only proxies deposited by Unitholders whose name appears on the records of the Trust as a registered holder of Units can be recognized and acted upon at the Meeting. If Units are listed in an account statement provided to a Unitholder by a broker, then in almost all cases those Units will not be registered in the Unitholder's name on the records of the Trust. Such Units will more likely be registered under the name of the Unitholder's broker or an agent of that broker. In Canada, the vast majority of such Units are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Units held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Unitholder. Without specific instructions, brokers/nominees are prohibited from voting Units for their clients. The Trust does not know for whose benefit all of the Units registered in the name of CDS & Co. are held.

Applicable regulatory policy requires intermediaries and brokers to seek voting instructions from Beneficial Unitholders in advance of Unitholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Unitholders in order to ensure that their Units are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Unitholder by its broker is identical to the form of proxy provided to registered Unitholders. However, its purpose is limited to instructing the registered Unitholders how to vote on behalf of the Beneficial Unitholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (**Broadridge**). Broadridge typically mails a scannable voting instruction form in lieu of the form of proxy. The Beneficial Holder is requested to complete and return the voting instruction form to it by telephone (using a toll-free telephone number), facsimile or internet. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of the Units to be represented at the Meeting. **A Beneficial Unitholder receiving a voting instruction form cannot use that form to vote Units directly at the Meeting as the form must be returned as directed by Broadridge well in advance of the Meeting in order to have the Units voted.**

QUORUM FOR MEETING

At the Meeting, a quorum shall consist of two or more Unitholders present in person or presented by proxy representing in the aggregate not less than 10% of the outstanding Units. If a quorum is not present at the Meeting within one-half hour after the time fixed for the holding of the Meeting, it shall stand adjourned to such day being not less than 14 days later and to such place and time as may be determined by the Chairman of the Meeting. At such adjourned Meeting, the Unitholders present either personally or by proxy shall be deemed to constitute a quorum.

DELIVERY OF PROXIES AND VOTING INSTRUCTION FORMS

A Unitholder may attend the Meeting in person or may be represented by proxy. Unitholders who are unable to attend the Meeting or any adjournment thereof in person are requested to date, sign and return the accompanying form of proxy for use at the Meeting or any adjournment thereof. Beneficial Unitholders will receive a voting instruction form in lieu of a form of proxy, which they can use to instruct the registered holder how to vote their Units. The instrument appointing a proxy shall be in writing and shall be executed by the Unitholder or his or her attorney authorized in writing or, if the Unitholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized.

Instruments of proxy must be received by the Corporate Secretary of Canoe Financial Corp., c/o Alliance Trust Company (the **Transfer Agent**), #450, 407-2nd Street S.W., Calgary, Alberta T2P 2Y3 by 10 a.m. (Calgary time) on August 28, 2013, or not less than 48 hours before the time set for the holding of the Meeting or any adjournment or adjournments of the Meeting. Proxies may also be voted by internet by carefully following the instructions provided on the form of proxy or voting instruction form.

The persons named in the enclosed instrument of proxy are directors and/or officers of the Manager. Each Unitholder has the right to appoint a proxyholder other than the persons designated in the instrument of proxy furnished by the Manager, who need not be a Unitholder, to attend and act for the Unitholders and on the Unitholder's behalf at the Meeting. To exercise such right, the name of the Unitholder's appointee should be legibly printed in the blank space provided.

REVOCABILITY OF A PROXY

A Unitholder who has submitted a proxy may revoke it at any time prior to the exercise thereof. If a person who has given a proxy attends personally at the Meeting at which such proxy is to be voted, such person may revoke the proxy and vote in person. A Unitholder may also revoke a proxy by sending another proxy form with a later date to the Transfer Agent by 10 a.m. (Calgary time) on or before August 29, 2013. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Unitholder or his or her attorney authorized in writing or, if the Unitholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized and deposited either at the head office of the Manager at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or with the Chairman of the Meeting on the day of the Meeting, or any adjournment thereof, and upon either of such deposits, the proxy is revoked.

PERSONS MAKING THE SOLICITATION

The solicitation is made on behalf of the management of the Manager. The costs incurred in the preparation and mailing of the Notice of Meeting, the Circular and form of proxy will be borne by the Trust. In addition to solicitation by mail, proxies may be solicited by personal interviews, telephone or other means of communication and by directors, officers and employees of the Manager, who will not be specifically remunerated therefor.

EXERCISE OF DISCRETION BY PROXY

The Units represented by the form of proxy enclosed with this Notice of Meeting and this Circular will be voted in accordance with the instructions of the Unitholder, but if no specification is made, the Units will be voted in favour of the matter set forth in the form of proxy. If any amendments or variations are proposed at the Meeting or any adjournment thereof to matters set forth in the form of proxy and described in the accompanying Notice of Meeting and this Circular, or if any other matters properly come before the Meeting or any adjournment thereof, the form of proxy confers upon the Unitholder's nominee discretionary authority to vote on such amendments or variations or such other matters according to the best judgment of the person voting the proxy at the Meeting. At the date of this Circular, management of the Manager knows of no such amendments or variations or other matters to come before the Meeting.

VOTING OF UNITS

At the Meeting, upon a show of hands, every Unitholder present in person or represented by proxy and entitled to vote shall have one vote. On a poll or ballot, every Unitholder present in person or by proxy has one vote for each Unit of which such Unitholder is the registered holder. All votes on special resolutions shall be by a ballot and no demand for a ballot shall be necessary. When any Unit is held jointly by several persons, any one of them may vote at the Meeting in person or by proxy in respect of such Unit, but if more than one of them shall be present at the Meeting in person or by proxy, and such joint owners of the proxy so present disagree as to any vote to be cast, such vote shall not be received in respect of such Unit.

To the best of the knowledge of the Trustee, the Manager, and the directors of the Manager, there is no person or corporation which beneficially owns, or controls or directs, directly or indirectly, Units carrying more than 10% of the voting rights attached to the issued and outstanding Units.

SECTION 8: MANAGEMENT OF THE TRUST

EXPENSES OF THE PROPOSAL

Whether or not the Unitholder Resolutions are approved, all costs associated with the Proposal will be borne by the Trust and therefore, in effect, by the Unitholders. These costs are estimated to be \$320,000.

MANAGEMENT CONTRACTS

The Manager

The Manager was formed as a limited partnership under the laws of Alberta by a limited partnership agreement dated September 9, 2009. The head office of the Manager is located at Suite 3900, 350 - 7th Avenue South West, Calgary, Alberta, T2P 3N9.

Management Agreement

Under the terms of the Management Agreement between the Manager and the Trustee, the Manager is responsible for providing, or causing to be provided, certain management and administrative services to the Trust, including portfolio management, the provision of office space, equipment, facilities, supplies and clerical services, the maintenance of the Trust's books and records, the handling of communications and correspondence with Unitholders, the preparation of accounting, management and other reports, and the provision of such other managerial and administrative services as may be reasonably necessary to administer the Trust.

In consideration for the services performed by the Manager, the Trust pays the Manager a monthly management fee (the **Management Fee**). The monthly Management Fee paid to the Manager is equal to one-twelfth (1/12) of one and one half percent (1.5%) of the average net asset value of the Trust in the month up to and including \$250,000,000, plus one-twelfth (1/12) of one percent (1.0%) of the average net asset value of the Trust in the month in excess of \$250,000,000. See "Section 3 – The Meeting" for a discussion of the proposed amendment to the Management Fee calculation such that it will be done with reference to the total assets of the Trust to include any outstanding Preferred Units.

Currently the Trust also reimburses the Manager for full expenses incurred on the Trust's behalf by the Manager in connection with the operation and administration of the Trust in accordance with the Management Agreement. See "Section 3 – The Meeting" for a discussion of the proposed addition of the Administration Charge to replace the reimbursement by the Trust of certain of these expenses.

If the Manager's retainer or appointment is terminated for any reason (other than for cause as a result of a material fraudulent act or a material deliberate misrepresentation, or as a result of the bankruptcy, insolvency or dissolution of the Manager) or the Trust is terminated, the Trust must pay to the Manager at the time of termination an amount equal to an estimate of five years of management fees, calculated on a pro forma basis, based on the net asset value of the Trust at the time of termination less any amounts paid to the Manager pursuant to the annual redemption of Units.

For the fiscal year ended December 31, 2012, \$13,890,000 in Management Fees were paid or payable by the Trust to the Manager.

Effective July 29, 2013, Mr. Robert Taylor, Senior Vice President and Portfolio Manager of the Manager, assumed portfolio management responsibilities for the Trust from the Sub-Advisor. Mr. Taylor is an award-winning portfolio manager and was directly responsible for managing more than \$4 billion in assets in his previous position as Vice President and Portfolio Manager, Canadian Equities at BMO Global Asset Management.

Informed Persons

The informed persons of Canoe Financial Corp., the general partner of the Manager, are as follows:

Name	Province of Residence	Position
Nevin G. Markwart	Alberta	President, Chief Executive Officer and Director
David J. Rain	Alberta	Vice President and Director
Rafi G. Tahmazian	Alberta	Senior Portfolio Manager and Director
Darcy Hulston	Alberta	Senior Vice President, National Sales Director and Director
Larry Herscu	Ontario	Chief Operating Officer
Renata Colic	Alberta	Chief Financial Officer
Supriya Kapoor	Ontario	Senior Vice President, Chief Compliance Officer
Robert Taylor	Ontario	Senior Vice President and Portfolio Manager
Jodi Peake	Alberta	Vice President, Marketing and Investor Relations

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

There were no material interests, direct or indirect, of directors and senior officers of the Manager, any Unitholder who beneficially owns more than 10% of the shares of Canoe Financial Corp. or (to the extent known to the Manager) 10% of the Units, or any known associate or affiliate of such persons, or any other informed person (as defined in National Instrument 51-102), in any transaction of the Trust during the Trust's last financial year or in any proposed transaction of the Trust which has materially affected or would materially affect the Trust other than as disclosed elsewhere in this Circular.

INTEREST OF CERTAIN PERSONS AND COMPANIES IN MATTERS TO BE ACTED UPON

No person who has been a director or an executive officer of the Manager at any time since the beginning of the Trust's last financial year or any associate or affiliate of any such director or executive officer has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, except as disclosed in this Circular.

SECTION 9: OTHER MATTERS

AUDITORS

The auditors of the Trust are PricewaterhouseCoopers LLP, chartered accountants, Suite 3100, 111 - 5th Avenue South West, Calgary, Alberta.

OTHER MATTERS AND ADDITIONAL INFORMATION

The Manager knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any other matter properly comes before the Meeting, the accompanying proxy will be voted on such matter in accordance with the best judgment of the person or persons voting the proxy.

Additional information relating to the Trust is available on SEDAR at www.sedar.com. Financial information with respect to the Trust and its affairs is provided in the Trust's annual financial statements, together with the accompanying report of the auditors for the fiscal year of the Trust ended December 31, 2012 and in the management report of fund performance of the Trust for the fiscal year ended December 31, 2012. There is also an annual information form for the Trust dated March 28, 2013. A copy of these documents is available, at no cost by calling toll free 1-877-434-2796, from your dealer or by e-mail at info@canoefinancial.com. These documents and other information about the Trust, such as information circulars and material contracts, are also available on the Manager's website at www.canoefinancial.com.

APPENDIX A

RESOLUTION A: DISTRIBUTION REINVESTMENT PLAN

BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. Amendments to Declaration of Trust

Computershare Trust Company of Canada, in its capacity as trustee of the Trust (the Trustee), is hereby authorized to amend the amended and restated Declaration of Trust dated as of August 5, 1997, as amended (the Declaration of Trust) as follows:

- (a) Section 8.2(i) of the Declaration of Trust is deleted and the following substituted therefor:
 - (i) The Manager shall have the right to amend, to modify, to suspend or to terminate the Plan, and to make any corresponding amendments to this Article 8, as the Manager may determine in its sole discretion without Unitholder approval, at any time, but such action shall have no retroactive effect which would prejudice the interests of the participants in the Plan. In particular, the Manager shall have the right to amend the Plan by adding a Premium Distribution™ Component to the Plan, having the terms and conditions determined by the Manager. The Trust will issue a news release to announce any such amendments and the text of the revised Plan will be posted on the Manager's website. If the Plan is terminated by the Manager, participants will receive a certificate for whole Units being held for them, a cash payment for any fractions of a Units and the return of any uninvested cash distributions, if any.

2. Execution and Delivery

The Trustee and the Manager are each hereby authorized and directed to execute on behalf of the Trust and to deliver and to cause and be delivered all such documents, agreements and instruments and to do or cause to be done all such other acts and things as it shall determine to be necessary or desirable in order to carry out the intent of the foregoing resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement, instrument or designation or the doing of any such act or thing.

APPENDIX B

RESOLUTION B: PREFERRED UNITS

BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. Amendments to Declaration of Trust

Computershare Trust Company of Canada, in its capacity as trustee of the Trust (the Trustee), is hereby authorized to make all such amendments to the amended and restated Declaration of Trust dated as of August 5, 1997 as amended (the Declaration of Trust) as are necessary or desirable to enable the Trust to issue a maximum aggregate amount of preferred equity securities equal to 25% of the Trust's total assets after giving effect to the offering, issuable in series, with such designation, rights, privileges, restrictions and conditions attached to each series as determined by Canoe Financial LP (the Manager).

2. Amendments to Management Agreement

The Trustee, in its capacity as trustee of the Trust, is hereby authorized to enter into an agreement with the Manager to amend, or to amend and restate, the Restated Management Agreement dated as of March 15, 2011 (the Management Agreement) as is necessary or desirable to enable the Manager to calculate management fees with reference to any outstanding preferred equity securities.

3. Additional Amendments Authorized

The Manager and the Trustee are hereby authorized to make such other amendments to the Declaration of Trust and the Management Agreement as are necessary or desirable to give effect to the foregoing amendments or to resolve any inconsistencies arising out of the adoption of the foregoing amendment or to conform other provisions to reflect the foregoing amendments.

4. Execution and Delivery

The Trustee and the Manager are each hereby authorized and directed to execute on behalf of the Trust and to deliver and to cause and be delivered all such documents, agreements and instruments and to do or cause to be done all such other acts and things as it shall determine to be necessary or desirable in order to carry out the intent of the foregoing resolutions and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement, instrument or designation or the doing of any such act or thing.

APPENDIX C

RESOLUTION C: FIXED ADMINISTRATION CHARGE, INVESTMENT RESTRICTIONS, AUTOMATIC YEAR-END DISTRIBUTIONS AND OTHER ADMINISTRATIVE MATTERS

BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. Amendments to Declaration of Trust

Computershare Trust Company of Canada, in its capacity as trustee of the Trust (the Trustee), is hereby authorized to amend, or to amend and restate, the amended and restated Declaration of Trust dated as of August 5, 1997 as amended (the Declaration of Trust) as follows:

- (a) The references contained in section 3.1(b) of the Declaration of Trust concerning (i) the ratification of an appointment of a successor trustee by the Unitholders, and (ii) the minimum levels of shareholders' equity required of a trustee, are both deleted.
- (b) The Declaration of Trust will be amended to delete subsection 5.1(a) under Investment Objectives in its entirety and replace it with the following:
 - (a) The investment objectives of the Trust are to maximize monthly distributions relative to risk and maximize Net Asset Value, while maintaining and expanding a diversified investment portfolio, primarily through acquiring, investing, holding, transferring, disposing of or otherwise dealing with or in equity and debt securities of corporations, partnerships, or other issuers and such other investments as the Manager may determine in its sole discretion from time to time. The investment objectives set forth above may be achieved through direct acquisitions, investments or, at the election of the Manager, through "exchange offers" or rights offerings completed by the Trust from time to time. The assets of the Trust may be invested in equity or debt securities which include, but not be limited to, (i) energy-related corporations, partnerships or other issuers (including, but not limited to, oil and gas, oil and gas services, industrial, propane, natural gas liquids, pipeline, production and handling facilities, and coal corporations or partnerships, or other issuers and such other investments as the Manager may determine in its sole discretion from time to time), (ii) other resource-oriented corporations or partnerships or other issuers and such other investments as the Manager may determine in its sole discretion from time to time, (iii) real estate investment trusts, and (iv) any other corporation, partnership, or other issuer operating in an industry as the Manager may determine in its sole discretion from time to time.
- (c) The Declaration of Trust will be amended to delete the reference to subsection 5.3(a)(i) from the list of investment restrictions which must be complied with at all times by the Trust set out in the lead-in language in subsection 5.3(a).
- (d) The Declaration of Trust will be amended to delete subsection 5.3(a)(vii) under Investment Restrictions in its entirety and replace it with the following:
 - (vii) own more than 10% of any class of securities issued by any issuer or purchase securities for the purpose of exercising control over management of any issuer, in each case other than (A) an entity whose sole purpose is to invest in portfolio securities on behalf of the Trust or (B) an investment fund or mutual fund issuer.
- (e) The Declaration of Trust will be amended to delete subsection 5.3(a)(viii) under Investment Restrictions in its entirety to remove restrictions on the Trust's ability to purchase and sell derivatives.

- (f) The Declaration of Trust will be amended to delete subsection 5.3(a)(x) under Investment Restrictions in its entirety to remove the restriction on the assets of the Trust that can be invested in mutual funds.
- (g) The Declaration of Trust will be amended to delete subsection 5.3(a)(xi) under Investment Restrictions in its entirety and replace it with the following:
 - (xi) make any investment or conduct any activity that would result in the Trust failing to qualify as a “unit trust” within the meaning of the Income Tax Act.
- (h) The Declaration of Trust will be amended to add the following provisions to the list of Investment Restrictions under subsection 5.3(a), and to add references to such provisions to the list of investment restrictions which must be complied with at all times by the Trust set out in the lead-in language in subsection 5.3(a):

“make or hold any investments that would result in the Trust itself being a SIFT trust for purposes of the Income Tax Act;” and

“invest in or hold (i) securities of or an interest in any non-resident entity, an interest in or a right or option to acquire such property, or an interest in a partnership which holds any such property if the Trust (or the partnership) would be required to include any significant amounts in income pursuant to section 94.1 of the Income Tax Act, (ii) an interest in a trust (or a partnership which holds such an interest) which would require the Trust (or the partnership) to report income in connection with such interest pursuant to the rules in section 94.2 of the Income Tax Act, or (iii) any interest in a non-resident trust (or a partnership which holds such an interest) other than an “exempt foreign trust” for the purposes of section 94 of the Income Tax Act;”
- (i) The Declaration of Trust shall be amended to delete subsections 8.1(a) and (b) and replace them with the following:
 - (a) the Trust shall declare and make payable monthly distributions to Unitholders of record as of 5:00 p.m. on the last Trading Day in each month in such amounts as the Manager shall determine. Such monthly distributions may consist of Net Income, Net Capital Gains and returns of capital.
 - (b) having regard to the intention of the Trustee to allocate, distribute and make payable to Unitholders a sufficient amount of the Net Income of the Trust, a sufficient amount of the Net Capital Gains of the Trust and any other applicable amounts so that the Trust will not have any liability for tax under Part I of the Income Tax Act in any taxation year, the following amounts will, without any further actions on the part of the Trustee, be due and payable to Unitholders of record at the close of business on the last day of each taxation year of the Trust:
 - (i) the amount of Net Income of the Trust for such year not previously paid or made payable to Unitholders in such year, less the amount of any “non-capital losses” as defined in the Income Tax Act of the Trust that may be deducted in computing the taxable income of the Trust for such year; and
 - (ii) the amount of Net Capital Gains for such year not previously paid or made payable to Unitholders in such year, except to the extent of (i) Net Capital Gains that would not be subject to tax in the Trust by reason of the deduction of any loss of the Trust in such year or any “net capital losses” or “non-capital losses” as defined in the Income Tax Act of the Trust that may be deducted in computing the taxable income of the Trust for such year and (ii) Net Capital

Gains in respect of which the tax payable by the Trust would be refunded as a “capital gains refund” as defined in the Income Tax Act for such year.

Such amounts may be paid in cash or as a non-cash distribution in the form of Units, in the discretion of the Manager. Immediately following any such distribution to Unitholders in Units, the number of outstanding Units of each class shall be consolidated such that each Unitholder shall hold, after such consolidation, the same number and class of Units as the Unitholder held before the non-cash distribution. Notwithstanding the foregoing, where tax is required to be withheld in respect of a Unitholder’s share of a distribution, the consolidation will result in such unitholder holding that number of Units equal to the product of (i) the sum of the number of Units held by such Unitholder prior to the distribution and the number of Units received by such Unitholder in connection with the distribution (net of Units withheld by the Trust to satisfy the Trust’s withholding obligations), and (ii) a quotient, the numerator of which is the aggregate number of Units outstanding prior to the distribution, and the denominator of which is the aggregate number of Units that would be outstanding following distribution and before the consolidation if no withholding were required in respect of any part of the distribution payable to any Unitholders. Such Unitholder will be required to surrender the certificates, if any, representing such Unitholder’s original Units in exchange for a certificate representing such Unitholder’s post-consolidation Units.

- (j) The Declaration of Trust will be amended to delete the current subsection 12.3(b)(iv) under Voting Rights of Unitholders and replace it with the following:

“an amendment to the Declaration of the Trust to permit the redemption or retraction of Units at the option of the Unitholder or the Trust, other than an amendment pursuant to subsection 14.1(a);”

- (k) The Declaration of Trust will be amended to delete the current subsection 12.3(b)(vi) under Voting Rights of Unitholders and replace it with the following:

“any increase in the management fee or fixed administrative charge to be paid to the Manager under the Management Agreement;”

- (l) The Declaration of Trust will be amended to add provisions allowing for a permitted merger of the Trust, which shall include the following:

- (i) Notwithstanding any provisions of this Declaration of Trust, the Manager may, without obtaining Unitholder approval, merge the Fund (a “**Permitted Merger**”) with another fund or funds, provided that:

- A. Unitholders are permitted to redeem their Units at a redemption price equal to 100% of the NAV per Unit, less any costs of funding the redemption, including commissions prior to the effective date of the merger;
- B. the funds being merged have similar investment objectives as set forth in their respective constating documents, as determined in good faith by the Manager in its sole discretion;
- C. the Manager must have determined in good faith that there will be no increase in the management expense ratio borne by the Unitholders as a result of the merger; and
- D. the merger of the funds is completed on the basis of an exchange ratio determined with reference to the net asset value per unit of each fund; and

- (ii) If the Manager determines that a Permitted Merger is appropriate and desirable, the Manager can effect the Permitted Merger, including any required changes to the Declaration of Trust, without seeking Unitholder approval for the merger or such amendments. If a decision is made to merge, the Manager will issue a press release at least thirty (30) Business Days prior to the proposed effective date thereof disclosing details of the proposed merger. While the funds to be merged will have similar investment objectives, the funds may have different investment strategies, guidelines and restrictions and, accordingly, the units of the merged funds will be subject to different risk factors.

- (m) The Declaration of Trust will be amended by deleting the list of amendments to the Declaration of Trust that do not require the approval of the Unitholders now contained in section 14.1(a), and replacing that list with the following:
 - (i) making any change or correction which is of a typographical nature or is required to cure or correct a clerical omission, mistake or manifest error contained therein;
 - (ii) amending the existing provisions or adding any provisions which are for the protection or benefit of the Unitholders;
 - (iii) curing any ambiguity or correcting any administrative difficulty in the Declaration of Trust;
 - (iv) supplementing any provision which may be defective or inconsistent with another provision;
 - (v) maintaining the status of the Trust as a “unit trust” and a “mutual fund trust” for the purposes of the Income Tax Act or to respond to amendments to the Income Tax Act or to the interpretation thereof;
 - (vi) ensuring or continuing compliance of applicable laws, regulations or requirements (including accounting requirements) or any governmental authority having jurisdiction over the Trust;
 - (vii) conforming the Declaration of Trust with current market practice within the securities or investment funds industries;
 - (viii) changing the name of the Trust or a class of securities of the Trust;
 - (ix) adding additional redemption rights, as determined by the Manager; and
 - (ix) providing for the electronic delivery by the Trust to Unitholders of documents relating to the Trust (including annual and interim reports, including financial statements, notices of Unitholder meetings and information circulars and proxy related materials) at such time as applicable securities laws have been amended to permit such electronic delivery in place of normal delivery procedures, provided that such amendments to the Indenture are not contrary to or do not conflict with such laws;

provided that any such amendments do not in the opinion of the Manager adversely affect the pecuniary value of the interest of the Unitholders or restrict in the opinion of the Trustee any protection for the Trustee or the Manager or increase their respective responsibilities. Any such amendments made by the Manager shall be disclosed by the Manager in its next following regularly scheduled report to Unitholders.

- (n) The Declaration of Trust will also be amended to provide that it may be amended by agreement of the Trustee and the Manager and without notice to or the consent of Unitholders for the purpose of removing any conflicts or other inconsistencies which may exist between this Declaration of Trust and applicable law, changing the Trust's taxation year-end as permitted under the Income Tax Act and providing the Trust with the right to acquire Units from any Unitholder for the purpose of maintaining the status of the Trust as a "mutual fund trust" for purposes of the Income Tax Act.

2. Amendments to the Management Agreement

Computershare Trust Company of Canada, in its capacity as the Trustee, is hereby authorized to enter into an agreement with Canoe Financial LP (the Manager) to amend, or to amend and restate, the Restated Management Agreement dated as of March 15, 2011 (the Management Agreement) as follows:

- (a) The Management Agreement will be amended to delete the current section 2.1 under Article 2 – Manager's Fees and Trust Expenses and replace it with the following:

2.1 In consideration for the services performed by the Manager pursuant to the terms of this Agreement, the Manager shall be paid from the Trust a monthly management fee (the "Management Fee") as follows:

- i. when the average Total Asset Value (as defined below) of the Trust during the month is less than or equal to \$250,000,000, the Management Fee shall be equal to one-twelfth (1/12) of one and a half percent (1.5%) of the average Total Asset Value of the Trust during the month; and
- ii. when the average Total Asset Value of the Trust during the month is greater than \$250,000,000, the Management Fee shall be equal to one-twelfth (1/12) of one and a half percent (1.5%) of \$250,000,000 plus one-twelfth (1/12) of one percent (1.0%) of the amount of the average Total Asset Value of the Trust during the month in excess of \$250,000,000.

To compensate the Manager for certain expenses incurred on the Trust's behalf in connection with the operation and administration of the Trust, as provided for in section 2.2, the Manager shall be paid from the Trust a monthly administration charge (the "Administration Charge") as follows:

- i. when the average Total Asset Value (as defined below) of the Trust during the month is less than or equal to \$750,000,000, the Administration Charge shall be equal to one-twelfth (1/12) of 0.35% of the average Total Asset Value of the Trust during the month;
- ii. when the average Total Asset Value of the Trust during the month is greater than \$750,000,000 but less than or equal to \$1,500,000,000, the Administration Charge shall be equal to one-twelfth (1/12) of 0.35% of \$750,000,000 plus one-twelfth (1/12) of 0.13% of the amount of the average Total Asset Value of the Trust during the month in excess of \$750,000,000; and
- iii. when the average Total Asset Value of the Trust during the month is greater than \$1,500,000,000, the Administration Charge shall be equal to one-twelfth (1/12) of 0.35% of \$750,000,000 plus one-twelfth (1/12) of 0.13% of \$750,000,000 plus one-twelfth (1/12) of 0.11% of the amount of the average Total Asset Value of the Trust during the month in excess of \$1,500,000,000.

The "Total Asset Value" of the Trust shall be the Net Asset Value of the Trust (calculated in accordance with the Declaration) plus the amount of liabilities representing any outstanding preferred equity securities of the Trust if they are deducted from the assets of the Trust in

calculating the Net Asset Value of the Trust. The average Total Asset Value of the Trust during any calendar month shall be calculated by dividing the sum of the Total Asset Value of the Trust on all Trading Days (as defined in the Declaration) by the number of Trading Days during the month. If, for any reason, this Agreement shall not be effective throughout a month the Management Fee and Administration Charge for such incomplete month shall be equal to the result obtained when the Management Fee and Administration Charge calculated as above for the whole of such month is multiplied by a fraction, the numerator of which is the number of Trading Days in such month during which this Agreement was effective and the denominator of which is the number of Trading Days in such month.

The Manager shall be entitled to receive payment of such monthly Management Fee and Administration Charge from the Trust on the last Trading Day of the month in respect of which such Management Fee and Administration Charge is earned. The Manager shall be entitled to redirect payment of all or any part of the Management Fee and Administration Charge and the Trust agrees to make payment of the Management Fee and Administration Charge or portions thereof to such person or persons as the Manager may in writing direct and payment of the Management Fee and Administration Charge as so directed shall fully discharge the Trust's obligation to the Manager in respect of the payment of the Management Fee and Administration Charge.

- (b) The Management Agreement will be amended to delete the current section 2.2 under Article 2 – Manager's Fees and Trust Expenses and replace it with the following:

2.2

a. The Manager shall be responsible to pay all of the expenses associated with the operation and administration of the Trust (the "Operating Expenses") except as provided in paragraph b, including, without limitation fees payable to the Trustee under the Declaration; fees payable to the Trustee for the performance of any extraordinary services on behalf of the Trust; fees payable to the transfer agent and registrar with respect to the Units; fees payable to the Custodian and the auditors of the Trust; operating and administrative costs and expenses; costs and expenses of financial and other reports; costs and expenses relating to complying with all applicable laws and regulations; and the expenses of any action, suit or other proceedings in which or in relation to which the Manager is adjudged to be in breach of any duty or responsibility or standard of care to the Trust.

b. Notwithstanding paragraph a, the Trust shall reimburse the Manager for the following expenses incurred on the Trust's behalf by the Manager in connection with the operation and administration of the Trust: (i) all taxes (including, without limitation, HST, GST, capital taxes, income taxes, withholding taxes); (ii) borrowing and interest costs; (iii) unitholder meeting costs; (iv) costs and expenses relating to the issuance of units of the Trust; (v) the fees and expenses of the Independent Review Committee of the Trust; (vi) the cost of compliance with any new governmental and regulatory requirements imposed on or after August 30, 2013 (including relating to Operating Expenses) or with any material change to existing governmental and regulatory requirements imposed on or after August 30, 2013 (including increases to regulatory filing fees); (vii) any new types of costs, expenses or fees not incurred prior to August 30, 2013, including arising from new government or regulatory requirements relating to the Operating Expenses or related to those external services that were not commonly charged in the Canadian investment fund industry as of August 30, 2013; (viii) operating expenses that would have been outside the normal course of business of the Trust prior to August 30, 2013; (ix) expenditures incurred upon the termination or conversion of the Trust; and (x) brokerage commissions and other security transaction expenses, including costs of derivatives and foreign exchange transactions. The obligations contained in this Section 2.2 shall survive the termination of this Agreement.

3. Additional Amendments Authorized

The Manager and the Trustee are hereby authorized to make such other amendments to the Declaration of Trust and Management Agreement as are necessary or desirable to give effect to the foregoing amendments or to resolve any inconsistencies arising out of the adoption of the foregoing amendment or to conform other provisions to reflect the foregoing amendments.

4. Execution and Delivery

The Trustee and the Manager are each hereby authorized and directed to execute on behalf of the Trust and to deliver and to cause and be delivered all such documents, agreements and instruments and to do or cause to be done all such other acts and things as it shall determine to be necessary or desirable in order to carry out the intent of the foregoing resolutions and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement, instrument or designation or the doing of any such act or thing.