

**ANNUAL INFORMATION FORM
For the year ended December 31, 2009**

MARKLAND AGF PRECIOUS METALS CORP.

March 30, 2010

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MARKLAND AGF PRECIOUS METALS CORP.

THE COMPANY

Markland AGF Precious Metals Corp. (the “Company”) is a mutual fund corporation incorporated under the laws of the Province of Ontario. Markland Street Asset Management Inc. is the manager of the Company (the “Manager” or “Markland”). The Company is not considered to be a mutual fund under the securities legislation of the provinces of Canada. Consequently, the Company is not subject to the various policies and regulations that apply to mutual funds, including National Instrument 81-102 of the Canadian Securities Administrators (“NI 81-102”).

The Company’s investment advisor is AGF Investments Inc. (“AGF” or the “Investment Advisor”). The Investment Advisor provides investment advisory and portfolio management services to the Company pursuant to an investment advisory agreement dated as of August 8, 2007 between the Company, the Manager and the Investment Advisor (the “Investment Advisory Agreement”). The principal office of the Company is located at TD Waterhouse Tower, TD Centre, 79 Wellington Street West, Suite 2402, Toronto, Ontario M5K 1A2.

The Company completed its initial public offering (the “Offering”) of 2,350,000 units (the “Units”), each consisting of one equity share and one-half of an equity share purchase warrant, at a price of \$10.00 per Unit on August 8, 2007 and 120,000 and 60,000 Units pursuant to an over-allotment option on August 29, 2007 and on September 11, 2007 respectively.

- a) The Company’s investment objective (the “Investment Objective”) is to provide Shareholders with the opportunity for capital appreciation by investing in an actively managed portfolio (the “Portfolio”) of equity securities, consisting of Gold and Precious Metals Companies and, to a lesser extent, Base Metals and Minerals Companies, as well as Precious Metals, including Gold Bullion and Silver Bullion.
- b) “Gold and Precious Metals Companies” means issuers primarily involved in the exploration, extraction, development and refining of metals such as gold, silver, platinum, palladium and rhodium or minerals such as diamonds or other gems. “Base Metals and Minerals Companies” means issuers primarily involved in the exploration, extraction, development and refining of metals such as zinc, copper, iron, lead and nickel, and minerals, such as uranium and coal. “Gold Bullion” means gold bullion, coins, certificates of deposit and exchange traded funds, including the Central Fund of Canada Limited, which provide the investor therein with exposure to market fluctuations in the price of gold. “Silver Bullion” means silver bullion, coins, certificates of deposit and exchange traded funds, including the Central Fund of Canada Limited, which provide the investor therein with exposure to market fluctuations in the price of silver.

In selecting investments for the Company, the Investment Advisor will employ a bottom-up approach. Issuers for the Portfolio will be selected based on fundamental research, including each issuer’s potential to generate above-average production growth and finance future growth. AGF meets with management and competitors of Gold and Precious Metals Companies and Base Metals and Minerals Companies and with investment analysts and industry experts. Securities will be sold where the Investment Advisor identifies opportunities which it believes are more attractive relative to the securities in question.

AGF's investment decisions are based on selecting securities that meet rigorous investment criteria. The team members' experience and insight are important factors in the selection process. The team members also consult industry leaders in order to obtain further insights.

INVESTMENT RESTRICTIONS

The investment activities of the Company are subject to the following investment restrictions (the "Investment Restrictions"):

- (i) **Concentration.** Not more than 10% of the total assets of the Company (as determined at the time of purchase) will be invested in the securities of any one issuer (other than short-term debt securities issued or guaranteed by the Government of Canada, any Canadian province or municipality or the United States).
- (ii) **Commodities.** Not more than 25% of the total assets (as determined at the time of purchase) of the Portfolio will be invested directly or indirectly in Precious Metals (which for greater certainty, shall not include investments in Gold and Precious Metals Companies).
- (iii) **Illiquid Securities.** Not more than 10% of the total assets (as determined at the time of purchase) of the Company will be invested in "illiquid securities". The term "illiquid securities" for this purpose means securities that, in the Investment Advisor's discretion, cannot be readily disposed of in the ordinary course of business at approximately the amount at which the securities are valued for the Portfolio.
- (iv) **Real Estate.** The Company will not purchase real estate.
- (v) **Control.** The Company will not purchase more than 10%, in the aggregate, of the outstanding equity securities of an issuer or purchase the securities of an issuer for the purpose of exercising control over management of that issuer.
- (vi) **Mutual Fund Corporation Status.** The Company will not undertake any activity, take any action or omit to take any action or make or hold any investment that would result in the Company failing to qualify as a "mutual fund corporation" within the meaning of the Income Tax Act (Canada) (the "Tax Act").
- (vii) **Taxable Canadian Property.** The Company will not make or hold any investment that would result in more than 10% (by fair market value) of the Company's property being a "taxable Canadian property", a timber resource property or a Canadian resource property.
- (viii) **Foreign Investment Entities and Non-Resident Trusts.** The Company will not invest in the securities of any non-resident corporation or trust or other non-resident entity (or partnership that holds such securities) if the Company (or partnership) would be required to mark its investment in such securities to market in accordance with proposed section 94.2 of the Tax Act or to include any significant amounts in income pursuant to proposed sections 94.1 or 94.3 of the Tax Act, as set forth in the proposed amendments to the Tax Act dealing with foreign investment entities or invest in non-resident trusts other than an "exempt foreign trust" as defined in subsection 94(1) of the Proposed Amendments.
- (ix) **No Loans or Guarantee.** The Company will not make loans or guarantee securities or obligations of another person or company other than the Manager, and then only in respect of the activities of the Company, except that the Company may purchase and hold debt obligations (including bonds, debentures or other obligations and certificates of deposit, bankers' acceptances and fixed time deposits) in accordance with its Investment Objectives.
- (x) **Derivatives.** The Company will not purchase or sell derivative instruments except as described under "Use of Derivative Instruments".

- (xi) **Short Sales.** Not more than 10% of the total assets of the Company will be subject to short sales.
- (xii) **Tax Shelter Investments.** The Company will not invest in any securities that would be a tax shelter investment within the meaning of Section 143.2 of the Tax Act.
- (xiii) **Foreign Affiliate.** The Company will not invest in any securities of an issuer that would be a foreign affiliate of the Company for purposes of the Tax Act.
- (xiv) **Underwriting.** The Company will not act as an underwriter except to the extent that the Company may be deemed to be an underwriter in connection with the sale of securities in its Portfolio.

If, at any time, an investment takes the Portfolio outside the permitted ranges in paragraphs (i), (ii), (iii), (v) and (xi) above, and provided there is no breach of the other restrictions set forth above, the Company shall have 90 days to conduct such purchases and sales of securities as are necessary to cause the Company to adhere to such permitted ranges. Notwithstanding the foregoing, the Investment Restrictions in paragraphs (vi), (vii), (viii), (xii) and (xiii) must be complied with at all times.

If a percentage restriction on investment or use of assets set forth above is adhered to at the time of the transaction, later changes to the market value of the investment, the market capitalization of an issuer or of the total assets of the Company will not be considered a violation of that restriction (except for paragraphs (vi), (vii) and (xiii) above which must be complied with at all times). If the Company receives from an issuer subscription rights to purchase securities of that issuer, and if the Company exercises those subscription rights at a time when the Company's holdings of securities of that issuer would otherwise exceed the limits set forth above, the exercise of those rights will not constitute a violation of the Investment Restrictions if the Company has sold at least as many securities of the same class and value as would result in the restriction being complied with either at the time of receipt of the securities on the exercise of those rights, or on the expiry of the applicable 90 day cure period set forth above.

The foregoing Investment Restrictions may not be changed without the approval of the Shareholders, by a resolution passed by two-thirds of the votes cast at a meeting of Shareholders called for such purpose, unless such changes are necessary to ensure compliance with all applicable laws, regulations or other requirements imposed by applicable regulatory authorities from time to time. See "Shareholder Matters".

The Company has not deviated in the last year from the rules under the Tax Act that apply to the status of the shares as qualified investments within the meaning of the Tax Act for registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans or registered disability savings plans.

LOAN FACILITY

The Company may enter into a loan facility (the "Loan Facility") with one or more Canadian chartered banks (collectively, the "Lender"). The Lender will be at arm's length to the Company, the Manager and the Investment Advisor and their respective affiliates and associates but may be affiliated with one or more of the Agents (as defined herein). The Loan Facility will contain provisions to the effect that in the event of a default under the Loan Facility, the Lender's recourse will be limited solely to the assets of the Company. The Loan Facility will permit the Company to borrow up to an amount not exceeding 15% of the value of the total assets within the Portfolio, determined at the time of borrowing, which may be used for various purposes, including purchasing additional securities for the Portfolio and for liquidity purposes. In the event that the total amount borrowed by the Company under the Loan Facility at any time exceeds 20% of the value of the total assets within the Portfolio, the Investment Advisor will as soon as

practicable take appropriate steps with the Portfolio which may include liquidating a portion of the Portfolio securities in an orderly manner and using the proceeds thereof to reduce indebtedness so that the amount borrowed under the Loan Facility does not exceed 15% of the value of the total assets within the Portfolio. See “Risk Factors — Use of Leverage”. The interest rates, fees and expenses under the Loan Facility will be typical of credit facilities of this nature and the Company expects that the Lender will require the Company to provide a security interest in favour of the Lender over the assets of the Company to secure such borrowings.

Other than borrowing by the Company under the Loan Facility, the Company will not engage in other borrowings.

DESCRIPTION OF SHARES AND WARRANTS

The Company is authorized to issue an unlimited number of Equity Shares and 100 Class J Shares. The holders of Class J Shares are not entitled to receive dividends. The holders of the Class J Shares will be entitled to one vote per share. The Class J Shares are redeemable and retractable at a price of \$1.00 per share. The Class J Shares rank prior to the Equity Shares with respect to distributions on the dissolution, liquidation or winding-up of the Company to the extent of \$1.00 per Class J Share. Markland AGF Precious Metals Trust (the “Trust”), established for the benefit of the holders of the Equity Shares from time to time owns all of the issued and outstanding Class J Shares.

Equity Shares

The Company is authorized to issue an unlimited number of Equity Shares. Holders of Equity Shares have rights of redemption and shall be entitled to receive dividends and other distributions declared by the Company as described under “Redemption of Equity Shares” and “Dividends”. Except as described under “Acts Requiring Shareholder Approval”, holders of Equity Shares shall not have voting rights. On termination or liquidation of the Company, the holders of outstanding Equity Shares of record are entitled to receive on a pro rata basis all of the assets of the Corporation remaining after payment of all debts and liabilities of the Company and the liquidation rights of the Class J Shares. See “Rights of Termination”.

Warrants

The Company has issued 2,530,000 half Warrants. The Warrants will be governed by the warrant indenture between the Company and CIBC Mellon Trust Company (the “Warrant Trustee”) dated August 8, 2007 (the “Warrant Indenture”). Each whole Warrant entitles the holder to purchase one Equity Share at the subscription price of \$10.25 per Equity Share on July 30, 2010 (the “Expiry Date”) prior to 5:00 p.m. (Toronto time) (the “Expiry Time”) by notifying the Warrant Trustee during the period from July 15, 2010 to July 30, 2010 by 5:00 p.m. (Toronto time) (the “Warrant Notice Period”). Holders of Warrants who exercise the Warrants will become holders of Equity Shares issued through the exercise of the Warrants. **WARRANTS MAY ONLY BE EXERCISED ON JULY 30, 2010 AND WARRANTS NOT EXERCISED BY 5:00 P.M. (TORONTO TIME) ON JULY 30, 2010 WILL BE VOID AND OF NO VALUE.** Upon the exercise of a Warrant, the Company will pay a fee equal to \$0.25 to the dealer whose client is exercising the Warrant.

The Warrant Trustee has been appointed the agent of the Company to receive subscriptions and payments from holders of Warrants, to act as registrar and transfer agent for the Warrants and to perform certain services relating to the exercise and transfer of Warrants pursuant to a Warrant Indenture. Holders of Warrants desiring to exercise such Warrants and purchase Equity Shares should ensure that subscriptions

and payment in full of the subscription price therefor is received during the Warrant Notice Period by the Warrant Trustee.

Under the Warrant Indenture, the Company may, from time to time, purchase Warrants in the market, by private contract or otherwise.

Subscription Rights

Clearing and Depository Services Inc. Participants (“CDS Participants”) that hold Warrants for more than one beneficial holder may, upon providing evidence satisfactory to the Company and the Warrant Trustee, exercise Warrants on behalf of its accounts on the same basis as if the beneficial owners of Equity Shares were holders of record on the closing date of the Offering.

A subscriber may subscribe for the resulting whole number of Equity Shares or any lesser whole number of Equity Shares by instructing the CDS Participant holding the subscriber’s Warrants to exercise all or a specified number of such Warrants and forwarding \$10.25 per whole Warrant for each Equity Share subscribed for in accordance with the terms of this Offering to the CDS Participant which holds the subscriber’s Warrants.

The subscription price is payable in Canadian funds by certified cheque, bank draft or money order drawn to the order of a CDS Participant, by direct debit from the subscriber’s brokerage account or, by electronic funds transfer or other similar payment mechanism. All payments must be forwarded to the appropriate office of the CDS Participant. The entire subscription price for Equity Shares subscribed for must be paid at the time of subscription and must be received by the Warrant Trustee during the Warrant Notice Period. Accordingly, a subscriber subscribing through a CDS Participant must deliver its payment and instructions sufficiently in advance of the Expiry Time to allow the CDS Participant to properly exercise the Warrants on its behalf. Shareholders are encouraged to contact their broker or other CDS Participant as each CDS Participant may have a different cut-off time.

Payment of the subscription price will constitute a representation to the CDS Participant that the subscriber is not a citizen or resident of the United States of America, its territories or possessions or the agent of any such person and is not purchasing the Equity Shares for resale to any such person.

Subscriptions for Equity Shares made through a CDS Participant will be irrevocable and subscribers will be unable to withdraw their subscriptions for Equity Shares once submitted.

Holders of Warrants who wish to exercise their Warrants and receive Equity Shares are reminded that because Warrants must be exercised through a CDS Participant, a significant amount of time may elapse from the date of exercise and the date the Equity Shares issuable upon the exercise thereof are issued to the holder.

Sale or Transfer of Warrants

Holders of Warrants in Canada may, instead of exercising their Warrants to subscribe for Equity Shares, sell or transfer their Warrants. Holders of Warrants through CDS Participants who wish to sell or transfer their Warrants must do so in the same manner in which they sell or transfer Equity Shares, namely, by providing instructions to the CDS Participant holding their Warrants in accordance with the policies and procedures of the CDS Participant.

Dilution to Existing Shareholders

If a Shareholder wishes to retain its current percentage ownership in the Company and assuming that all Warrants are exercised, it should purchase all of the Equity Shares for which it may subscribe pursuant to the Warrants. If that Shareholder does not do so and other holders of Warrants exercise any of their Warrants, that Shareholder's current percentage ownership in the Company will be diluted.

The subscription rights in effect under the Warrants for Equity Shares of the Company issuable upon the exercise of the Warrants shall be subject to adjustment from time to time if, prior to the Expiry Time, the Company shall: (a) subdivide, re-divide or change its outstanding Equity Shares into a greater number of Equity Shares; (b) reduce, combine or consolidate its outstanding Equity Shares into a smaller number of Equity Shares; (c) distribute to holders of all or substantially all of the Company's outstanding Equity Shares any securities of the Company including rights, options or warrants to acquire Equity Shares of the Company or securities convertible into or exchangeable for Equity Shares of the Company or property or assets, including evidence of indebtedness (other than in connection with the distribution and exercise of the Warrants); (d) reclassify the Equity Shares or reorganize the capital of the Company; or (e) consolidate, amalgamate, or merge the Company with or into any other company or other entity, or sell or convey the property and assets of the Company as an entirety or substantially as an entirety (other than in connection with the redemption or retraction of Equity Shares).

Dividends

The Company does not intend to pay regular dividends or other distributions, but may do so at the discretion of the Manager from time to time. The Company may also, at the discretion of the Manager, pay an additional dividend in each year to Shareholders of record on December 31 if the Company has net taxable capital gains that would otherwise be subject to tax (the "Additional Dividend"). The Additional Dividend will be satisfied by the issuance of additional Equity Shares or cash, at the discretion of the Manager. Any Additional Dividend which is a capital gains dividend payable in Equity Shares will increase the aggregate adjusted cost base to holders of Equity Shares of such shares. Immediately following payment of such a dividend in Equity Shares, the number of Equity Shares outstanding will be automatically consolidated such that the number of Equity Shares outstanding after such distribution will be equal to the number of Equity Shares outstanding immediately prior to such dividend.

Each Shareholder will be mailed annually, on or about February 28, the information necessary to enable such Shareholder to complete an income tax return with respect to amounts paid or payable by the Corporation to the Shareholder in the preceding taxation year of the Corporation. See "Income Tax Considerations".

Meetings of Shareholders

Except as required by law or set out herein, holders of Equity Shares will not be entitled to receive notice of, to attend or to vote at any meeting of securityholders of the Company. A quorum for a meeting at which an Extraordinary Resolution is to be considered is Shareholders present in person or by proxy representing not less than 25% of the Equity Shares then outstanding. If a quorum is not present at a meeting within 30 minutes after the time fixed for the meeting, the meeting will be cancelled if convened pursuant to a request of Shareholders, but otherwise will be adjourned, and will be held at the same time and place on the day which is 14 days later (or if that date is not a Business Day, the first Business Day prior to that date). The Manager will give at least three days' notice by press release to Shareholders of

the date of the reconvening of the meeting and, at the reconvened meeting, persons present in person or represented by proxy will constitute a quorum.

Acts Requiring Shareholder Approval

The following matters may only be undertaken with the approval of Shareholders by an extraordinary resolution (an “Extraordinary Resolution”). An Extraordinary Resolution is a resolution passed by holders of not less than 66 2/3% of the Equity Shares voting thereon at a meeting duly convened for the consideration of such matter. At any such meeting, each Shareholder will be entitled to one vote for each Equity Share held:

- (a) any change in the Investment Objectives, Investment Strategy or Investment Restrictions, unless such changes are necessary to ensure compliance with applicable laws, regulations or other requirements imposed by applicable regulatory authorities from time to time;
- (b) any change of the Manager (other than to an affiliate of the Manager);
- (c) any change of the Investment Advisor (other than to an affiliate of the Investment Advisor) or termination of the Investment Advisory Agreement other than in circumstances where the Investment Advisor has been removed by the Manager on behalf of the Company pursuant to the Investment Advisory Agreement;
- (d) any change in the basis of calculating fees or other expenses charged to the Company that could result in an increase in charges to the Company, other than a fee or expense charged by a person or company that is at arm’s length to the Company and for which Shareholders are sent a written notice of such change at least 60 days before the effective date of such change;
- (e) any amendment, modification or variation in the provisions or rights attaching to the Equity Shares;
- (f) except in respect of Equity Shares issued upon the exercise of Warrants, any issue of Equity Shares for net proceeds per Equity Share less than the net asset value (“NAV”) per Equity Share calculated prior to the pricing of the Offering;
- (g) any reduction in the frequency of calculating the NAV per Equity Share; and
- (h) any approval required by applicable law.

The Company does not intend to hold annual meetings of Shareholders unless required to do so by applicable securities regulatory authorities.

Rights on Termination

The Company does not have a fixed termination date but may be terminated and dissolved at any time with the approval of Shareholders by an Extraordinary Resolution passed at a duly convened meeting of Shareholders called for the purpose of considering such Extraordinary Resolution. Immediately prior to the termination of the Company (the “Termination Date”), the Manager will, to the extent practicable, convert the assets of the Company to cash and the Manager shall, after paying or making adequate

provision for all of the Company's liabilities, distribute the net assets of the Company to Shareholders as soon as practicable after the Termination Date. The Manager may, in its discretion and upon not less than 30 days prior written notice to Shareholders, extend the Termination Date by a maximum of 180 days if the Manager would be unable to convert all the assets of the Company to cash and the Manager determines that it would be in the best interests of the Shareholders to do so.

VALUATION OF PORTFOLIO SECURITIES AND CALCULATION OF NAV

The NAV per Equity Share of the Company will be calculated by the Manager or its agent as of 4:00 p.m. (Toronto time) or such other time the Manager or its agent deems appropriate (the "Valuation Time") on the following days (each, a "Valuation Date"): (i) each Thursday during the year (or, if a Thursday is not a Business Day, then on the Business Day following such Thursday); (ii) each Annual Redemption Date; and (iii) any other date on which the Manager elects, in its discretion, to calculate the NAV per Equity Share. Such information will be provided by the Manager to Shareholders on request by calling 1-866-626-3707 or via the Internet at www.marklandstreet.com.

Pursuant to the terms of an exemptive relief order issued by the securities regulatory authorities in each of the provinces, for so long as the Shares of the Company are listed on the TSX and the Company calculates its NAV weekly, the Company is exempt from the requirement in section 14(3)(b) of National Instrument 81-106 – Investment Fund Continuous Disclosure ("NI 81-106") to calculate its net asset value daily.

For reporting purposes other than financial statements, the NAV of the Company on a particular date will be equal to (i) the total assets of the Company, less (ii) the aggregate value of the liabilities of the Company (the Warrants will not be treated as liabilities for these purposes), less (iii) the stated capital of the Class J Shares (\$100).

The basic NAV per Equity Share on any Valuation Date shall be calculated by dividing the NAV on such Valuation Date by the total number of Equity Shares issued and outstanding on such Valuation Date, provided however that, where as a result of such calculation the basic NAV per Equity Share is greater than \$10.25, then in addition to calculating the basic NAV per Equity Share, the diluted NAV per Equity Share shall be calculated by adding to the denominator the total number of Equity Shares issuable on the exercise of the Warrants then outstanding and by adding to the numerator the product of such number of Equity Shares issuable on the exercise of the Warrants and \$10.00 and the diluted NAV per Equity Share shall be deemed to be the resulting quotient.

In determining the NAV of the Company at any time:

- (a) the value of any cash on hand or on deposit, prepaid expenses, cash dividends declared and interest accrued and not yet received, shall be deemed to be the face amount thereof, unless the Manager determines that any such asset is not worth the face amount thereof, in which event the value thereof shall be deemed to be such value as the Manager determines to be the fair value thereof;
- (b) bonds and other debt securities shall be valued by taking the bid price;
- (c) the Manager may implement fair value pricing at its discretion. Fair value pricing is designed to provide a more accurate NAV by making fair value factor adjustments to quoted or published prices of non-North American securities for significant events

occurring between the earlier close of non-North American markets and the time at which NAV is determined;

- (d) on any Valuation Date other than the Annual Redemption Date, the value of any security which is listed or traded upon a stock exchange (or if more than one, on the principal stock exchange for the security, as determined by the Manager) shall be determined by taking the latest available sale price, or lacking any recent sales or any record thereof, the last MID price (average of BID and ASK), as at the applicable date on which the value of the assets of the Company is being determined, all as reported by any means in common use;
- (e) on the Annual Redemption Date, the value of any security which is listed or traded upon a stock exchange (or if more than one, on the principal stock exchange for the security, as determined by the Manager) shall be determined by taking the volume weighted average trading price of the security on the three consecutive trading days ending on such Annual Redemption Date, or lacking any sales on such dates or any record thereof, the last mid price (unless in the opinion of the Manager such value does not reflect the value thereof and in which case the fair market value as determined by the Manager shall be used), as at that date, all as reported by any means in common use;
- (f) the value of any security which is not listed or traded on a stock exchange or the resale of which is restricted by reason of a representation, undertaking or agreement by the Company (or by the Company's predecessor in title) or by law shall be determined on the basis of such price or yield equivalent quotations (which may be public quotations or may be obtained from major market makers) as the Manager reasonably determines best reflects fair value;
- (g) any security purchased, the purchase price of which has not been paid, shall be included for valuation purposes as a security held, and the purchase price, including brokers' commissions and other expenses, shall be treated as a liability of the Company;
- (h) any security sold but not delivered, pending receipt of the proceeds, shall be valued at the net sale price;
- (i) where a covered clearing corporation option or an over-the-counter option is written, the option premium received by the Company will, so long as the option is outstanding, be reflected as a deferred credit which will be valued at an amount equal to the current market value of an option which would have the effect of closing the position; any difference resulting from revaluation shall be treated as an unrealized gain or loss on investment. The deferred credit shall be deducted in arriving at the NAV;
- (j) the value of a forward contract shall be the gain or loss with respect thereto that would be realized as if the position in the forward contract were to be closed out;
- (k) margin paid or deposited in respect of forward contracts shall be reflected as an account receivable and margin consisting of assets other than cash shall be noted as held as margin;

- (l) short-term investments (excluding bonds with a term to maturity that is less than one year) are valued at cost plus accrued interest which approximates their market value;
- (m) the value of Precious Metals (other than exchange traded funds) will be based on the active spot price;
- (n) if any date on which NAV is determined is not a Business Day, then the securities comprising the Portfolio and other property of the Company will be valued as if such date were the preceding Business Day;
- (o) the value of all assets of the Company quoted or valued in terms of foreign currency, the value of all funds on deposit and contractual obligations payable to the Company in foreign currency and the value of all liabilities and contractual obligations payable by the Company in foreign currency shall be determined using the applicable rate of exchange current at, or as nearly as practicable to, the applicable date on which NAV is determined; and
- (p) estimated operating expenses of the Company shall be accrued to the date as of which the NAV is being determined.

If an investment cannot be valued under the foregoing rules or if the foregoing rules are at any time considered by the Manager to be inappropriate under the circumstances, then notwithstanding such rules, the Manager shall make such valuation as it considers fair and reasonable. The Manager has exercised its discretion in determining the fair market value of certain securities in the past three years, including the following:

- valuing securities at cost prior to being publicly listed on the stock exchange
- when warrants are not actively traded the Manager values intrinsically
- the Toronto Stock Exchange closure on December 17, 2008 due to technical problems

Pursuant to NI 81-106, investment funds calculate their NAV using fair value (as defined therein) for the purposes of securityholder transactions. The Manager considers the policies above to result in fair value of the securities held by the Company in accordance with NI 81-106. Net assets of the Company will continue to be calculated in accordance with Canadian generally accepted accounting principles (“GAAP”) for the purposes of its financial statements, resulting in the use of bid prices for long positions and ask prices for short positions, unless such value is determined to be unreliable or not readily available by the Manager, in which case the fair value will be estimated using certain valuation techniques on such basis and in such manner as may be determined by the Manager in accordance with CICA Handbook Section 3855 for such purpose. The financial statements of the Company will include a reconciliation of the net assets per Equity Share contained in the financial statements to the NAV per Equity Share, used for other purposes.

PURCHASES AND TRANSFERS

Shares and Warrants of the Company are traded on the Toronto Stock Exchange (the “TSX”) under the ticker symbol of MPM and MPM.WT respectively. Registration of interests in and transfers of the Equity Shares and Warrants will be made only through the book-based system of CDS Clearing and Depository Services Inc. (“CDS”). CDS will be responsible for establishing and maintaining book-based accounts for its participants holding Equity Shares or Warrants.

None of the Company, the Manager or the Warrant Trustee will have any liability for (i) the records maintained by CDS or CDS Participants relating to the Equity Shares or Warrants or the book-based accounts maintained by them, (ii) maintaining, supervising or reviewing any records relating to such Warrants, or (iii) any advice or representations made or given by CDS or CDS Participants with respect to the rules and regulations of CDS or any action to be taken by CDS or its participants.

The ability of a person having an interest in Warrants held through a CDS Participant to pledge such interest or otherwise take action with respect to such interest (other than through a CDS Participant) may be limited due to the lack of a physical certificate.

Holders of Warrants must arrange purchases or transfers of Warrants through CDS Participants. It is anticipated by the Company that each such purchaser of a Warrant will receive a customer confirmation of issuance or purchase, as applicable, from the CDS Participant through which such Warrant is issued in accordance with the practices and policies of such CDS Participant.

Indirect access to the CDS book-based only system is also available to other institutions that maintain custodial relationships with a CDS Participant, either directly or indirectly.

All distributions in respect of Equity Shares will be made by the Company to CDS and distributions to CDS will be forwarded by CDS to CDS Participants, and thereafter to the Shareholders.

The Manager, on behalf of the Company, has the option to terminate the book-based only system through CDS, in which case Equity Shares and Warrants in fully registered certificated form will be issued to Shareholders, as of the effective date of such termination.

REDEMPTION OF EQUITY SHARES

Annual Redemption

Commencing in December 2008, Equity Shares may be surrendered for redemption during the period from December 15th until 5:00 p.m. (Toronto time) on the 20th Business Day before the last Business Day in January in each year (the "Notice Period"). Equity Shares surrendered for redemption by a Shareholder during the Notice Period will be redeemed only on the last Business Day in January of each year (the "Annual Redemption Date") and the Shareholder will receive payment on or before the 15th Business Day following such Annual Redemption Date (the "Annual Redemption Payment Date"). The foregoing is subject to the Company's right to suspend redemptions (as described below).

Shareholders whose Equity Shares are redeemed will be entitled to receive a redemption price per Equity Share equal to the Redemption Amount. "Redemption Amount" means 100% of the NAV per Equity Share determined as of the Annual Redemption Date less (i) the aggregate of all brokerage fees, commissions and other costs relating to the disposition of securities in the Portfolio necessary to fund such redemptions or (ii) if the Manager determines that it is not practicable or necessary for the Company to effect all or part of such disposition, then the aggregate of all brokerage fees, commissions and other transaction costs that the Manager estimates would have resulted from such disposition. The redemption proceeds will be paid net of any amount required to be withheld therefrom under applicable law.

For the Annual Redemption Date in January 2010, Shareholders were required to concurrently surrender for redemption one half of a Warrant with each Equity Share surrendered for redemption and receive a redemption price for both surrendered securities in an amount equal to 100% of the Redemption Amount.

The Redemption Amount payable by the Company in respect of any Equity Shares surrendered for redemption shall be satisfied by way of a cash payment; provided that the entitlement of Shareholders to receive cash upon redemption of their Equity Shares is subject to the limitation that if the Manager determines in good faith that satisfying redemptions with cash will be materially detrimental to the remaining Shareholders of the Company, then redeeming Shareholders will receive, to the extent reasonably determined by the Manager to be necessary, any assets of the Company other than cash. Such *in specie* payments may include securities and/or undivided interests in securities in the Portfolio that the Company holds. While the Company intends to invest in publicly listed securities, it is possible that assets delivered to Shareholders in connection with a redemption will not be listed on any stock exchange and that no market will develop for such assets. Assets so distributed may be subject to resale restrictions under applicable securities laws and may not be qualified investments under the Tax Act for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans or registered education savings plans, which would have adverse tax consequences to such plans and/or their annuitants or beneficiaries. Shareholders who hold Equity Shares through such plans should consult their tax advisors in the event that such *in specie* payment is to be made.

Monthly Redemption

In addition to the annual redemption right, Equity Shares may be surrendered at any time for redemption by written notice to be given at least 10 Business Days prior to the second last Business Day of each month (a "Monthly Redemption Date"). If a Shareholder makes such a surrender within the last 10 Business Days of the Monthly Redemption Date, the Equity Shares will be redeemed on the Monthly Redemption Date in the next month and the Shareholder will receive the Monthly Redemption Price determined with reference to the Monthly Redemption Date in the next month. Shareholders surrendering an Equity Share for redemption will receive a redemption price (the "Monthly Redemption Price") equal to the lesser of (i) 94% of the Market Price of an Equity Share, and (ii) 100% of the Closing Market Price of an Equity Share on the applicable Monthly Redemption Date less, in each case, (i) the aggregate of all brokerage fees, commissions and other costs relating to the disposition of securities in the Portfolio necessary to fund such redemptions or (ii) if the Manager determines that it is not practicable or necessary for the Company to effect all or part of such disposition, then the aggregate of all brokerage fees, commissions and other transaction costs that the Manager estimates would have resulted from such disposition.

The Monthly Redemption Price payable by the Company in respect of any Equity Shares surrendered for redemption shall be satisfied by way of a cash payment on or before the 15th business day following the Monthly Redemption Date, provided that the entitlement of Shareholders to receive cash upon the redemption of their Equity Shares is subject to the limitations that: (i) at the time such Equity Shares are tendered for redemption, the outstanding Equity Shares shall be listed for trading on a stock exchange or traded or quoted on another market which the Manager considers, in its sole discretion, provides representative fair market value prices for the Equity Shares; and (ii) the normal trading of Equity Shares is not suspended or halted on any stock exchange on which the Equity Shares are listed (or, if not listed on a stock exchange, on any market on which the Equity Shares are quoted for trading) on the Monthly Redemption Date or for more than 10 trading days during the 20 day trading period ending immediately before the Monthly Redemption Date.

It is anticipated that the monthly redemption will not be the primary mechanism for Shareholders to dispose of their Equity Shares.

Exercise of Redemption Rights

An owner of Equity Shares who desires to exercise redemption privileges thereunder must do so by causing a CDS Participant to deliver to CDS (at its office in the City of Toronto) on behalf of the owner a written notice (the “Redemption Notice”) of the owner’s intention to redeem Equity Shares. An owner who desires to redeem Equity Shares should ensure that the CDS Participant is provided with notice of his or her intention to exercise his or her redemption privilege sufficiently in advance of the relevant notice date so as to permit the CDS Participant to deliver notice to CDS and so as to permit CDS to deliver notice to the registrar and transfer agent of the Company in advance of the required time. The form of Redemption Notice will be available from a CDS Participant. Any expense associated with the preparation and delivery of Redemption Notices will be for the account of the owner exercising the redemption privilege.

Except as provided under “Suspension of Redemptions”, by causing a CDS Participant to deliver to CDS a notice of the owner’s intention to redeem Equity Shares, an owner shall be deemed to have irrevocably surrendered his or her Equity Shares for redemption and appointed such CDS Participant to act as his or her exclusive settlement agent with respect to the exercise of the redemption privilege and the receipt of payment in connection with the settlement of obligations arising from such exercise.

Any Redemption Notice delivered by a CDS Participant regarding an owner’s intent to redeem which CDS determines to be incomplete, not in proper form or not duly executed shall for all purposes be void and of no effect and the redemption privilege to which it relates shall be considered for all purposes not to have been exercised thereby. A failure by a CDS Participant to exercise redemption privileges or to give effect to the settlement thereof in accordance with the owner’s instructions will not give rise to any obligations or liability on the part of the Company to the CDS Participant or to the owner.

Resale of Equity Shares Surrendered for Redemption

The Company may, enter into an agreement whereby a recirculation agent will agree to use commercially reasonable efforts to find purchasers for any Equity Shares properly surrendered for redemption, provided that the holder of the Equity Shares so surrendered has not withheld consent thereto. The Company may from time to time appoint additional dealers to act as recirculation agents for any Equity Shares surrendered for redemption. The Company may, but will not be obligated to, require the recirculation agent to seek such purchasers, and, in such event, the amount to be paid to the Shareholder on the Annual Redemption Payment Date or the monthly redemption payment date, as the case may be, will be an amount equal to the Shareholder’s pro rata share of the aggregate proceeds realized in connection with the sale of all the Equity Shares sold in connection with that particular annual redemption or monthly redemption, as the case may be, less any applicable commission. Such amount will not be less than, in the case of annual redemptions, the Redemption Amount, and in the case of monthly redemptions, the Monthly Redemption Price. Any Equity Shares for which the Company requests the recirculation agent to find purchasers and for which purchasers are not found will be redeemed on the applicable redemption payment date at a price per Equity Share as described above.

Suspension of Redemptions

The Manager may suspend the redemption of Equity Shares or payment of redemption proceeds: (i) during any period when the Investment Advisor advises the Manager that normal trading is suspended on market where more than 50% of the securities in the Portfolio (in terms of dollar value) trade and, if those securities are not traded on any other exchange that represents a reasonably practical alternative for the Company; or (ii) with the prior permission of the securities regulatory authorities (where required), for any period not exceeding 120 days during which the Manager determines that conditions exist which render impractical the sale of assets of the Company or which impair the ability to determine the value of the assets of the Company. The suspension shall apply to all requests for redemption received prior to the suspension date but for which payment has not been made, as well as to all requests received while the suspension is in effect. All Shareholders making such requests shall be advised by the Manager of the suspension and that the redemption will be effected at a price determined on the first Business Day following the termination of the suspension. All such Shareholders shall have, and shall be advised that they have, the right to withdraw their requests for redemption. The suspension shall terminate in any event on the first day on which the condition giving rise to the suspension has ceased to exist, provided that no other condition under which a suspension is authorized then exists. To the extent not inconsistent with official rules and regulations promulgated by any government body having jurisdiction over the Company, any declaration of suspension made by the Manager shall be conclusive.

RESPONSIBILITY FOR THE COMPANY OPERATIONS

The Manager

Markland Street Asset Management Inc. acts as the Manager of the Company in accordance with the Management Agreement. The registered office of the Manager is TD Waterhouse Tower, TD Centre, 79 Wellington Street West, Suite 2402, Toronto, Ontario M5K 1A2. The Manager can be contacted by telephone at 1-866-626-3707 and by email at info@marklandstreet.com.

Elliott & Page Limited (“EPL”), an indirect wholly-owned subsidiary of The Manufacturers Life Insurance Company (“Manulife”), is the beneficial owner of 100% of the issued and outstanding securities of the Manager.

The Manager is a promoter of the Company within the meaning of applicable securities legislation.

Pursuant to the Management Agreement, the Manager has been given the authority to manage the activities and day to day operations of the Company, including providing or arranging for the following services:

- (i) marketing and administrative services for the Company;
- (ii) maintaining accounting records for the Company;
- (iii) authorizing the payment of operating expenses incurred on behalf of the Company;
- (iv) preparing financial statements, income tax forms and financial and accounting information as required by the Company;
- (v) calculating the NAV of the Company;

- (vi) ensuring that Shareholders are provided with financial statements and other reports as are required by applicable law from time to time;
- (vii) ensuring Company compliance with regulatory requirements and any applicable stock exchange listing requirements;
- (viii) preparing the Company's reports to Shareholders, the Canadian securities regulatory authorities and any stock exchange on which the Shares are listed;
- (ix) administering the redemption of Shares; and
- (xi) negotiating contractual agreements with third party service providers .

Under the Management Agreement, the Manager may delegate certain of its duties to third parties (including parties related to the Manager).

The Manager is required to exercise its powers and discharge its duties as manager honestly, in good faith and in the best interests of the Company and to exercise the care, diligence and skill of a reasonably prudent person in the circumstances. The Management Agreement provides that the Manager will not be liable for any default, failure or defect in any of the securities comprising the Portfolio if it has satisfied the duties and the standard of care, diligence and skill set forth above. The Manager will incur liability, however, in cases of wilful misconduct, bad faith, negligence, disregard of the Manager's standard of care or by any material breach or default by it of its obligations under the Management Agreement.

Unless the Manager resigns or is removed as described below, the Manager will continue as manager until the termination of the Company. The Manager may resign as manager of the Company upon 60 days' written notice to the Shareholders. If the Manager resigns, it may appoint its successor but, unless its successor is an affiliate of the Manager, its successor must be approved by the Shareholders. The Manager may also resign if the Company is in breach or default of the provisions of the Management Agreement and, if capable of being cured, any such breach or default has not been cured within 30 days' notice of such breach or default to the Company and the Manager is deemed to have resigned if the Manager becomes bankrupt or insolvent or in the event the Manager ceases to be resident in Canada for the purposes of the Tax Act. In the event that the Manager is in material breach or default of its obligations under the Management Agreement and, if capable of being cured, any such breach or default has not been cured within 30 days' notice of such breach or default to the Manager, the Shareholders (by Extraordinary Resolution) may remove the Manager and appoint a successor manager.

The Manager is entitled to fees for its services as manager under the Management Agreement as described under the heading "Fees and Expenses" and will be reimbursed for all reasonable costs and expenses incurred by the Manager on behalf of the Company. In addition, the Manager and each of its directors, officers, employees and agents will be indemnified by the Company for all liabilities, costs and expenses incurred in connection with any action, suit or proceeding that is proposed or commenced, or other claim that is made against, the Manager, or any of its officers, directors, employees or agents, in the exercise of its duties as manager, except those resulting from the Manager's wilful misconduct, bad faith, negligence, disregard of the Manager's standard of care or material breach or default by the Manager of its obligations under the Management Agreement.

The management services to be provided by the Manager under the Management Agreement are not exclusive to the Company and nothing in the Management Agreement prevents the Manager from providing similar management services to other investment funds and other clients (whether or not their Investment Objectives and policies are similar to those of the Company) or from engaging in other activities. See “Conflicts of Interest”.

The name and municipality of residence of each of the directors and officers of the Manager and their principal occupations are as follows:

Name and Municipality of Residence	Position with Manager	Principal Occupation
Robert D. Levis Vancouver, British Columbia	Director and Managing Director	Director and Managing Director of the Manager, Deputy Chairman of Manulife Securities Incorporated and Head of Manulife Capital Markets, a division of Manulife Securities Incorporated
Clive Anderson Mississauga, Ontario	Director and Secretary	Chief Counsel, Individual Wealth Management, The Manufacturers Life Insurance Company
Sean Robitaille Toronto, Ontario	President and Chief Executive Officer	President and Chief Executive Officer of the Manager and Managing Director and Deputy Head of Manulife Capital Markets, a division of Manulife Securities Incorporated

Each of the directors and officers of the Manager has been engaged in his or her present principal occupation for more than five years except as follows:

Mr. Robitaille, who prior to August 2005 was an investment banker and Head of Equity Private Placements with Scotia Capital Inc.

Mr. Levis who prior to November 2003 was CEO of TWC Group of Companies Ltd.

The Investment Advisor

Pursuant to the Investment Advisory Agreement, the Investment Advisor has been retained by the Manager to provide investment advisory and portfolio management services to the Company. The Investment Advisor’s principal place of business is located at 65 Wellington Street West, 31st Floor, TD Bank Tower, TD Centre, Toronto, Ontario M5K 1E9.

The employees of the Investment Advisor involved in the provision of investment management services by the Investment Advisor to the Manager under the Investment Advisory Agreement are as follows:

Name and Municipality of Residence	Length of Service with Investment Advisor	Business Experience
W. Robert Farquharson	45 years	Mr. Farquharson serves as Vice-Chairman and Portfolio Manager for AGF Investments Inc. He joined AGF in 1963 as an analyst and has over four decades of experience. He is Chairman of AGF Asset Management Asia Ltd. and a director of AGF International Advisors Company Limited. He is a past chair of the Investment Funds Institute of Canada (IFIC) and a former director of the Toronto Stock Exchange. He earned a Bachelor of Commerce degree from the University of Toronto and holds the Chartered Financial Analyst designation.
Robert Lyon	20 years	Mr. Lyon serves as Senior Vice-President and Portfolio Manager for AGF Investments Inc. He joined AGF in 2008 and has over two decades of experience. He earned a Bachelor of Commerce degree from Carleton University and holds the Chartered Financial Analyst designation.

The Investment Advisor's investment management decisions are made by the individuals listed above. The Investment Advisor is wholly responsible for the management of the investment portfolio of the Company.

The Investment Advisory Agreement

The Investment Advisor will manage the Portfolio in a manner consistent with the Investment Objectives, Investment Strategy and Investment Restrictions of the Company pursuant to the Investment Advisory Agreement. The services to be provided by the Investment Advisor pursuant to the Investment Advisory Agreement include providing investment advice in respect of the Portfolio in accordance with the Investment Objectives and investment strategy of the Company and subject to the Investment Restrictions. In the purchase and sale of securities for the Company, the Investment Advisor will seek to obtain overall services and prompt execution of orders.

Under the Investment Advisory Agreement, the Investment Advisor is required to act at all times on a basis which is fair and reasonable to the Company, to act honestly and in good faith and in the best interests of the Company and, in connection therewith, to exercise the degree of care, diligence and skill that a reasonably prudent portfolio manager would exercise in the circumstances. The Investment Advisory Agreement provides that the Investment Advisor will not be liable in any way for any default, failure or defect in any of the securities of the Company if it has satisfied the duties and standard of care, diligence and skill set forth above. The Investment Advisor may, however, incur liability in cases of wilful misconduct, bad faith, negligence, reckless disregard of the Investment Advisor's duties or standard of care or material breach or default by the Investment Advisor of its obligations under the Investment Advisory Agreement.

The Investment Advisory Agreement, unless terminated as described below, will continue in effect until the termination of the Company. The Manager may terminate the Investment Advisory Agreement upon 90 days' written notice, or immediately if the Investment Advisor has committed certain events of bankruptcy or insolvency, has lost any required registration, license or authorization, has breached its standard of care or acted with willful misconduct, fraud or negligence which results in a material adverse effect on the Portfolio or the Company, or if the Manager establishes in a court of competent jurisdiction that the Investment Advisor has committed any fraudulent act in the performance of its duties; or on 30 days' written notice if the Investment Advisor is in material breach or default of the provisions thereof and, if capable of being cured, such breach has not been cured within 30 days after written notice thereof has been given to the Investment Advisor by the Manager. Except as described above, the Investment Advisor cannot be terminated as the investment advisor to the Company without Shareholder approval.

The Investment Advisor may terminate the Investment Advisory Agreement upon 120 days' written notice; or immediately if the Manager or the Company has committed certain events of bankruptcy or insolvency, if the Investment Advisor establishes in a court of competent jurisdiction that the Manager has committed any fraudulent act in the performance of its duties, or on termination of the Manager pursuant to the Management Agreement; or on 30 days' written notice if the Manager or the Company is in material breach or default of the provisions thereof and, if capable of being cured, such breach or default has not been cured within 30 days of notice of same to the Manager or to the Company. If the Investment Advisory Agreement is terminated, the Manager will promptly appoint one or more successor investment managers to carry out the activities of the Investment Advisor until a meeting of Shareholders is held to confirm such appointment.

The Investment Advisor is entitled to fees for its services which are payable by the Manager under the Investment Advisory Agreement as described under "Fees and Expenses" and will be reimbursed for all reasonable costs and expenses incurred by the Investment Advisor on behalf of the Company. In addition, the Investment Advisor and its directors, officers, employees and agents, will be indemnified by the Company for all liabilities, costs and expenses incurred in connection with any action, suit or proceeding that is proposed or commenced, or other claim that is made against the Investment Advisor or any of its officers, directors, employees or agents, in the exercise of its duties as an investment advisor, except those resulting from the Investment Advisor's wilful misconduct, bad faith, negligence, reckless disregard of the Investment Advisor's duties or standard of care or material breach or default by the Investment Advisor of its obligations under the Investment Advisory Agreement.

The services of the Investment Advisor under the Investment Advisory Agreement are not exclusive to the Company and nothing in the Investment Advisory Agreement prevents the Investment Advisor from providing similar services to other investment vehicles (whether or not their Investment Objectives and policies are similar to those of the Company) or from engaging in other activities.

Brokerage Arrangements

Allocation of business to brokers of the Company is made on the basis of best execution and the brokers' ability to execute trades in a timely manner at the best price under the circumstances. The Manager and the Investment Advisor do not participate in any soft dollar arrangements in respect of the Company. Commissions paid to brokers are for execution purposes only. Any research or investment decision-making tools required by the Manager and the Investment Advisor or its portfolio managers, research analysts and traders are paid for using "hard dollars". Note however that some brokers, whether trades have been placed with them or not, provide research to the Manager and the Investment Advisor at no cost.

Manulife Securities Investment Services Inc. and Manulife Securities Incorporated, each a subsidiary of Manulife, may trade in securities of the Company in the normal course of business.

Custodian

CIBC Mellon Global Security Services Company is the custodian (the “Custodian”) of the assets of the Company pursuant to a custodian agreement (the “Custodian Agreement”). The Custodian is located at 320 Bay Street, Toronto, Ontario M5H 4A6. The Custodian may employ sub-custodians as considered appropriate in the circumstances.

Auditors

The auditors of the Company are PricewaterhouseCoopers LLP, Chartered Accountants located at Suite 3000, Royal Trust Tower, Toronto-Dominion Centre, Toronto, Ontario, M5K 1G8.

Registrar and Transfer Agent

The registrar and transfer agent of the Shares is CIBC Mellon Trust Company (the “Registrar and Transfer Agent”) and the register of Shares is maintained at its principal offices located in Toronto, Ontario.

Fund Accounting

CIBC Mellon Global Security Services Company provides fund accounting and portfolio valuation services to the Company and is located at 320 Bay Street, Toronto, Ontario M5H 4A6.

Other Service Providers

Manulife Securities Incorporated, an affiliate of the Manager, provides administrative services to the Company and is located at 1375 Kerns Road, Burlington, Ontario L7R 4X8.

CONFLICTS OF INTEREST

The services of the Manager are not exclusive to the Company. The Manager may in the future act as the manager to other funds which may invest in various asset classes and which may be considered competitors of the Company. In addition, the directors and officers of the Manager may be directors, officers, shareholders or unitholders of one or more issuers in which the Company may acquire securities or of corporations which act as the manager of other investment funds that invest primarily in various asset classes and which may be considered competitors of the Company. The Manager or its affiliates may be managers or portfolio managers of one or more issuers in which the Company may acquire securities and may be managers or portfolio managers of investment funds that invest in the same securities as the Company. Affiliates and associates of the Manager may be shareholders or unitholders of one or more issuers in which the Company may acquire securities. A decision to invest in such issuers will be made independently by the Investment Advisor and without consideration of the Manager’s relationship with such issuers.

An affiliate of the Manager may provide services to the Company, provided that the terms of any such arrangements are no less favourable to the Company than those which would be obtained from parties which are at arm's length for comparable services.

The Investment Advisor is engaged in a broad range of portfolio management, investment advisory and other business activities. The services of the Investment Advisor under the Investment Advisory Agreement are not exclusive and nothing in the Investment Advisory Agreement prevents the Investment Advisor or any of its affiliates from providing similar services to other investment funds and other clients (whether or not their Investment Objectives, or investment strategies are similar to those of the Company) or from engaging in other activities. The Investment Advisor's investment decisions for the Company will be made independently of those made for its other clients and independently of its own investments. The Investment Advisor may make the same investments for the Company and for one or more of its other clients. If the Company and one or more of the other clients of the Investment Advisor are engaged in the purchase or sale of the same securities, the transactions will be effected on an equitable basis.

Manulife Securities Inc. is an affiliate of the Manager. Manulife Securities Inc. received fees pursuant to its activities as a member of the dealer syndicate for the Offering and may from time to time act as broker to the Company in respect of purchases or sales of Portfolio assets or as underwriter or agent to the Company in respect of further issues of Company securities.

Principal Holders of Shares

As at March 30, 2010, the Company, after making reasonable inquiries, is not aware of any person or company including any director or senior officer of the Company or the Manager that owns, directly or indirectly, more than 10% of the securities of the Company, the Manager or any person or company that provides services to the Company or the Manager other than as follows:

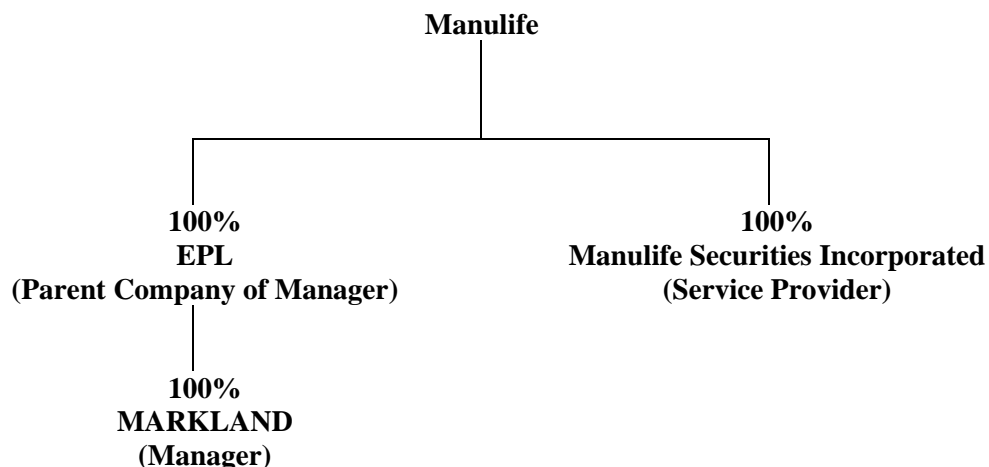
As at March 30, 2010, Markland AGF Precious Metals Trust, a trust established for the benefit of the holders of the Equity Shares from time to time, owns 100 Class J Shares of the Company, representing 100% of the issued and outstanding voting securities of the Company.

As at March 30, 2010, EPL, an indirect wholly-owned subsidiary of Manulife, owns 1,000,000 common shares of the Manager, representing 100% of the issued and outstanding voting securities of the Manager.

The members of the independent review committee ("IRC") in aggregate do not beneficially own, directly or indirectly, more than 10% of the securities of the Company. The IRC members also do not own securities in the Manager or in any person or company that provides services to the Company or the Manager.

Affiliated Entities

The following companies that provide services to the Company or to the Manager in relation to the Company are affiliated with the Manager as follows:



Fees paid by the Company to the Manager, if any, are available in the audited financial statements of the Company.

The following individuals are directors or executive officers of Markland and also an affiliated entity of Markland:

<i>Name</i>	<i>Position with Markland</i>	<i>Position with Affiliate</i>
Robert D. Levis	Director and Managing Director	Director and Vice Chair of Manulife Securities Incorporated
Sean Robitaille	President and Chief Executive Officer	Managing Director and Deputy Head of Manulife Capital Markets, a division of Manulife Securities Incorporated
Clive Anderson	Director and Secretary	Chief Counsel, Individual Wealth Management of Manulife; General Counsel, Chief Compliance Officer and Secretary of EPL; and Corporate Secretary of Manulife Securities Incorporated

FUND GOVERNANCE

Fund governance refers to the policies, practices and guidelines of the Company that relate to:

- business practices
- sales practices
- internal conflicts of interest.

The board of directors of the Manager of the Company has adopted appropriate policies, procedures and guidelines to ensure the proper management of the Company. These include fiduciary duty guidelines and policies and procedures required by National Instrument 81-107 *Independent Review Committee for Investment Funds* (“NI 81-107”) relating to conflicts of interest, including policies on personal conflicts of interest, prohibited related party transactions, best execution practices, soft dollar arrangements, brokerage arrangements, trade allocation practices, cross trading, record keeping and personal investing. In addition, the Manager has adopted sales, marketing, advertising and accounting policies relating to the Company. The systems that have been implemented monitor and manage the business and sales practices, risk and internal conflicts of interest relating to the Company while ensuring compliance with regulatory and corporate requirements. The reporting systems in place ensure that these policies and guidelines are communicated to the persons responsible for these matters and monitor their effectiveness.

In addition to the oversight of the Company’s operations required to be carried out by the Manager, the Company also has a Board of Directors, with all of the regular duties imposed upon directors of a business corporation under the *Business Corporations Act* (Ontario). Under that Act, the directors must act honestly, in good faith and in the best interests of the investors in the Company, and must exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the same circumstances. To help them carry out their obligations to the Company’s investors, the directors have engaged the Manager.

The Independent Review Committee

On behalf of the Company, the Manager has established an IRC pursuant to the requirements set out in NI 81-107.

The IRC oversees decisions relating to actual or perceived conflicts of interest involving the Company. The IRC is comprised of the following three members:

Robert S. Robson
Managing Partner, Bilingual Solutions Inc.

R. Warren Law (Chair)
Sr. Vice President of ICICI Bank Canada

William J. L. Swirsky
Chartered Accountant and former Vice President of the Canadian Institute of Chartered Accountants.

The members of the IRC are independent and must act in the best interests of the Company and the Company’s investors.

The initial IRC of the Company consisted of Basile Papaevangelou, Ralph Ulmer and John Wilson. In accordance with the provisions of NI 81-107 the term of the initial members of the IRC ended with the change of control of the Manager of the Company resulting from the acquisition by EPL of the Manager on September 30, 2009. On this date, the three members of the Manulife Mutual Funds’ IRC were appointed pursuant to NI 81-107 as the members of the IRC for the Company. Each member is independent from the Manager, the Company and entities related to the Manager including Manulife Financial and its affiliates.

In accordance with NI 81-107, the IRC considers and provides recommendations to the Manager on conflicts of interest to which the Manager is subject when managing the Company. The Manager is required under NI 81-107 to identify conflicts of interest inherent in its management of the Company, and to request input from the IRC into how it manages those conflicts of interest, as well as its written policies and procedures in respect of those conflicts of interest.

The IRC provides its recommendations to the Manager with a view to the best interests of the Company. The IRC reports annually to Unitholders of the Company as required by NI 81-107. It also must advise the securities regulatory authorities if it determines that an investment decision was not made in accordance with the foregoing requirements or if any condition of its approval or recommendation has not been satisfied.

The IRC also prepares an annual report that describes its activities as the independent review committee of the Company. The former IRC shall prepare the annual report for the Company for the period from January 1, 2009 to September 29, 2009 and the current IRC shall prepare the annual report for the period from September 30, 2009 to December 31, 2009. For a free copy of this report, call us at 1-866-626-3707 or ask your dealer. You can also get a copy of this report on our website at www.marklandstreet.com or by sending an e-mail to info@marklandstreet.com. This report and other information about the Company are also available at www.sedar.com.

Prior to September 30, 2009, the former IRC members of the Trust were paid a total of \$10,000 each per annum. In addition to this amount, the Chair of the IRC was paid an additional \$2,000 per annum. The following fees and expenses were paid by the Manager to members of the IRC for the 2009 fiscal year of the funds: Basile Papaevangelou - \$7,500; Ralph Ulmer - \$9,000; and John Wilson - \$7,500. These amounts were allocated across the various Markland Funds to cover the period from January 1, 2009 to September 30, 2009.

Effective September 30, 2009, when Manulife Mutual Fund's IRC became the IRC of the Trust, each IRC member receives \$2,000 plus expenses for each meeting (\$2,500 plus expenses in the case of the Chair) of the IRC that the member attends in excess of four meetings per year as well as an annual retainer of \$20,000 (\$21,000 for the Chair) for the Manulife Mutual Funds including the Markland Funds. IRC members are also reimbursed for travel expenses in connection with meeting attendance. Other fees and expenses payable in connection with the IRC include insurance costs, legal fees, and attendance fees for educational seminars. All such fees are allocated among the funds managed by Manulife Mutual Funds in a manner that is considered by the IRC to be fair and reasonable to such funds. These amounts are allocated equally among the funds and, secondly, pro rata among the different series of securities of each fund, on the basis of assets under management if applicable. The following fees and expenses were allocated across the Markland Funds to cover the period from September 30, 2009 to December 31, 2009: Robert S. Robson - \$501; William J.L. Swirsky - \$501; and R. Warren Law - (Chair) \$506.

Risk Management

Various measures to assess risk are used including mark to market security valuation, fair value accounting and monthly reconciliations of security and daily reconciliations of cash positions. Compliance monitoring of the Portfolio is ongoing.

Use of Derivative Instruments

While there is no present intent to do so, the Company may invest in or use derivative instruments, other than commodity derivatives, for hedging purposes consistent with its investment objectives and investment strategy and subject to its investment restrictions. For example, the Company may use derivatives, including interest rate and foreign exchange hedges with the intention of offsetting or reducing risks associated with an investment or group of investments. These risks include currency value fluctuations, commodity price fluctuations, stock market risks and interest rate changes. No assurance can be given that the Company will be hedged from any particular risk from time to time.

While there is no present intent to do so, the Company may make short sales of securities it may hold, other than for hedging purposes, subject to its Investment Restrictions.

Proxy Voting Policies and Procedures

The Manager has delegated to the Investment Advisor responsibility for establishing, monitoring and amending (if necessary) the policies and procedures governing proxy voting. Generally speaking, such policies and procedures have been designed to ensure that proxies received by the Investment Advisor in good order and in a timely fashion are voted in the best interests of the Company. The Investment Advisor's standing policy with respect to dealing with routine, uncontested matters is generally to vote in accordance with management's recommendations.

The Investment Advisor has adopted written proxy voting guidelines (the "Guidelines") to assist in voting proxies received by the Company. The Guidelines provide a framework for the Investment Advisor on how to approach the voting of securities held by the Company.

Under the Guidelines, the primary responsibility of the Investment Advisor in respect of proxy voting is to maximize positive economic effect on the Company's value and to protect the Company's rights as a shareholder or unitholder, as the case may be, in the best interests of the Company. The Guidelines include discussion regarding particular matters brought to a vote, but are not exhaustive. The Investment Advisor may depart from the Guidelines on specific matters where the Investment Advisor believes it is necessary to do so in the best interests of the Company and Shareholders.

The Guidelines set out various considerations that the Investment Advisor will address when voting, or refraining from voting, proxies, including that:

- (a) the Investment Advisor will generally vote with management on routine matters related to the operation of an issuer that are not expected to have a significant economic impact on the issuer and/or its shareholders;
- (b) the Investment Advisor will review and analyze on a case-by-case basis, non-routine proposals, such as changes in capital structure, executive compensation, employee stock purchase plans and corporate restructurings, mergers and acquisitions, that are more likely to affect the structure and operation of the issuer and to have a greater impact on the value of the investment;
- (c) the Investment Advisor may abstain from voting a proxy if the proxy is not received by the Investment Advisor within sufficient time to execute a vote; and

- (d) any material conflicts that may arise will be resolved in the best interests of the Shareholders and potential procedures to deal with any conflict are identified.

The Company's proxy voting record for the annual period ending June 30 of each year will be available any time after August 31 of that year, at no charge, to any Shareholder upon request made to the Manager or on the Manager's website at www.marklandstreet.com.

Investment in Securities Lending, Repurchase and Reverse Repurchase Agreements

The Company may enter into securities lending arrangements or repurchase and reverse repurchase agreements. The Company is subject to the provisions of NI 81-102 with respect to lending Portfolio securities. An affiliate of the Custodian shall be responsible for the ongoing administration of the securities loans, including the obligation to mark to market the collateral on a daily basis.

The board of directors of the Manager of the Company has adopted policies and practice guidelines applicable to the Company to manage the risks associated with investments in securities lending, repurchase and reverse repurchase agreements. Such policies and practice guidelines require that:

- investments in securities lending, repurchase and reverse repurchase agreements be consistent with the Company's investment objectives and policies
- authorized officers or directors of the Manager approve the parameters, including transaction limits, under which securities lending and repurchase transactions are to be permitted for the Company and that such parameters comply with applicable securities legislation
- the operational, monitoring and reporting procedures in place ensure that all securities lending and repurchase transactions are completely and accurately recorded, in accordance with their approved use, and within the limits and regulatory restrictions prescribed for the Company
- the Manager must review at least annually all securities lending and repurchase transactions to ensure that they are being conducted in accordance with applicable securities legislation.

The Company may not commit more than 50% of its securities in securities lending or repurchase transactions at any time. Securities lending transactions may be terminated at any time and all repurchase transactions must be completed within 30 days.

The Manager has delegated the custodian to act as agent for the Company in administering securities lending transactions. The risks associated with these transactions will be managed by requiring that the agent enter into such transactions for the Company with reputable counterparties that meet the Manager's quantitative and qualitative criteria regarding market making and creditworthiness, and are in good standing with all applicable regulators. The Company engages the securities lending agent to determine on a daily basis, the market value of the securities loaned under a securities lending transaction. If on any day the market value of the cash or collateral is less than 102% of the market value of the security loaned, on the next day the counterparty will be required to provide additional cash or collateral to the Company to make up the shortfall. The Manager monitors this process on a monthly basis.

Short-Term Trading

As the Company's securities are not continuously offered for sale, the Company has no policies and procedures which relate to the monitoring, detection and deterrence of short-term trades.

FEES AND EXPENSES

Management and Advisory Fees

Pursuant to the terms of the Management Agreement, the Manager is entitled to a management fee at an annual rate of 1.10% of the NAV plus an amount equal to the service fee payable by the Manager to registered dealers of 0.40% of NAV, per annum plus applicable taxes. Pursuant to the terms of the Investment Advisory Agreement, the Investment Advisor is entitled to an advisory fee which the Manager is responsible for paying. Fees payable to the Manager will be calculated daily and payable monthly based on the daily NAV.

The Manager will pay to registered dealers a service fee (calculated and paid as soon as practicable after the end of each calendar quarter) equal to 0.40% per annum of the NAV of Equity Shares held by clients of the sales representatives of such dealers at the end of the relevant calendar quarter, plus applicable taxes.

Ongoing Expenses

The Company will pay for all expenses incurred in connection with its operation and administration. It is expected that these expenses will include, without limitation: (a) costs and expenses incurred in connection with the continuous public disclosure requirements of the Company; (b) mailing and printing expenses for periodic reports to Shareholders and other Shareholder communications including marketing and advertising expenses; (c) fees payable to the Custodian for acting as custodian of the assets of the Company; (d) fees payable to the Registrar and Transfer Agent at normal market rates for acting as registrar and transfer agent with respect to the Equity Shares and Warrants; (e) fees payable to the members of the IRC appointed under NI 81-107 and expenses related to compliance with NI 81-107; (f) premiums for directors' and officers' insurance coverage for the directors and officers of the Company and members of the Independent Review Committee; (g) any additional fees payable to the Manager for performance of extraordinary services on behalf of the Company; (h) fees payable to the auditors and legal advisors of the Company; (i) regulatory filing, stock exchange and licensing fees; (j) expenses associated with the preparation of tax filings; (k) consulting fees and other administrative expenses (including the calculation of NAV); (l) website maintenance costs; (m) costs and expenses relating to the issuance of securities of the Company or the exercise of Warrants; and (n) expenditures incurred upon the termination of the Company. Such expenses will also include expenses of any action, suit or other proceedings in which or in relation to which the Manager or the Investment Advisor is entitled to indemnity by the Company. See "The Manager". The Company will also be responsible for all commissions and other costs of securities transactions, debt service and costs relating to the Loan Facility and any extraordinary expenses which it may incur from time to time.

INCOME TAX CONSIDERATIONS

The following is, as of the date hereof, a summary of the principal income tax considerations under the *Income Tax Act* (Canada) (the "Tax Act") generally applicable to a person who is an individual (other than a trust) who holds and acquires the Equity Shares and the Warrants and who, for the purposes of the Tax Act, is resident in Canada, deals at arm's length with the Company, is not affiliated with the Company, and who holds the Equity Shares and Warrants as capital property.

This summary is based upon 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 prior to the date hereof (the "Proposed Amendments"), and an

understanding of the current administrative practices of the CRA made publicly available prior to the date hereof. This summary assumes that the Proposed Amendments will be enacted as currently proposed although no assurance can be given in that regard. Except for the Proposed Amendments, this summary does not take into account or anticipate any changes in the law or administrative practice, whether by way of legislative, governmental or judicial decision or action.

This summary is not exhaustive of all possible income tax considerations applicable to an investment in the Equity Shares and Warrants and does not deal with foreign income tax considerations. Moreover, the income and other tax consequences of acquiring, holding or disposing of Equity Shares and Warrants will vary according to the status of the investor, the province or provinces in which the investor resides and, generally, the investor's own particular circumstances. Accordingly, the following description of income tax matters is of a general nature only and is not intended to constitute advice to any particular investor. **Prospective investors should consult their own tax advisors with respect to the income tax consequences of investing in Equity Shares and Warrants, based upon the investor's particular circumstances.**

Tax Treatment of the Company

The Company qualifies as a "mutual fund corporation" and a "financial intermediary corporation" as defined in the Tax Act.

The Company will be required to include in income the amount of all taxable capital gains (net of allowable capital losses) and all dividends (but generally excluding dividends received from taxable Canadian corporations) and will be taxable on its income at the corporate rates applicable to a mutual fund corporation. As a mutual fund corporation, the Company is entitled in certain circumstances to a refund of tax paid by it in respect of net realized capital gains. Also, as a mutual fund corporation, the Company is entitled to maintain a capital gains dividend account in respect of its realized net capital gains and from which it may elect to pay dividends ("capital gains dividends") which are treated as capital gains in the hands of the Shareholders of the Company.

The Company is generally subject to a refundable tax of 33 1/3% under Part IV of the Tax Act on taxable dividends received by the Company during the year to the extent that such dividends were deductible in computing the Company's taxable income for the year. This tax is refundable upon payment by the Company of sufficient ordinary dividends. As a "financial intermediary corporation", the Company is not subject to tax under Part IV.1 of the Tax Act on dividends received by the Company and is not generally liable to tax under Part VI.1 of the Tax Act on dividends paid by the Company on "taxable preferred shares" under the Tax Act.

The Company is required to compute all amounts, including all interest, dividends, costs of property and proceeds of disposition of securities, in Canadian dollars for purposes of the Tax Act at the exchange rate prevailing at the time of the relevant transaction. The Company may realize gains and losses by virtue of the fluctuation of the value of foreign currencies relative to Canadian dollars.

Generally, in computing the amount of its Canadian income taxes, the Company will be entitled to claim credits in respect of foreign taxes paid by the Company and foreign taxes withheld at source to the extent permitted by the detailed rules in the Tax Act. To the extent that a tax credit is not claimed, the Company will be able to deduct any foreign withholding taxes paid.

In computing its income for tax purposes, the Company may deduct reasonable administrative, interest and other expenses incurred to earn income and not reimbursed. Any non capital losses realized by the Company may generally be carried forward or back in accordance with the rules and limitations contained in the Tax Act and deducted in computing the taxable income of the Company.

The Company has purchased the Portfolio Securities with the objective of earning long-term capital appreciation and will take the position that gains and losses realized on the disposition thereof are capital gains and capital losses. In addition, the Manager has advised that the Company elected in accordance with subsection 39(4) of the Tax Act to have each of its "Canadian securities" (as defined in the Tax Act) treated as capital property. Such election will ensure that gains or losses realized by the Company on the disposition of Canadian securities are taxed as capital gains or capital losses.

Generally, the Company will include gains and deduct losses on income account in connection with any purchases of physical metals or minerals as well as in connection with investments made through futures, forwards, options or other derivative securities, except where such derivatives are used to hedge securities held on capital account, and will recognize such gains or losses for tax purposes at the time they are realized by the Company.

The Company will realize a capital gain equal to the amount allocated to Warrants which are not exercised by the Expiry Time.

The scope of the October 31, 2003 tax proposals announced by the Department of Finance and the announcement made by the Minister of Finance on February 23, 2005 that the Department of Finance would be developing an alternative proposal, both of which are intended to address the deductibility of losses, is uncertain. There can be no assurance that once the legislation is finalized that losses of the Company may be denied with the result that the taxable amount of distributions to Shareholders could be increased.

Tax Treatment of Shareholders

Shareholders of the Company must include in computing their income the ordinary dividends paid to them by the Company. These dividends will be subject to the gross-up and dividend tax credit rules applicable to taxable dividends paid by taxable Canadian corporations. An enhanced gross-up and dividend tax credit is available for "eligible dividends" which are so designated by the Company.

The amount of any capital gains dividend received by a Shareholder from the Company will be considered to be a capital gain of the Shareholder, one-half of which would be included in income.

Where an ordinary dividend or a capital gains dividend is paid in Equity Shares, or paid in cash and reinvested in Equity Shares, the cost of such Equity Shares acquired by a Shareholder will be equal to the amount of the dividend, or the amount of cash so reinvested, as the case may be.

The cost of the newly acquired Equity Shares will be averaged with the adjusted cost base of all of the Equity Shares owned by the Shareholder as capital property immediately before that time.

The market value per Equity Share will likely reflect any income and gains of the Company that have accrued or have been realized but not made payable at the time the Equity Shares are acquired. Consequently, a Shareholder who acquires additional Equity Shares may become taxable on their share of income and capital gains of the Company that accrued or were realized before the Equity Shares were acquired, notwithstanding that such amounts were reflected in the price paid for the shares.

Disposition of Equity Shares

Upon the redemption or other disposition of an Equity Share by a Shareholder, a capital gain (or a capital loss) will be realized by the Shareholder to the extent that the proceeds of disposition of the Equity Shares net of any reasonable costs of disposition exceed (or are less than) the aggregate of the adjusted cost base of the Equity Share. Generally, one half of a capital gain (a taxable capital gain) is included in computing income and one half of a capital loss (an allowable capital loss) is deductible against taxable capital gains in accordance with the provisions of the Tax Act.

Individuals (other than certain trusts) who realize net capital gains, or receive dividends on the Equity Shares, may be subject to an alternative minimum tax under the Tax Act.

Exercise of Warrants

No gain or loss will be realized by a holder upon exercise of a Warrant. When a Warrant is exercised, the cost to the holder of the Equity Shares acquired through such exercise of the Warrant thus acquired will be the aggregate of the adjusted cost base, for that holder, of the Warrant and the price paid for such Equity Shares upon exercise of the Warrant. The cost to a holder of an Equity Share acquired upon the exercise of a Warrant must be averaged with the adjusted cost base (determined immediately before the exercise of the Warrant) of all other Equity Shares of the Company held by the holder as capital property at the time of the exercise of the Warrant to determine the adjusted cost base of each Equity Share thereafter.

Disposition or Expiry of Warrants

The disposition of a Warrant or expiry of an unexercised Warrant will generally result in a capital gain (or capital loss) to the holder to the extent that the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of the Warrant to the holder. The expiry of an unexercised Warrant will generally result in a capital loss equal to the adjusted cost base of the Warrant to the holder. See discussion of capital gains and losses generally under “Disposition of Equity Shares” above.

Eligibility for Investment

Provided that the Equity Shares and Warrants are listed on a designated stock exchange (which includes the Toronto Stock Exchange), the Equity Shares and the Warrants as the case may be will be qualified investments for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plan, registered disability savings plans and tax free savings accounts. However, investors are advised to consult with their tax advisors as to the consequences of acquiring Equity Shares in a trust governed by a registered education savings plan in light of the acquisition of an interest in the trust that holds the Class J Shares.

RISK FACTORS

Taxation of the Company

If, for any reason, the Company ceases to qualify as a mutual fund corporation under the Tax Act, the income tax considerations described under the heading “Income Tax Considerations” and “Eligibility for Investment” would be materially and adversely different in certain respects. There can be no assurance

that Canadian federal income tax laws and the administrative policies and assessing practices of the CRA respecting the treatment of mutual fund corporations will not be changed in a manner which adversely affects the Shareholders.

In determining its income for tax purposes, the Company will treat gains or losses on the disposition of non-Canadian securities in the Portfolio as capital gains and losses. In addition, in accordance with the CRA's published administrative practice, derivatives used to hedge capital items will be treated and reported for purposes of the Tax Act on capital account and paid by way of capital gains dividends to holders of Equity Shares on this basis. If these dispositions of non-Canadian securities or hedge transactions of the Company are not on capital account, the net income of the Company for tax purposes and the taxable component of dividends to Shareholders could increase.

Changes in Legislation

There can be no assurance that income tax laws and government incentive programs relating to the businesses of issuers of Portfolio Securities and the treatment of mutual fund corporations under the Tax Act will not be changed in a manner which adversely affects the distributions received by the Company and/or the value of the securities in which the Company invests.

MATERIAL CONTRACTS

The following material contracts have been entered into by the Company:

- (a) the Transfer Agency Agreement.
- (b) the Management Agreement.
- (c) the Investment Advisory Agreement.
- (d) the Custodian Agreement.
- (e) the Warrant Indenture.

Copies of the foregoing agreements may be inspected during normal business hours at the principal office of the Company located at TD Waterhouse Tower, TD Centre, 79 Wellington Street West, Suite 2402, Toronto, Ontario M5K 1A2.

OTHER MATTERS

Effective on or about June 15, 2010, it is intended that Markland will be wound-up by, or amalgamated with, its parent company, Elliott & Page Limited. As a result, EPL would become the Manager of the Company.

MARKLAND AGF PRECIOUS METALS CORP.

Additional information about the Company is available in the Company's most recently filed management reports of fund performance and financial statements. You can get a copy of these documents, at no cost, by calling toll-free at (866) 626-3707, e-mailing us at info@marklandstreet.com or from your financial advisor. The management reports of fund performance and financial statements are also available on the Manager's internet site at www.marklandstreet.com. These documents and other information about the Company, such as information circulars and material contracts, are also available on the Internet site of SEDAR (the System for Electronic Document Analysis and Retrieval) at www.sedar.com. This Annual Information Form is available in French, upon request. La présente notice annuelle est disponible en français sur demande.

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