Canso Select Opportunities Fund
Management's Discussion and Analysis

Annual Management's Discussion & Analysis

During the year ended December 31, 2017, Canso Select Opportunities Fund (the "**Fund**"), the proposed predecessor entity of Canso Select Opportunities Corporation ("**NewCo**"), operated as a closed end investment fund. The following management's discussion and analysis ("**MD&A**") reports the results of the activities of the Fund for the applicable financial year ends.

This MD&A is dated as of March 29, 2018.

The Fund, NewCo's proposed predecessor, prepared its financial statements in accordance with International Financial Reporting Standards ("**IFRS**"). In order to provide additional insight into the business and to provide investors with supplemental measures of its operating performance that may not otherwise be apparent when relying solely on IFRS financial measures, the Fund uses certain non-IFRS measures, including "Per Unit" or "Management Expense Ratio". These measures are provided as additional information to complement IFRS measures by providing further understanding of the Fund's results of operations from Lysander Funds Limited's (the "**Manager**") perspective. In the opinion of the Manager, per unit measures are generally more informative than total dollar measures because the number of units of the Fund outstanding have significantly declined for the last two years for reasons largely beyond the control of the Manager.

The management expense ratio for a class of units of an investment fund is a ratio calculated by dividing the total expenses attributable to that class of shares (excluding distributions, commissions and other portfolio transaction costs) for the stated period expressed as an annualized percentage of daily average net asset value ("**NAV**") during the period. The ratio is a measure used to understand the cost of ownership of a fund. In addition, as it is a standard measure used by investment funds, it allows unitholders to compare the cost of ownership among different investment funds.

Overall Performance

Economic Factors

We see a very rough parallel in the direction of interest rates between the 1920-1960 period and the period from 1990 until now and beyond. The end of World War I saw massive numbers of soldiers return to the civilian workforce and the conversion of war factories into civilian production. The First World War saw a jump in large scale manufacturing to meet war demands. Canada and many other countries vastly increased their manufacturing capacity, in both plant and human capital. We believe this is comparable to the end of the Cold War in 1989. This saw the entry of the Soviet bloc and China into the global economy and the subsequent diversion of manpower and productive capacity from the Cold War militaries to civilian usage.

In both cases these changes led to long term declines in interest rates. In the most recent period, the trend was exacerbated by the 2008 credit crisis. This led central banks to cut interest rates

further in order to attempt to maintain economic growth. We have now had abnormally low interest rates for many years. While this has helped to avert economic decline, low interest rates have also led to significant price increases in financial assets and anything else purchased largely with borrowed money (e.g., houses).

The key point for 2017 is that the era of declining and low interest rates is now reversing itself. Economic growth is reasonably good, employment numbers are strong, and inflation is starting to increase. When you combine that with the very large tax cuts recently enacted in the U.S., there is no further incentive for the U.S. Federal Reserve to keep interest rates low. They have responded by starting to move rates back to more normal levels. The Bank of Canada is following suit, although in a more restrained fashion.

This contrasted with 2016 where interest rates tended to drift lower earlier in the year and then rose sharply after the U.S. federal election results in November. However, equity markets were also strong in 2016, especially in Canada.

In the rising interest rate environment that prevailed in 2017, bond prices were under pressure. The effect varied depending on the term to maturity of the bond. Interest rates for short maturity bonds rose while interest rates for longer maturities generally declined. This meant that the returns for longer maturity bonds were generally higher than short maturity bonds in the year.

In an environment where equity investors were willing to pay up for earnings, stock market indexes were strong. The Canadian equity market, as measured by the S&P/TSX Index, returned 9.1% for the year while the U.S. equity market, as measured by the S&P 500, returned 21.8% in U.S. dollar terms.

Specific Factors

In 2017, the Fund's operating income increased by 105% to $8.7 million from $4.2 million in 2016, as realized and unrealized gains were materially higher in 2017, which more than offset a decline in interest for distribution purposes. Interest for distribution purposes declined by 45% during the year from $2.8 million in 2016 to $1.6 million in 2017, primarily due to the $30.3 million redemption of units in March 2017 (see "Effect of Redemptions"), which resulted in lower fixed income and equity holdings. Despite the decline in interest income for the year, overall fund performance was much stronger in 2017 compared to 2016 due to strong performance of equity holdings in the portfolio. Realized gains improved to $2.8 million in 2017 from a loss of $0.045 million in 2016. In addition, unrealized gains in 2017 in the portfolio increased to $4.0 million, from $0.8 million in 2016 due to the strong performance of a number of equity holdings.

At the beginning of 2017, the Fund held about 72% of its assets in equity securities and so benefitted from strong stock markets. By definition, the Fund holds a large number of individual securities and so there are a large number of contributors to the overall result and these vary from significant to immaterial.

Public Investments

Material contributors with respect to the $2.8 million in realized gains during the year were: Apple Inc. ("**Apple**") ($2.4 million gain); Sallie Mae, formally, SLM Corporation ("**Sallie Mae**") ($2.1 million gain), and Imvescor Restaurant Group Inc. ("**Imvescor**") ($1.7 million gain). Other large realized gains in 2017 include Bombardier Inc. ("**Bombardier**") ($0.5 million gain), a short position in Home Capital Group ($0.75 million gain) and Manulife Financial Corp. ($0.6 million gain). There were several other smaller gains in the range of $100,000 to 300,000. Material detractors to performance during 2017 were realized losses of $5.5 million for Postmedia Network Inc. ("**Postmedia**") and $1.5 million for the Royal Bank of Scotland.

The gains on Apple, Salle Mae and Imvescor were realized in the second quarter and fourth quarter as Canso Investment Counsel Ltd. ("**Canso**" or the "**Portfolio Manager**") sold these strong performers to raise cash for the March 2017 redemption and to raise cash ahead of the 2018 annual redemption.

Postmedia completed a debt for equity swap during the year, resulting in substantial dilution and permanent impairment of the equity. Note however, that the Postmedia equity had already been trading at distressed levels for some time and was previously reflected in unrealized losses in 2015 and 2016. The Fund's holdings in Royal Bank of Scotland were sold to raise cash for the March 2017 redemption at a depressed price, which stock price was still languishing due to the effects of Brexit announced in 2016.

Shares in Empire Co. Ltd. (the operators of the Sobeys Inc.'s grocery chain) were also strong performers in the year resulting in combined realized and unrealized gains of $748,000 for the portfolio. The company has taken concrete steps to address the problems relating to its earlier acquisition of the Safeway chain in Western Canada. These steps have manifested in improved financial results for the company. We see further upside and have continued to hold.

The Fund's position in Bombardier equity was also a significant positive for the year resulting in combined realized and unrealized gains in the portfolio of $691,000 during 2017. Bombardier's financial results improved along with their future prospects as they secured orders for their flagship C-series aircraft and entered into a relationship with Airbus SE to manufacture and sell the aircraft.

The other major contributor to unrealized gains in the portfolio was the $1.4 million gain on the Xplornet warrants held in the portfolio (see also "Private Investments").

The major detractor to performance during the year was Yellow Pages Limited ("**Yellow**") with a total unrealized loss of $2.0 million. We began 2017 with 223,000 shares of Yellow marked at $17.69/share, and purchased an additional 180,000 shares at an average cost of $7.91/share. The shares dropped materially in the first quarter of 2017 following weak reported results for 2016 due to increased competition from Google and Facebook advertising. The stock price closed at $8.41 at December 31, 2017.

The Fund's fixed income holdings are a smaller percentage of the portfolio and were about 28% of the fund at the beginning of the year. An investment strategy in that component of the Fund is

to pair up long positions in corporate bonds with short positions in Government of Canada bonds. This makes the result of this strategy dependant on changes in the difference in yield (or "spread") of the two bonds. In 2017, spread narrowing was generally positive for the fund, especially in bond holdings such as Shaw Communications Inc., Navient Solutions, LLC, Loblaw Companies Limited and Enbridge Inc.

Private Investments

The Fund's holdings in private investments were 24.5% of the portfolio as at December 31, 2017. The holdings as well as changes, and unrealized gains/losses in private investments are detailed in the table below. The weight in private holdings increased 4 percentage points, or $1.3 million during the year due to: 1) the annual redemption in March 2017 (see also "Effect of Redemptions"); 2) the increase in value of the Xplornet warrants; and, 3) the partial offsetting by currency conversion rates.

	Fair Value at December 31, 2016	Fair Value at December 31, 2017	Net Change
Private Debt Holdings			
Telepath Networks Inc. - Series 2010A 7.00%, 2018/03/31	1,341,050	1,252,950	-88,100
Private Equity Holdings			
Hubba Inc. Preferred Class 'A' Series 4	4,806,173	4,806,173	0
Purch Group Inc. Preferred, Series 'C' (TechMediaNetwork)	2,280,289	2,130,485	-149,804
Xplornet Comm Inc. Warrants Series C October 25, 2023 (1)	30	1,557,392	1,557,362
	Total Change in Holdings		**1,319,458**

Telepath Networks Inc. ("**Telepath**") is a private debt investment denominated in U.S. dollars which is valued using the private placement financing technique. The investment accounted for 3.2% of the portfolio at December 31, 2017. The position is marked at book value in U.S. dollars, with the net loss of $88,100 attributable to exchange rates.

Hubba Inc. ("**Hubba**") is a significant private equity holding, accounting for 12.1% of portfolio holdings at December 31, 2017. We have used the private placement financing technique for Hubba using the Canadian dollar equivalent price (in effect at the time) of the Series B Preferred Share financing completed by the company in November 2016. There have been no subsequent capital raises and no clear evidence of value improvement or deterioration from the date of the investment.

Purch Group, Inc. ("**Purch**") is a private company incorporated in the State of Delaware. Purch is a digital content and services company focused on helping people make smarter purchases. Purch accounted for 5.4% of total portfolio holdings at December 31, 2017. The value of the investment was unchanged in U.S. dollars during 2017 as there was no clear evidence of value improvement or deterioration during the year. The change in value illustrated in the table is attributable to exchange rates.

Xplornet Communications Inc. ("**Xplornet**") is a private Canadian telecommunications operator, which provides internet services primarily to rural areas throughout Canada. The warrants are convertible to common equity of Xplornet. The position accounted for 3.9% of the portfolio at December 31, 2017. During 2017, the warrants were detached from the originally issued bonds and were subsequently priced separately.

Effect of Redemptions

The Fund allows for unitholders to redeem their units at the NAV per unit on an annual basis every March. In March 2017, unitholders redeemed about $30.3 million of units (about 46% of the NAV). This resulted in Canso having to sell assets to raise cash to pay for the redeemed units. This resulted in a moderate increase in private investments in the portfolio (see also "Private Investments"), which are less liquid. Since Canso also anticipated further redemptions in March 2018, in the fourth quarter of 2018, Canso began selling less liquid assets for more liquid ones so as to be able to meet 2018 redemption requests. At year end, the Fund held roughly 25% of its assets in cash equivalents.

These redemptions and resulting asset sales led to a material decline in interest for distribution purposes for the year from $2.8 million in 2016 to $1.6 million in 2017, although it is very important to point out that the impact of this at the unitholder level was substantially lower because the lower interest income was spread across a lower number of units. Annual redemptions of the Fund may materially impact the Fund's performance. Further, there is a risk that annual redemptions may increase as a result of the proposed restructuring of the Fund into a publicly listed corporate structure. See "Proposed Transactions".

Selected Annual Information

The following table sets out selected financial data of the Fund for the three most recently completed financial years (refer to the financial statements of the Fund for more detail).

	2017 ($)	**2016 ($)**	**2015 ($)**
Total operating income	8,710,310	4,238,319	(3,066,604)
Total net operating expenses	1,410,576	2,312,769	2,784,960
Change in net assets	7,299,734	1,925,550	(5,851,564)
Net assets	39,467,807	64,950,969	88,415,984
Distributions to unitholders	(2,387,556)	(3,749,323)	(12,347,621)
Cost of units redeemed	(30,706,298)	22,015,677)	4,749,773

The main reason for the higher total operating income in 2017 versus 2016 was the substantial increase in the unrealized gain on the Fund's holdings as a result of market price increases in many of the positions. Realized gains were also higher, mainly as a result of asset sales to fund redemptions. This was partially offset by lower interest and dividend income due to the reduced assets in the Fund after the annual redemption. Operating expenses and distributions to unitholders

were also reduced in 2017 due to the lower number of outstanding units.

In 2015, operating income was negative due to a large unrealized loss of $25,899,565 on the Fund's investments. This was partially offset by a realized gain of $18,321,173 on assets that were sold. This also resulted in a large distribution to the unitholders as realized gains are distributed at year-end.

Per Unit Information
Class A Units(1)(2)(6)

	December 31, 2017 ($)	**December 31, 2016 ($)**	**December 31, 2015 ($)**
Total revenue	0.40	0.48	0.47
Realized gains(losses)(3)	0.57	(0.02)	2.04
Unrealized gains (losses) (3)	0.84	0.10	(2.85)
Net assets, end of year	11.10	9.96	9.91
Management expense ratio(4)	1.71%	2.04%	1.49%
Total Distributions(5)	(0.50)	(0.50)	(1.37)

Notes:
(1) For additional information, please see the Annual Management Report of Fund Performance dated as at December 31, 2017, as filed on SEDAR.
(2) All information above is presented on a per unit basis.
(3) From operations.
(4) The management expense ratio is based on the total expenses of the period ended and is expressed as an annualized percentage of daily average NAVs during the period.
(5) Net assets and distributions are based on the actual numbers of units outstanding at the relevant time. The increase (decrease) in operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit. Distributions were paid in cash. Total distributions in 2015 were paid in cash ($0.50/unit) and the remainder was paid as a special non-cash distribution.
(6) The per unit figures presented in the 2017, 2016 and 2015 periods are referenced to net assets determined in accordance to IFRS.

Class F Units(1)(2)(6)

	December 31, 2017 $	**December 31, 2016 $**	**December 31, 2015 $**
Total revenue	0.42	0.49	0.49
Realized gains (losses)(3)	0.63	(0.02)	2.15
Unrealized gains (losses) (3)	0.85	0.14	(2.96)
Net assets, end of year	11.55	10.31	10.24
Management expense ratio(4)	1.61%	2.04%	1.47%%
Total Distributions(5)	(0.50)	(0.50)	(1.46)

Notes:
(1) For additional information, please see the Annual Management Report of Fund Performance dated as at December 31, 2017, as filed on SEDAR.
(2) All information above is presented on a per unit basis.
(3) From operations.
(4) The management expense ratio is based on the total expenses of the period ended and is expressed as an

annualized percentage of daily average NAVs during the period.
(5) Net assets and distributions are based on the actual numbers of units outstanding at the relevant time. The increase (decrease) in operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit. Distributions were paid in cash. Total distributions in 2015 were paid in cash ($0.50/unit) and the remainder was paid as a special non-cash distributions.
(6) The per unit figures presented in the 2017, 2016 and 2015 periods are referenced to net assets determined in accordance to IFRS.

Discussion of Operations

For the year ended December 31, 2017 the Fund had positive returns for the year of 16.9% for Class A units and 17.3% for Class F units. At year-end, the Fund held roughly 23.7% of its NAV in short positions at the end of the year. These primarily consisted of short positions in Government of Canada bonds that were used to hedge the interest rate risk on long-term corporate bonds.

The net assets of the Fund were $39.4 million at December 31, 2017, down from $64.9 million at the beginning of the year. This was due to cash distributions of $2.4 million and redemptions of $30.4 million offsetting the positive performance of the Fund.

During the year, the Fund realized proceeds of $62 million from the sale of investments in its portfolio. These sales were split roughly evenly between the second quarter and fourth quarter. The second quarter sales were used to fund redemptions of $30.2 million. In the fourth quarter, Canso sold many of the Fund's equity holdings to improve liquidity, purchased short term liquid investments in the amount of $20.1 million and increased its cash balance by $9.7 million.

There were changes to the membership of the Fund's Independent Review Committee ("**IRC**"). On January 31, 2017, Ruth Gould was appointed as an IRC member.

Summary of Semi-Annual Results

The following table provides information, in summary form, derived from the Fund's annual and semi-annual financial statements since June 30, 2015:

	31-Dec-17	30-Jun-17	31-Dec-16	30-Jun-16	31-Dec-15	30-Jun-15
Total operating income	$4,313,312	$4,396,998	$13,782,122	-$9,543,803	-$12,996,680	$9,930,076
Profit Or Loss From Continuing Operations	$3,746,593	$3,553,141	$12,949,099	-$11,023,549	-$12,593,531	$6,741,967

Note: The financial data has been prepared in accordance with IFRS.

The main reason for the negative operating income for the six months ended June 30, 2016 and the six months ended December 31, 2015 is the large unrealized losses incurred on many of the

holdings of the Fund. The large operating income for the six months ended December 31, 2016 is a result of unrealized gains on many of the Fund's holdings. Operating income was lower in the two six month periods of 2017 because of smaller unrealized gains on the Fund's holdings combined with lower assets in the Fund due to redemptions.

Liquidity

The Fund is a closed-end investment fund which was created to hold a portfolio of securities comprised of global debt and equity securities. Redemptions can only occur monthly, at a discount to NAV, or annually at NAV. Liquidity risk is managed by investing a significant portion of the Fund's assets in investments that are traded in an active market and that can be readily sold. All liabilities of the Fund are due within one year. The Class A units of the Fund are listed on the TSX under the ticker SCW.UN. These Class A units have daily liquidity.

Capital Resources

The Fund has no commitments for any capital expenditures as of December 31, 2017.

Off-Balance Sheet Arrangements

The Fund does not have any off-balance sheet arrangements

Transactions between Related Parties

The Manager provides or arranges for the provision of all general management and administrative services required by the Fund in its day-to-day operations, including but not limited to, calculating and reporting the NAV of the Fund and its classes, preparing all offering documents, unitholder recordkeeping and other administrative services. The Manager receives a management fee for these services. The fee is calculated based on a percentage of the NAV of the Fund.

The Fund paid $497,051 (excluding HST) in management fees to the Manager for the year ended December 31, 2017 (December 31, 2016 - $663,016).

NewCo will not pay any management fees.

The Manager is also entitled to receive a performance fee from the Fund (the "**Performance Fee**") under certain conditions. For the year ended December 31, 2017, the Performance Fee accrued payable by the Fund was Nil (December 31, 2016 - Nil).

NewCo will not pay any Performance Fees.

The Portfolio Manager is responsible for all investment advice provided to the Fund including providing investment analysis and recommendations, making investment decisions and arranging for the acquisition and disposition of portfolio investments. Fees for providing these services is included in the management fee. The Manager will also pay to Canso a percentage of any Performance Fee that the Manager receives from the Fund, such percentage to be agreed upon

between the Manager and the Portfolio Manager from time to time.

The Manager paid $247,027 (excluding HST) to the Portfolio Manager for the year ended December 31, 2017 (December 31,2016 - $331,508) including crystallized Performance Fees, as applicable.

Proposed Transactions

On February 1, 2018, the Manager announced its intention to restructure the Fund into a publicly listed corporate structure, known as Canso Select Opportunities Corporation or NewCo, which may, for a transitional period, hold some of its investments through the original trust structure. The Fund and NewCo have entered into an arrangement agreement ("**Arrangement Agreement**") related to the plan of arrangement between the parties under section 182 of the *Business Corporations Act* (Ontario) (the "**Arrangement**").

Pursuant to the Arrangement, holders of Class A units of the Fund ("**Class A Units**") will receive, for each Class A Unit held as of the close of business on the trading day immediately preceding the effective date of the Arrangement (the "**Determination Time**"), one Class A multiple voting share of NewCo ("**NewCo Class A MV Share**") and one Class B subordinate voting share of NewCo ("**NewCo Class B SV Share**"), unless a Class A Election or Class B Election (as described below) from the Class A Unitholder was received by CDS prior to 5:00 p.m. (Toronto time) on May 15, 2018 (the "**Election Deadline**"). Class A unitholders that submit a Class A Election prior to the Election Deadline will receive two NewCo Class A MV Shares (and nil NewCo Class B SV Shares) for each Class A Unit transferred. Class A unitholders that submit a Class B Election to CDS prior to the Election Deadline will receive two NewCo Class B SV Shares (and nil Newco Class A MV Shares) for each Class A Unit transferred.

Holders of Class F units of the Fund ("**Class F Units**") will receive, for each Class F Unit held as of the Determination Time, that number of NewCo Class A MV Shares and NewCo Class B SV Shares that is the quotient of the NAV per Unit of the Class F Units divided by the NAV per Unit of Class A Units, in each case determined as of the Determination Time (which quotient is referred to as the "**Class F – Class A NAV Ratio**"), unless a Class A Election or Class B Election from the Class F Unitholder was received by CDS prior to the Election Deadline. Class F unitholders that submit a Class A Election prior to the Election Deadline shall receive that number of NewCo Class A MV Shares that is equal to two times the Class F – Class A NAV Ratio (and nil Newco Class B SV Shares) for each Class F Unit. Class F unitholders that submit a Class B Election prior to the Election Deadline shall receive that number of NewCo Class B SV Shares that is equal to two times the Class F – Class A NAV Ratio (and nil Newco Class A MV Shares) for each Class F Unit.

Required Approvals

The Arrangement will require approval by at least 66⅔% of the votes cast by holders of Class A and Class F units present in person or represented by proxy at the special meeting to be held on April 12, 2018 at 10:30 a.m. (Toronto time) in Toronto, Ontario. In addition, the distribution of the NewCo Class A MV Shares and NewCo Class B SV Shares pursuant to the Arrangement must

also be approved by a majority of the votes cast by such unitholders other than the votes attaching at the time to Units held directly or indirectly by affiliates of the Fund and Units held directly and indirectly by control persons of the Fund.

Completion of the proposed Arrangement is also conditional on the approval of the Ontario Securities Commission, issuance of a final order by the Ontario Superior Court of Justice (Commercial List), the approval for listing of the NewCo Class A MV Shares and NewCo Class B SV Shares on a stock exchange in Canada, and other customary closing conditions.

If approved, the Arrangement is expected to be effected on or around June 5, 2018. The Fund will apply to the Toronto Stock Exchange to have the Class A Units voluntarily delisted immediately prior to the effective date of the Arrangement. Following completion of the Arrangement, the Fund will apply to cease being a reporting issuer and, after a transitional period, the Fund will be wound-up such that NewCo will acquire all of the property and assets and assume all of the liabilities of the Fund. If the Arrangement is not approved, Lysander expects to terminate the Fund

Annual Redemption Right

Pursuant to the annual redemption right, Class A Units and Class F Units may, at the option of unitholders of the Fund, be surrendered for redemption during the period commencing on March 15, 2018 and ending at 5:00 p.m. (Toronto time) on March 29, 2018. Class A Units or Class F Units which are surrendered for redemption during that period will be redeemed on May 31, 2018, in respect of each class of Units, at a redemption price per Unit that is equal to 100% of the NAV per Unit of that class as of May 31, 2018, less any costs and expenses incurred by the Fund in connection with funding the redemption. This annual redemption amount will have an effect on the financial condition and cash flows of the Fund. Since the annual redemption amount is currently unknown, the Manager is unable to comment on the expected effect the proposed Arrangement will have on the financial condition, financial performance and cash flows of NewCo.

Further details of the Arrangement are set out in the Arrangement Agreement and the management information circular dated March 16, 2018, both of which have been filed by the Fund on SEDAR at www.sedar.com.

Changes in Accounting Policies including Initial Adoption

As at the year ended December 31, 2017, there were no changes in the Fund's accounting policies.

Financial Instruments and Other Instruments

For the year ended December 31, 2017, the Fund held long and short positions in an investment portfolio in accordance with its investment mandate. The list of all positions is disclosed in its annual financial statements as disclosed on SEDAR.

Disclosure of Outstanding Unit Data

As at December 31, 2017, there were 3,246,977 Class A Units and 296,441 Class F Units of the Fund outstanding.

Statement of Investment Portfolio

Attached as Schedule A is the statement of investment portfolio of the Fund as at December 31, 2017.

Other MD&A Requirements

Additional information relating to the Fund, including the Fund's Annual Information Form, is available on SEDAR at www.sedar.com.

Schedule A

SCHEDULE OF INVESTMENT PORTFOLIO AS AT DECEMBER 31, 2017

Par Value/Number of Shares		Average Cost ($)	Fair Value ($)
Bonds held long			
1,830,000	AT&T Inc., Callable, Restricted, 4.85%, 2047/05/25	$ 1,850,990	$ 1,842,205
1,037,000	Black Press Group Ltd., Series 'B', Restricted, 10.00%, 2018/12/28	1,058,259	1,024,038
520,000	ClearStream Energy Services Inc., Convertible, Callable, 10.00%, 2026/03/23	520,000	488,800
508,400	ClearStream Energy Services Inc., 8.00%, 2026/03/23	508,400	381,300
1,389,000	Enbridge Inc., Callable, 4.57%, 2044/03/11	1,444,463	1,402,787
1,616,000	Honda Canada Finance Inc., Floating Rate, 1.79%, 2020/08/28	1,624,419	1,625,664
67,433	Postmedia Network Inc., Callable, 8.25%, 2021/07/15	64,736	64,736
1,434,000	Shaw Communications Inc., Callable, 6.75%, 2039/11/09	1,620,277	1,849,619
870,000	Sobeys Inc., Callable, 6.64%, 2040/06/07	903,451	975,620
2,946,676	Strait Crossing Development Inc., 6.17%, 2031/09/15	3,055,267	3,260,886
1,000,000	Telepath Networks Inc., Series '2010A', 7.00%, 2018/03/31	1,340,700	1,252,950
580,000	TransCanada PipeLines Ltd., Variable Rate, Callable, 3.63%, 2067/05/15	712,083	669,097
393,000	Yellow Pages Digital & Media Solutions Ltd., Callable, 10.00%, 2022/11/01	390,372	398,109
Total bonds held long		**$ 15,093,417**	**$ 15,235,811**
Bonds held short			
(3,642,000)	Government of Canada, 1.50%, 2023/06/01	$ (3,532,924)	$ (3,568,545)
(1,096,000)	Government of Canada, 4.00%, 2041/06/01	(1,287,588)	(1,437,438)

Par Value/Number of Shares		Average Cost ($)	Fair Value ($)
Bonds held short			
Cont'd			
(2,019,000)	Government of Canada, 2.75%, 2048/12/01	(2,355,603)	(2,236,278)
Total bonds held short		**$ (7,176,115)**	**$ (7,242,261)**
Total of bonds (20.3%)		**$ 7,917,302**	**$ 7,993,550**
Equities held Long			
37,600	Bank of Montreal, Preferred, Class 'B', Series '26', Variable Rate, Perpetual	$ 885,029	$ 855,400
87,100	Bank of Nova Scotia, Preferred, Series '33', Floating Rate, Perpetual	1,612,221	2,024,640
184,300	Bombardier Inc., Class 'B'	401,883	558,429
80,000	Canadian Life Cos., Split Corp., 6.25%, Preferred, Series 'B'	748,307	827,200
5,272,434	ClearStream Energy Services Inc.	2,012,939	500,881
54,000	Empire Co. Ltd., Class 'A'	868,239	1,322,460
249,000	Hubba Inc., Preferred, Class 'A', Series '4'	3,401,863	4,806,173
188,425	M Split Corp.	38,252	92,328
423,025	M Split Corp., Preferred, Class 'II' (2014), Series 'C'	1,070,963	1,279,651
244	Manulife Financial Corp.	6,544	6,398
368,845	Purch Group Inc., Preferred, Series 'C', Restricted (TechMediaNetwork Inc.)	2,032,643	2,130,485
1,045,500	Second Cup Ltd. (The)	3,891,517	2,268,735
1,000,000	Telepath Corp., Warrants, 2025/07/14	–	–
259,335	Torstar Corp., Class 'B'	1,392,200.31	443,462.85
69,992	UniCredit SPA	2,091,147	1,640,666
3,300	Xplornet Comm Inc. Warrants Series C Oct 25, 2023 Restricted	141,651	1,557,392
403,223	Yellow Pages Ltd.	4,760,183	3,391,106
Total equities held long		**$ 25,355,581**	**$ 23,705,407**

Par Value/Number of Shares		Average Cost ($)	Fair Value ($)
Equities held short			
(48,200)	Genworth MI Canada Inc.	$ (1,611,319)	$ (2,096,700)
Total equities held short		**$ (1,611,319)**	**$ (2,096,700)**

Total of equities (54.7%)		**$**	**38,340,630**	**$**	**21,608,707**
Transaction costs					
	Transaction costs	$	(15,393)	$	
Total transaction costs		**$**	**(15,393)**	**$**	
Total investment portfolio (75.0%)		**$**	**31,646,171**	**$**	**29,602,257**
	Cash and cash equivalents (25.2%)	$		$	9,947,271
	Other assets less liabilities (-0.2%)				(81,721)
Net assets		**$**		**$**	**39,467,807**