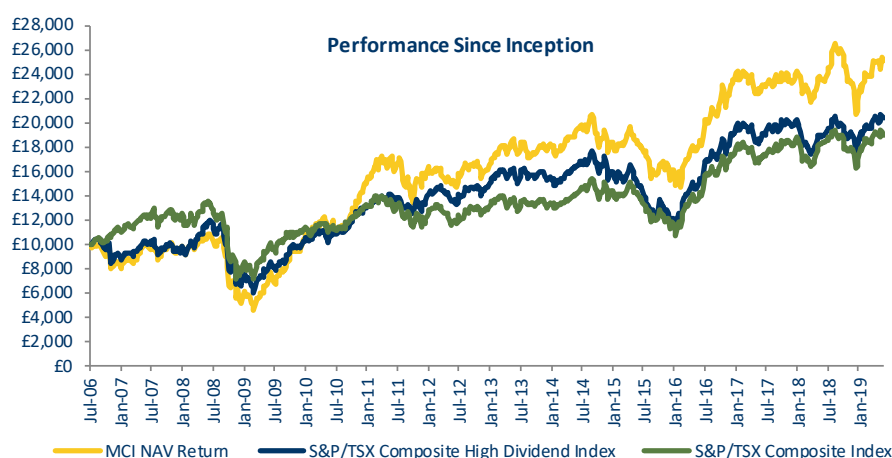


Investment Objectives

- To provide shareholders with a high level of stable income through quarterly distributions with a 5.1p dividend per annum
- To outperform the Fund's benchmark, the S&P/TSX Composite High Dividend Index, over the long-term with attractive risk-adjusted total returns

Investment Strategy

The Fund is actively managed and utilizes a top-down and bottom-up analysis for security selection. The Fund invests with high conviction, typically holding 40 to 50 securities with weights ranging between one and five percent. Companies with stable and consistently growing dividends and proven management teams are emphasized. Fundamental analysis is overlaid with macro considerations to ensure the Fund focuses on attractive industries and secular trends in the context of the business cycle. The portfolio is comprised of North American equity income securities with a minimum of 60% allocated to Canada.



Fund Performance

Recent Performance	1 Mth	3 Mth	6 Mth	YTD	1 Year
Share Price	-4.1%	1.8%	2.9%	13.6%	1.6%
NAV	0.4%	4.9%	6.5%	17.6%	4.6%
Benchmark	0.2%	3.9%	7.2%	16.3%	7.4%
S&P/TSX Composite Index	-0.7%	3.3%	6.5%	15.2%	3.9%

Long-Term Performance	3 Year cumulative	3 year annualised	5 year cumulative	5 year annualised	Since Inception
Share Price	41.0%	12.1%	10.2%	2.0%	109.6%
NAV	36.2%	10.8%	27.5%	5.0%	136.2%
Benchmark	37.8%	11.3%	24.4%	4.5%	102.7%
S&P/TSX Composite Index	38.7%	11.5%	35.8%	6.3%	89.9%

Past performance is not a guide to the future. The price of investments and the income from them may fall as well as rise and investors may not get back the full amount invested. All price information is indicative only.

- 1 Total returns including the reinvestment of dividends for all returns. Fund returns are net of fees.
- 2 Composite of monthly total returns for the S&P/TSX Income Trust Index from inception to 31 December 2010 and the S&P/TSX Composite High Dividend Index (formerly named the S&P/TSX Equity Income Index) thereafter
- 3 Currency adjusted to reflect CAD\$ returns from inception of MCI to Oct 2011 and GBP returns thereafter since MCI was CAD\$ hedged from inception to Oct 2011

Company Overview

Middlefield Canadian Income PCC (the "Company") is a Jersey incorporated, protected cell company. The Company's initial cell is Middlefield Canadian Income – GBP PC (the "Fund") whose shares are traded on the London Stock Exchange's main market. The Fund has been designed to invest in a broadly diversified, actively managed portfolio of Canadian and U.S. listed equity income securities.

Regulatory Status	FCA Authorised
IA Sector	North America
Year End	31 December
Inception	6 July 2006
LSE Symbol	MCT
ISIN	GB00B15PV034
Benchmark	S&P/TSX Composite High Dividend Index
Dividend Payable	Quarterly (Jan, Apr, Jul, Oct)
Management Fee	0.70% p.a.
Net Assets	£ 117,715,971
Voting Shares	106,487,250
Share Price	94.00
Net Asset Value	110.54p
Premium/Discount	-15.0%
Dividend p.a.	5.1p
Current Yield	5.4%
Net Gearing	-18.3%
Gearing Range	0% to 25%

Portfolio Managers



Dean Orrico
President and CIO
of Middlefield

Mr. Orrico has over 20 years of experience in the financial services sector. Prior to joining Middlefield in 1996, Mr. Orrico was an account officer in the commercial banking division of the Toronto Dominion Bank, and is an MBA graduate from the Toronto Schulich School of Business.



Rob Lauzon, CFA
Managing Director
and Deputy CIO

Mr. Lauzon has over 15 years of industry experience. He was previously an Investment Executive with Scotia McLeod, and holds an Honours Bachelor of Business Administration from Wilfred Laurier University and an MBA from the Rotman School of Management.

Available Platforms to Invest



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Barclay's direct
investing

Portfolio Managers' Commentary

After rallying for four consecutive months to start the year, markets reversed course in May with the S&P 500 Index declining 6.4%, the NASDAQ losing 7.8% and the S&P/TSX Composite Index down 3.1% in local terms. Concerns about global economic growth and trade tensions also drove U.S. 10 year Treasury yields lower by 38 basis points. In addition, ongoing Brexit uncertainty and Theresa May's decision to resign as leader of the Conservative Party contributed to the British Pound's 2.2% decrease versus the Canadian dollar.

Investors were caught off guard when trade talks between the United States and China, which were seemingly on a constructive path, took a turn for the worse. This was exacerbated by the U.S.'s threat to impose tariffs on Mexican imports beginning June 10 if Mexico did not take action to reduce or eliminate illegal aliens crossing the U.S./Mexican border.

Fortunately, monetary policy remains accommodative and should help offset any negative economic impact due to trade. The market is now pricing in multiple rate cuts in the U.S. by January 2020 and recent messaging from the Federal Reserve supports this possibility. The Bank of Canada left its benchmark rate unchanged on May 29th.

The Fund continues to benefit from its defensive tilt. Real estate, which accounts for the largest sector weight in the portfolio, outperformed the S&P/TSX Composite by nearly 4% for the month. Our high conviction for the sector is supported by recent M&A activity, which provides a positive read-through for valuations. Alternative investment manager Blackstone recently struck the largest private real estate deal in history, agreeing to buy the U.S. warehouse portfolio from Singapore-based GLP for US \$18.7 billion. The deal supports our thesis that industrial properties will continue to benefit from strong organic growth through rent increases and higher valuations as retailers invest in modern supply-chain logistics. Industrial real estate accounts for the largest sub-sector weighting within our real estate exposure.

A second major acquisition in the real estate industry was announced when U.S.-listed Ventas REIT said it will acquire an 85% interest in 35 seniors housing properties in Quebec, Canada for CAD \$2.4 billion. The 5.5% capitalization rate being paid by Ventas for the assets compares favorably to Canadian-listed senior housing facilities and provides an attractive reference point for future M&A within the industry. The Fund holds a position in Sienna Senior Living which is a Canadian-listed owner and operator of retirement homes and long-term-care facilities in Canada. We believe the Ventas deal confirms U.S. investor interest in the Canadian commercial real estate market.

In British Pounds, the Fund's NAV increased by 0.4% during the month compared to 0.2% for the benchmark and a negative return of 0.7% on the S&P/TSX Composite Index. The Fund has generated a year to date total return of 17.6%, compared to 16.3% for the benchmark and 15.2% for the Index.

1 The percentage of portfolio assets which may be invested in securities listed on a recognized stock exchange outside of Canada is limited to 40%. Investment outside Canada and the United States is limited to 10%.

Nothing herein is to be construed as a solicitation or an offer to buy or sell any financial products. This factsheet is based in part on information obtained from sources believed to be reliable but not guaranteed as accurate. The Fund may utilize gearing, which will exaggerate market movements both down and up. If markets fall, gearing can magnify the negative impact of performance. Exchange rate changes may cause the value of underlying investments to go down as well as up. Where investments are made in smaller companies and non-investment grade bonds, their potential volatility may increase the risk to the value of, and the income from, the investment. The Fund's share price may either be below (at a discount to) or above (at a premium to) the NAV. This factsheet is issued and approved by Middlefield International Limited. Authorised and regulated in the UK by the Financial Conduct Authority. Registered office: 288 Bishopsgate, London EC2M 4QP. Registered in England and Wales No. 02585440.

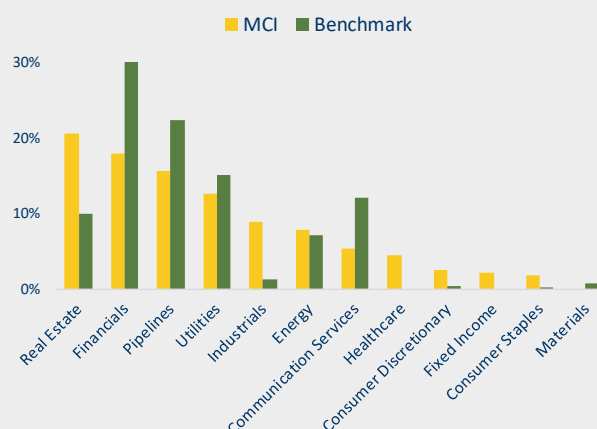
Portfolio Summary

Top 10 Holdings

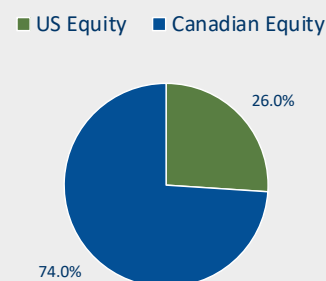
Name	Sector	% of NAV
Enbridge Inc.	Pipelines	5.6%
JP Morgan Chase & CO	Financials	5.4%
Parkland Fuel Corp.	Industrials	5.2%
Northland Power	Utilities	4.4%
Pembina Pipeline	Pipelines	4.3%
AT&T Inc.	Communication Services	4.1%
Brookfield Property Partners	Real Estate	3.7%
Bank of Nova Scotia	Financials	3.4%
CIBC	Financials	3.3%
Gibson Energy	Pipelines	3.3%

Cumulative Weighting **42.8%**

Sector Allocation



Geographic Mix



Contact Us:

For further information about the Fund, please contact us at the below address or visit our website at www.middlefield.co.uk

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