

Premier Canadian Income Fund

PCU.UN

Announces Semi-Annual Results

Toronto, August 20, 2010: Premier Canadian Income Fund (the “Fund”) announces results for the six months ended June 30, 2010. Net realized loss before distributions amounted to \$(0.2) million or \$(0.25) per unit. Net assets were \$15.6 million or \$4.41 per unit, net of distributions to unitholders in the amount of \$0.1 million or \$0.16 per unit.

The Fund’s investment objectives are (a) to maximize total returns for unitholders including both long-term appreciation in net asset value (“NAV”) per unit and distributions; and (b) to pay unitholders monthly distributions in an amount targeted to be 6.5% per annum on the NAV of the Fund. The Fund invests in a portfolio principally consisting of common shares selected from the energy, financial and materials sectors of the S&P/TSX 60 Index. In addition, the Fund may invest up to 20% of its net assets in equity securities of issuers selected from the S&P/TSX 60 Composite Index.

To generate additional returns above the dividend income earned on the portfolio, the Fund may from time to time, write covered call options in respect of all or part of the common shares in the Portfolio. In addition, the Fund may write cash covered put options in respect of securities in which the Fund is permitted to invest.

Unitholders of Premier Canadian Income Fund may elect to have their distributions re-invested into additional Units by enrolling in the Fund’s Distribution Reinvestment Plan. Unitholders may enroll in the Plan by contacting their investment advisor.

The Fund’s investment portfolio is managed by its investment manager, Mulvihill Capital Management Inc. Fund units are listed on The Toronto Stock Exchange under the symbol PCU.UN, changed from GIP.UN effective June 30, 2010.

Selected Financial Information: (\$ Millions)

Statement of Financial Operations For the six months ended June 30, 2010 (Unaudited)

Revenue	\$0.0
Net Realized Gain on Investments	<u>0.0</u>
	\$0.0
Less: Expenses	<u>(0.2)</u>
Net Realized Loss Before Distributions	\$(0.2)

For further information, please contact Investor Relations at 416.681.3966, toll free at 1.800.725.7172 or visit www.mulvihill.com

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