



CALDWELL U.S. DIVIDEND ADVANTAGE FUND ANNOUNCES PROPOSED CONVERSION TO OPEN-END MUTUAL FUND AND UNITHOLDER MEETING

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(Toronto, August 15, 2018) – Caldwell Investment Management Ltd. (“CIM”) announced today its intention to convert Caldwell U.S. Dividend Advantage Fund (the “Fund”) (TSX: UDA.UN) into an open-end mutual fund.

CIM anticipates the benefits of the proposed conversion to include, among other things:

- **Enhanced Liquidity of the Fund’s Units:** The proposed conversion will provide Unitholders with the ability to purchase or redeem any quantity of the Fund’s Units at their net asset value on any business day, whereas Unitholders are currently dependent upon an active market on the Toronto Stock Exchange in order to purchase or sell Units of the Fund;
- **Potential Reduction in the Fund’s General and Administrative Costs per Unit:** Under its current structure, the Fund is limited in its ability to issue new Units to investors. The proposed conversion to an open-end mutual fund structure is expected to benefit Unitholders in that it will enable the Fund to grow its asset base through the issuance of new Units to investors. This, in turn, will potentially enable the Fund to allocate its fixed general and administrative costs across a larger asset base, thereby reducing such expenses on a per Unit basis for all Unitholders; and
- **Introduction of U.S. \$ Denominated Fund Series:** Currently, investors can only purchase Units of the Fund in Canadian dollars and receive Canadian dollar-denominated distributions. The proposed conversion will benefit Unitholders by offering the option to invest in either a Canadian or U.S. dollar-denominated series of the Fund. This will provide Unitholders with greater flexibility to manage the currency exposure of their investment in the Fund.

The Fund will not be responsible for any costs and expenses associated with the proposed conversion, including printing, mailing, regulatory and legal fees, since all such costs will be borne by CIM.

The proposed conversion is subject to the approval of unitholders of the Fund at a special meeting that will be held on or about September 28, 2018. The Independent Review Committee of the Fund has reviewed the potential conflict of interest matters related to the proposed conversion and determined that the proposed conversion, if implemented, would achieve a fair and reasonable result for the Fund. In advance of the meeting, full details of the proposed conversion will be set out in a notice of meeting and management information circular that will be sent to Unitholders on or about August 30, 2018. The notice of meeting and management information circular will also be available on SEDAR at www.sedar.com.

If the conversion is approved by unitholders of the Fund, CIM will apply to delist the Units of the Fund from the Toronto Stock Exchange prior to the proposed conversion date of on or about November 9, 2018.

For more information on the Fund, the proposed conversion or CIM, please visit our website at www.caldwellinvestment.ca or contact us at 416-593-1798 or 1-800-256-2441.

Certain statements in this press release may be viewed as forward-looking statements. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, intentions, projections, objectives, assumptions or future events or performance (often, but not

always, using words or phrases such as “expects”, “is expected”, “anticipates”, “plans”, “estimates” or “intends” (or negative or grammatical variations thereof), or stating that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved) are not statements of historical fact and may be forward-looking statements. Statements which may constitute forward-looking statements relate to: the proposed timing of the conversion and expected completion thereof; the proposed timing of the special meeting; and the expected benefits of the conversion. Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements including as a result of changes in the general economic and political environment, changes in applicable legislation, and the performance of the Fund. There are no assurances that the Fund can fulfill such forward-looking statements and the Fund and CIM do not undertake any obligation to update such statements. Such forward-looking statements are only predictions; actual events or results may differ materially as a result of risks facing the Fund, some of which are beyond the control of the Fund and CIM.