2014

ANNUAL REPORT

Focussed on Canada

CGI
CANADIAN
GENERAL INVESTMENTS,
LIMITED

Certain financial information contained in this report, including investment growth rates, rates of return and other such statistical information, are historical values; past performance is no assurance or indicator of future returns. Share prices, net asset values and investment returns will fluctuate. Stated historical returns assume the reinvestment of all distributions. Such financial information does not reflect any broker commissions, transaction costs or such other fees and expenses which may have been applicable nor income taxes payable by any shareholder, which would have the effect of reducing such historical returns. Stated returns for periods greater than one year are compound average annual rates of return. Further information concerning risk can be found in the management report of fund performance of this annual report to shareholders.

The Company is an investment fund, and as such, this annual report to shareholders carries a variety of information concerning stocks and other investments, all for informational purposes only. The reader should assume that the Company and all individuals and entities (including the Manager and members of its staff) who have contributed to this publication may have a conflict of interest. Readers should therefore not rely solely on this report in evaluating whether or not to buy or sell securities discussed herein.

Cover: Rock Wall, Grace Lake, Killarney. Oil on board.

Paul Mantrop is a working artist and founding member of the art collective "drawnonward". Over eighteen years ago the artists of drawnonward began to travel throughout Canada in order to document its unique and varied regions. Today after over 100,000 kilometres have been travelled by bus, boat, canoe, train, skis and feet, drawnonward has painted from coast to coast. From the Queen Charlotte Islands to the Yukon, from the Gaspe to Newfoundland and throughout the Canadian Arctic. Today Paul paints from a studio in his home near Collingwood, Ontario. You can learn more about Paul at www.paulmantrop.com.

Letter to Shareholders

Jonathan A. Morgan (President & CEO), D. Greg Eckel (Senior Vice-President of the Manager), Vanessa L. Morgan (Chairman), and Michael A. Smedley (Executive Vice-President & Chief Investment Officer of the Manager)

We are pleased to present the 2014 annual report for Canadian General Investments, Limited (CGI or the Company). In this report, you will find information on the performance of CGI for 2014. The management report of fund performance contains a management discussion of fund performance, a financial highlights section incorporating per share information as well as various financial ratios, historical returns and a summary of investment portfolio which includes the top 25 holdings as at the end of the year. The full investment portfolio as at December 31, 2014 is provided as part of CGI's audited financial statements, which are also included as part of this report.

For the 12 months ended December 31, 2014, CGI's common shares recorded a net asset value per share (NAV) total return of 8.4% and a market value total return of 13.3% (share price increase plus dividends). By comparison, the total return of its benchmark, the S&P/TSX Composite Index, was 10.6% during the same period.

During 2014, CGI paid two regular quarterly taxable dividends that aggregated to $0.24 per common share, two quarterly capital gains dividends that aggregated to $0.24, as well as a year-end special capital gains dividend of $0.28 per share, for an annual total of $0.76. Based on the year-end market price of the common shares, aggregate dividends paid represented a 3.7% yield to shareholders.

CGI has been managed by Morgan Meighen & Associates Limited (the Manager) since 1956. D. Greg Eckel, Senior Vice-President of the Manager, is the portfolio manager responsible for the management of CGI's investment portfolio.

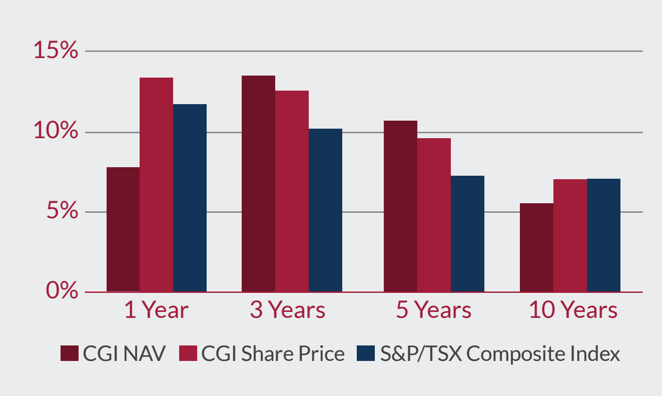
Further information about CGI, including the most recent NAV and market price, current performance, the portfolio's weekly top 10 holdings, historical dividend payments, as well as various financial and regulatory reports, can be found at www.canadiangeneralinvestments.ca.

We appreciate your investment in CGI.

Vanessa L. Morgan
Chairman

Jonathan A. Morgan
President & CEO

Compound Annual Returns for the Periods to December 31, 2014



RESPONSIBILITY STATEMENT

In accordance with the Disclosure and Transparency Rules of the United Kingdom Financial Services Authority, the Board of Directors confirms that to the best of its knowledge:

i. the financial statements have been prepared in accordance with International Financial Reporting Standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company;

ii. the management report of fund performance includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that the Company faces.

The financial statements and management report of fund performance were approved by the Board of Directors on February 18, 2015.

Vanessa L. Morgan
Chairman

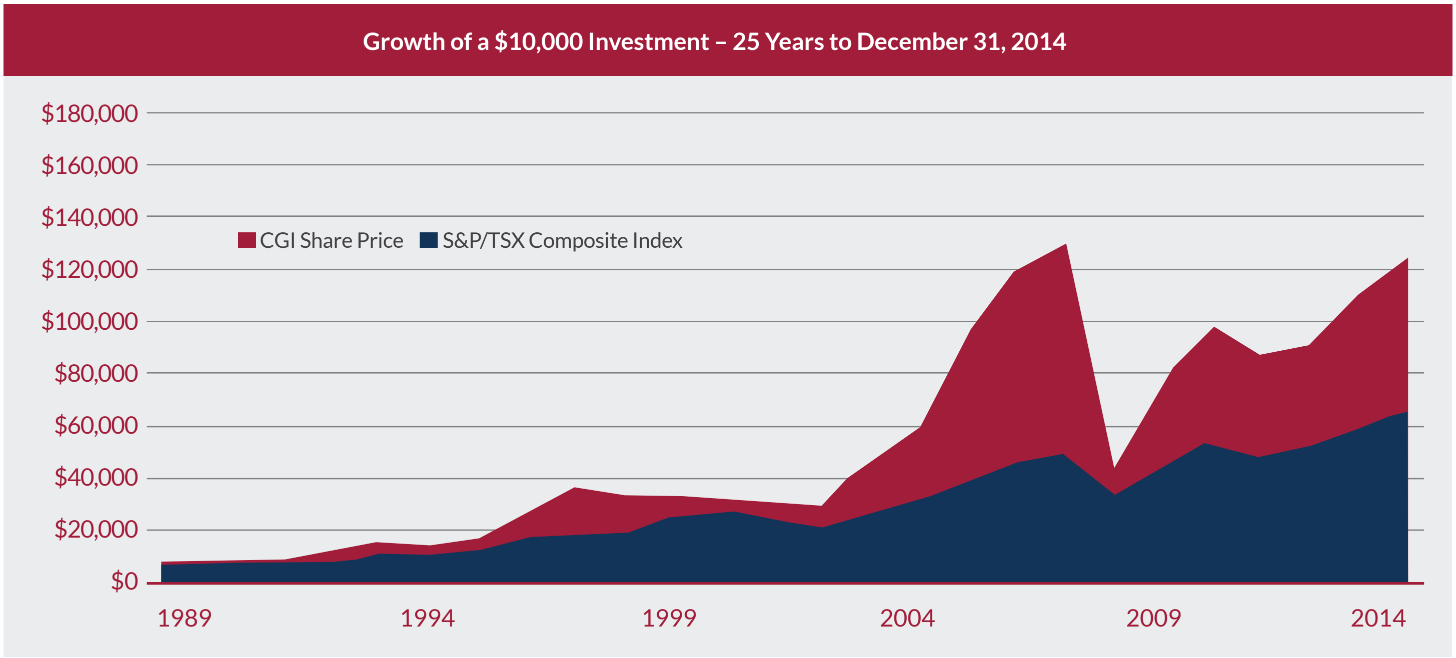
Corporate **Profile**

CANADIAN GENERAL INVESTMENTS, LIMITED (CGI)

CGI is a closed-end equity fund focussed on medium- to long-term investments in Canadian corporations. It strives, through prudent security selection, timely recognition of capital gains/losses and appropriate income-generating instruments, to provide better than average returns to investors.

CGI was established in 1930 and has been managed since 1956 by Morgan Meighen & Associates Limited (website: www.mmainvestments.com).

The graph below is presented to illustrate the benefit of a long-term investment in CGI's common shares. A $10,000 investment in CGI common shares would have grown to nearly $128,000 over the 25-year period ended December 31, 2014. This equates to a compound annual average growth rate of 10.7%. By comparison, a $10,000 investment in the benchmark S&P/TSX Composite Index would have grown to nearly $68,000 or a compound average annual growth rate of 8.0%.



For the 50 years ended December 31, 2014, a $10,000 investment would have grown to nearly $1.7 million, representing a compound average annual return of 10.8%. The values for the benchmark for the same period were $822,000 and 9.2%, respectively.

Management Report
of Fund Performance

This annual management report of fund performance contains financial highlights and should be read in conjunction with the complete audited annual financial statements of the Company that follow this report. Securityholders may request a copy of the Company's interim financial report, proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure, at no cost, by calling 416-366-2931 (Toll-free: 1-866-443-6097), by writing to the Company at 10 Toronto Street, Toronto, Ontario M5C 2B7 or by visiting the Company's website at www.canadiangeneralinvestments.ca. The interim report is also available on SEDAR at www.sedar.com.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

INVESTMENT OBJECTIVE AND STRATEGIES

Canadian General Investments, Limited (CGI or the Company) is a closed-end equity fund, focussed on medium- to long-term investments in primarily Canadian corporations. Its objective is to provide better than average returns to investors through prudent security selection, timely recognition of capital gains/losses and appropriate income-generating instruments.

The Manager, Morgan Meighen & Associates Limited (MMA, or the Manager), utilizes a bottom-up investment strategy in an effort to achieve CGI's objective. With this type of investment strategy, the Manager first seeks individual companies with attractive investment potential, then proceeds to consider the larger industry, economic and global trends affecting those companies. This investment style allows for sector weightings that can differ from those of the benchmark, the S&P/TSX Composite Index (S&P/TSX).

RISK

As an equity fund, the Company's primary risk is market risk – the exposure to market price changes for the securities held within the portfolio. Economic conditions, investor sentiment, global events and many other factors contribute to the day-to-day changes in security prices and the overall trend of the market. Some of the more significant changes or trends in economic conditions through the year and their effects are as follows:

Weakness of the Canadian dollar. The Canadian dollar fell 9.1% against both the U.S. dollar and Chinese renminbi. These two countries are Canada's largest trading partners. A weak dollar, while making materials more costly to import, will generally have positive repercussions on export-based companies, as their products become less expensive to purchasers in other countries.

Interest rates. The Bank of Canada kept interest rates low, with the overnight rate at the historic low of 1% (subsequently lowered to 0.75% in January 2015). The prime bank rate was steady at 3% for the entire year. Low interest rates can have a positive effect on equity markets, as it is less costly for companies to borrow to fund expansion and, similarly, for consumers to finance spending.

The decrease in the price of oil. As demonstrated by the 45.9% decline in WTI price, the dramatic and continuing decrease in the price of oil, is a two-sided issue as it relates to Canadian companies. On one side, there is a risk to currency value, oil sector profits and government revenues related to the lower prices for the product of Canadian energy companies. On the other side, lower energy costs can result in increased economic growth, inflation and consequently, increased corporate profits in the general economy.

CGI attempts to mitigate market risk by maintaining a well diversified portfolio.

Being a closed-end investment fund, CGI's shares generally trade at a discount to its net asset value per share (NAV). As a result, the return experienced by a shareholder (share price return) can differ from the underlying performance of the Company (portfolio performance). The share price is established by competitive markets, which reflect the buying demand and the selling supply of shares. Factors which are thought to influence share price, and therefore discounts and their converse, premiums, include a fund's relative performance, the liquidity of a fund's shares, dividend yield, the use of a managed distribution policy, confidence in a fund's portfolio manager, investors' perceptions and expectations regarding the outlook of the country/sector/market where a fund invests. Throughout 2014, CGI's shares traded at a discount ranging from 24.2% to 32.9%, ending the year at a discount of 25.9%.

Since 1998, with the issuance of its Series 1 preference shares (since redeemed), CGI has engaged in a leverage strategy in an effort to enhance returns to common shareholders. At December 31, 2014, CGI's preference shares outstanding totalled $150 million (par value), representing 21.0% of total portfolio assets (December 31, 2013 – 21.9%). As a result of this leverage, a 10% decline in the value of the portfolio will result in approximately a 12.6% decrease in the Company's NAV. The reverse is true for a 10% increase in the portfolio value. CGI's asset coverage (the ratio of its Assets to Obligations, both as defined in the Preference Share provisions) at year end 2014 was 4.7 times, higher than the required ratio of 2.5 times. The Board of Directors of CGI is continually assessing the Company's leverage strategy in relation to its overall portfolio returns relative to the cost of borrowing. This may include increases or decreases in leverage, as well as exploring refinancing alternatives.

There were no material changes affecting the overall level of risk associated with investing in CGI during the year. As the Company is invested almost entirely in Canadian equities, it is most suitable for investors seeking long-term capital appreciation, with income as a secondary objective. Investors in CGI should be willing to tolerate moderate market volatility.

The risks of investing in the Company are further discussed in the Company's Annual Information Form.

RESULTS OF OPERATIONS

Performance

Following the trend of many of its global peers, the Canadian equity market advanced fairly steadily from the middle of 2013 through to August 2014. Global growth was mildly improving, inflation was subdued, central banks remained accommodative and bond yields were at very low levels. Often proclaimed as the most hated bull market in history, Goldman Sachs even went so far as characterising the environment as "challengingly boring". But shortly after Goldman's mid-summer proclamation, investors experienced an abrupt turn in the market dynamic, particularly in Canada. Beginning in September 2014, markets started to tumble steeply and swiftly from their record highs and approached "correction territory", technically defined as a 10% drop. Arresting a month and a half decline, the market made a valiant but brief recovery and recaptured more than half of the 2,000 points lost off the S&P/TSX before a second and more precipitous downturn that lasted into mid-December. This reversal extended the turmoil to almost four months and dropped Canadian indices severely, wiping out most of the gains for the entire year. Ongoing volatility resulted in another, more favourable turn for investors and a rally ensued in the last half of December. This provided some relief for those market participants who had endured these trying times and had stayed committed to their positioning through the extreme choppiness. Erratic swings caused large daily and weekly return fluctuations and created great uncertainty about the direction and timing. Fortunately for investors, the year ended on the aforementioned jolly upswing and Canadian equity markets, as represented by the benchmark S&P/TSX, posted a 10.6% annual return for 2014. CGI was buffeted but completed the year with a NAV return, with dividends reinvested, of 8.4%. CGI's net asset value at December 31, 2014 was $564,382,000, representing a 5.5% increase from the $535,055,000 at the end of 2013. CGI's NAV at December 31, 2014 was $27.05, up from $25.65 at year end 2013.

The table below illustrates the weightings of the five largest sectors in CGI's portfolio as at December 31, 2014, compared with year end 2013, and with the S&P/TSX. The weightings provided for CGI represent the market value of each sector as a percentage of the total investment portfolio. At December 31, 2014 the portfolio was overweight Consumer Discretionary and Industrials, and underweight Financials and Energy, as compared to the sector weightings in the S&P/TSX.

	CGI		S&P/TSX	
SECTOR	Year End, 2014	Year End, 2013	Year End, 2014	Year End, 2013
Financials	23.5%	21.9%	35.7%	35.3%
Energy	16.7%	19.1%	22.0%	24.8%
Consumer Discretionary	16.7%	15.1%	6.4%	5.5%
Industrials	16.4%	13.8%	8.7%	7.9%
Materials	11.1%	12.2%	10.6%	11.9%

The constituents of the Materials and Energy sectors have always had a meaningful influence on the fortunes of the S&P/TSX and represented a combined weighting of 33% of the total index at year end. Enthusiasm for exposure to these cyclicals and a generally positive outlook on commodities had a very positive influence in the year's early going and both plays led all sector returns throughout the first half. However, a dramatic change occurred in the second half and dropped them far below the other groups and solidly into negative territory by year end. Commodity prices began to decline as economies weakened and outlooks deteriorated. The European stalwart German economy began to look fragile and European economies elsewhere showed little, if any, improvement. The U.S. was getting better but its pace was slower than had been anticipated and its sustainability remained in doubt. And China, which had been a major driver for commodity demand growth for a number of years, was now slowing after its hyper-growth stage.

The commodity with the highest profile decline has been a barrel of oil. By year end, the North American benchmark WTI price had fallen to a five year low, from greater than $100 to the low $50s in little more than five months. Although the outlook for demand growth had been tempered during this time, the greatest influence on the growing surplus scenario appeared to be sudden realization of the growth in supply. In particular, the unprecedented U.S. shale boom has U.S. output at its highest level in three decades as a result of the evolution of technology related to unconventional resource extraction. This has comforted those in the U.S. who desire energy self-sufficiency, but has set the stage for a global battle. Unwilling to cede market share, OPEC and other major producers have indicated that they will maintain current production levels and so the oversupply situation looks likely to persist.

The oil price plunge caused the Energy sector of the S&P/TSX to lose 16.6% in the final quarter and resulted in a -7.8% return for the year. This made it the worst performing group in the index. CGI carries a relatively meaningful exposure to this area and therefore, in spite of its underweighting in the group, overall performance was hindered. Two names that were particularly hard hit through the downturn, Calfrac Well Services Ltd. (-24.7%) and Bellatrix Exploration Ltd. (-30.0%), were eliminated from the portfolio but had been good investments in the past and remained profitable when sold. Fortunately, the pipelines sub-sector has offered some stability and includes holdings in Enbridge Inc. and TransCanada Corporation. Both names countered the trend to some extent and had positive gains in the year with Enbridge, a top ten holding, being one of the biggest gainers in the portfolio with a 28.7% return, while TransCanada was up 17.6%.

The Materials sector was also a laggard and was the only other sector to post a negative return for the year. CGI has been about market-weight this group, but differs substantially from the benchmark with a particularly large presence in the forest products sub-sector. This worked positively for the Company as West Fraser Timber Co. Ltd. (+23.1%) and Canfor Corporation (+11.0%) built on their successes in the prior year and posted good positive returns. However, offsetting some of these gains was Methanex Corporation (-13.4%) which, after a very strong year in 2013, succumbed to fears of a global slowdown and a rising correlation to the energy outlook. A big underweighting in the golds, which is a large component in the Materials sector, worked in favour of the Company. CGI's lone holding, that of Franco-Nevada Corporation, once again exhibited its attraction as a royalty play and represented a relatively calm holding in a sea of unpredictability by posting a positive 34.2% return, compared to its peer group return of -4.2%.

CGI's largest overweighted group, the Consumer Discretionary sector (+27.9%), had another good year and more than doubled the return of the S&P/TSX. Dollarama Inc. (+35.4%), the Company's number one holding, once again led the way by producing the largest gain in absolute dollars in the portfolio and Magna International Inc. (+46.5%) also had an extremely good year. And driven by the same fundamental improvements underlying renewed consumer strength, Alimentation Couche-Tard Inc., of the Consumers Staples sector, also made a major contribution on the plus side with its 83.5% return.

The Industrials are another focus for the Company and is another heavily overweighted sector. Two standouts from this group for 2014 included Canadian Pacific Railway Limited with a 40.1% return and Air Canada, which had a remarkable 60.2% uplift.

Investment income, which is comprised mainly of dividends, as well as interest and other income, was $13,476,000 for the year, down 9.1% from 2013 primarily as a result of a decreased focus on dividend-paying portfolio holdings. Management fees and dividends on preference shares are the largest expenses of the Company. Management fees increased by 14.8% to $8,062,000 as a result of higher average monthly portfolio values compared to 2013. The dividends on its preference shares decreased by 4.7% to $5,738,000 due to the lower coupon rate on the preference shares issued in May 2013, than those that were redeemed.

Dividends

CGI's dividend policy is determined by the Board of Directors. The Company is able to pay regular taxable dividends and capital gains dividends. In 2014 the Company paid regular quarterly taxable dividends of $0.12 per common share on March 15, June 15, and capital gains dividends of $0.12 per common share on September 15 and December 15. For tax purposes, CGI designated all taxable dividends paid to common and preference shareholders in 2014 as "eligible dividends". On December 27, 2014, CGI also paid a year-end special capital gains dividend of $0.28 per common share, bringing total dividends to $0.76 for the year, equal to the prior year. Based on year-end prices for the common shares, the dividend yield was 3.7% for 2014 compared to 4.1% for 2013.

Taxation

As a corporate entity, CGI is subject to tax on its taxable income – primarily realized gains on the sale of investments – at an effective rate of approximately 20%. As a result of its investment corporation status under Canadian tax law, CGI can recover taxes paid or payable on its realized taxable capital gains through the payment of capital gains dividends to shareholders. To the extent that taxes paid or payable on taxable income and capital gains in a year are greater than taxes recovered on the payment of capital gains dividends, there will be a negative impact on net assets of the fund. For 2014, there was a net payable related to tax of $83,000, compared to a net payable of $1,498,000 in the prior year. Taxes paid or payable on realized taxable capital gains may be recovered through the payment of capital gains dividends in future years. As at December 31, 2014, the Company had refundable capital gains tax on hand of approximately $682,000 (2013 - $1,262,000), which is refundable on payment of capital gains dividends of approximately $8.4 million (2013 - $10.0 million). The Company also has refundable dividend tax on hand of approximately $1,937,000 as at December 31, 2014 (2013 – $1,401,000).

RECENT DEVELOPMENTS

Outlook

Concerns over global growth, lower commodity prices and significant declines in oil prices have weighed on investor sentiment and pressured equities. Volatility has risen dramatically and markets have been moving erratically. These are indeed unsettling times.

Many of the same prevailing themes for 2014 will remain in place for 2015. Debate as to the timing of a U.S. Federal Reserve move on interest rates continues but any increase is likely to be moderate and remain low on a relative and absolute basis. And although investors are apprehensive of any such upward movement, a setback of any sort should be short-lived as the beginning to a normalization of monetary policy would be a positive indicator of an economy that is able to support itself. A slowdown in China's GDP growth has been worrisome but it is apparent that the government is determined to maintain a 7% rate and has managed, so far, to deflate dangerously overheated areas and create a healthier, more sustainable environment. Europe is still struggling and has shown little in the way of recovery but the European Central Bank's President, Mario Draghi, has renewed its commitment to "do whatever it takes" to help in the struggle. It appears that the ECB will soon engage in quantitative easing, a tool used effectively by the U.S. Federal Reserve in its approach to assist in the successful revival of the U.S. economy.

The question is whether markets will climb the proverbial "wall of worry". Lingering doubts as to a positive resolution of many issues stubbornly remain but if signs of progression emerge and a synchronized global re-acceleration begins to materialize, then equity markets should have another positive year.

International Financial Reporting Standards

The Company adopted IFRS for the fiscal period beginning January 1, 2014, and the Company's first set of annual financial statements prepared under IFRS was for the year ended December 31, 2014. Those statements provide corresponding comparative financial information for 2013, including an opening statement of financial position as at January 1, 2013.

RELATED PARTY TRANSACTIONS

The Company is managed by Morgan Meighen & Associates Limited, a company under common control with CGI. MMA provides continuing advice and investment management services, as well as administration, financial reporting and other ancillary services required by a publicly listed company. For more details concerning the services that are provided by MMA and the management fee that is charged to the Company, see "Management Fees".

Third Canadian General Investment Trust Limited (Third Canadian), a private, Ontario-based corporation under common control with the Company, has an approximate 37% (December 31, 2013 – 37%) ownership interest in the Company. As a result of its ownership position in the Company, Third Canadian received dividends from net investment income of $1,831,000 (2013 - $1,984,000) and dividends from net realized gain on investments of $3,968,000 (2013 - $3,815,000).

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Company and are intended to help you understand the Company's financial performance for the past five financial years.

The Company's Net Assets per Share (1)

	2014	2013	2012	2011	2010
Net assets – beginning of year	$25.65	$21.87	$20.37	$23.97	$19.17
Increase (decrease) from operations					
Total revenue	0.65	0.71	0.68	0.59	0.60
Total expenses (excluding dividends)	(0.74)	(0.71)	(0.67)	(0.68)	(0.66)
Realized gains for the period	1.20	1.48	0.77	0.74	0.56
Unrealized gains (losses) for the period	1.05	3.13	1.38	(3.55)	5.27
Refundable income tax expense	-	(0.07)	-	-	-
Total increase (decrease) from operations(2)	2.16	4.54	2.16	(2.90)	5.77
Dividends paid to common shareholders					
Taxable dividends	(0.24)	(0.26)	(0.24)	(0.24)	(0.24)
Capital gains dividends	(0.52)	(0.50)	(0.52)	(0.56)	(0.76)
Total dividends(3)	(0.76)	(0.76)	(0.76)	(0.80)	(1.00)
Income taxes recoverable on dividends from net realized gain on investments	-	-	0.10	0.11	0.15
Net increase in refundable dividend tax on hand	-	-	(0.03)	–	–
Increase in refundable income taxes on net realized gain on investments	-	-	(0.04)	(0.01)	(0.12)
	-	-	0.03	0.10	0.03
Net assets – end of year(4)	$27.05	$25.65	$21.80	$20.37	$23.97

(1) This information is derived from the Company's audited annual financial statements. For financial years beginning before January 1, 2013, the financial statements of the Company were prepared in accordance with Canadian generally accepted accounting principles applicable to public enterprises (Previous Canadian GAAP), whereas for financial periods beginning January 1, 2013, the financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS). The difference is due to valuation differences between the two sets of accounting principles for investments that trade in an active market. Previous Canadian GAAP generally required the use of bid price to establish fair value, while IFRS requires fair value to be a price within the bid-ask spread. Further explanation can be found in the notes to the financial statements.

(2) Net assets and dividends are based on the actual number of shares outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of shares outstanding over the financial period.

(3) Dividends were paid in cash.

(4) This is not a reconciliation of the beginning and ending net assets per share.

Ratios and Supplemental Data

	2014	2013	2012	2011	2010
Total net asset value (000's) (1)	$564,382	$535,055	$456,149	$426,413	$501,548
Number of shares outstanding (1)	20,861,141	20,861,141	20,861,141	20,861,141	20,861,141
Management expense ratio (2) (3)	2.63%	2.95%	3.08%	3.02%	3.23%
Trading expense ratio (4)	0.07%	0.12%	0.08%	0.12%	0.18%
Portfolio turnover rate (5)	13.11%	23.80%	13.06%	22.32%	29.51%
Net asset value per share (1)	$27.05	$25.65	$21.87	$20.44	$24.04
Closing market price (1)	$20.50	$18.40	$15.75	$16.00	$19.18

(1) This information is provided as at the end of the financial period shown.

(2) Management expense ratio (MER) is based on total expenses (including leverage costs but excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

(3) Excluding leverage costs (dividends on preference shares and interest and financing charges), the Company's MERs were as follows: 2014 - 1.58%, 2013 - 1.66%, 2012 - 1.66%, 2011 - 1.63%, 2010 - 1.70%.

(4) The trading expense ratio represents total commissions and other portfolio transaction costs as an annualized percentage of daily average net asset value during the period.

(5) The Company's portfolio turnover rate indicates how actively the Manager manages the Company's portfolio investments. A portfolio turnover of 100% is equivalent to the Company buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year. There is not necessarily a relationship between the turnover rate and the performance of a fund.

Management Fees

The Company pays a management fee that is calculated and paid monthly at 1% per annum of the market value of CGI's investments adjusted for cash, portfolio accounts receivable and portfolio accounts payable. The Company's management fees were used by MMA to pay costs for managing the portfolio and making investment decisions, as well as the provision of administrative services including making brokerage arrangements for the purchase and sale of securities, calculating the daily net asset value of the Company, maintaining financial and corporate records, preparing financial statements and all required regulatory filings and assisting in promotion activities. The officers of the Company are remunerated by MMA in their capacity as directors and/or officers of MMA and receive no compensation from CGI.

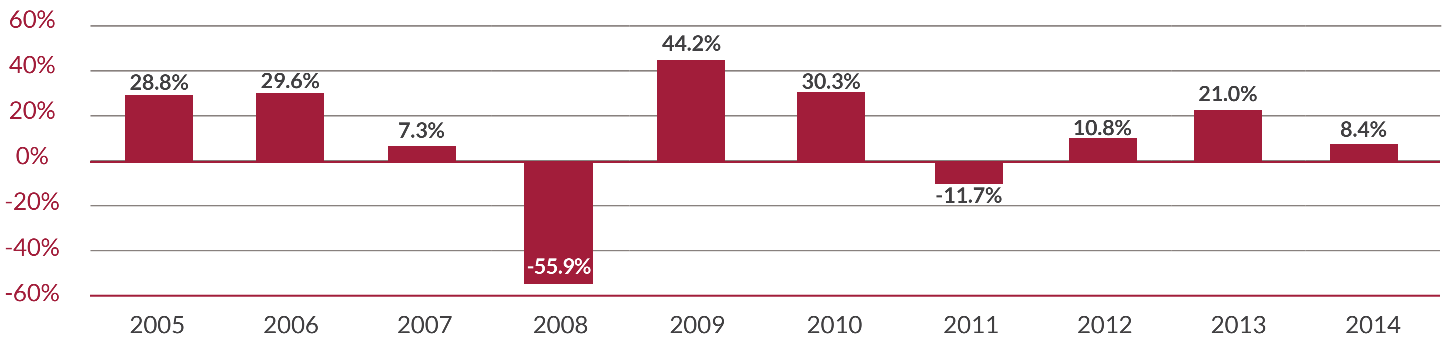
PAST PERFORMANCE

The performance information shown assumes that all dividends paid by CGI to common shareholders were reinvested in additional common shares of the Company. The performance information does not take into account broker commissions or other fees potentially payable by holders of the Company's shares that would have reduced returns or performance. How the Company has performed in the past does not necessarily indicate how it will perform in the future.

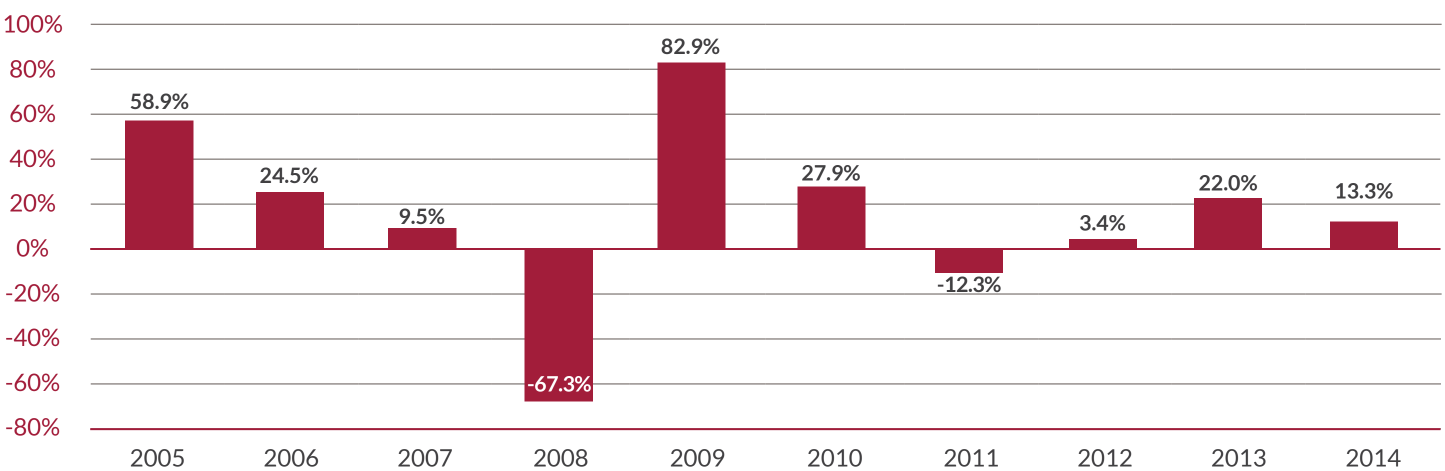
YEAR-BY-YEAR RETURNS

The following bar charts show the Company's performance for each of the years shown, and illustrate how the Company's performance has changed from year to year. The bar charts show, in percentage terms, how much an investment made on the first day of each year would have grown or decreased by the last day of each year.

The bar chart below illustrates CGI's net asset value per share return, with dividends reinvested at net asset value per share.



The bar chart below illustrates CGI's share price return, with dividends reinvested at the market price.



ANNUAL COMPOUND RETURNS

The following table shows the Company's historical annual compound total returns for the periods indicated, compared with the S&P/TSX. The Index return is also calculated on a total return basis, assuming that all distributions are reinvested.

	1 Year	3 Years	5 Years	10 Years
Canadian General Investments, Limited – NAV	8.4%	13.3%	10.8%	6.7%
Canadian General Investments, Limited – Share Price	13.3%	12.6%	9.9%	7.6%
S&P/TSX Composite Index	10.6%	10.2%	7.5%	7.6%

The S&P/TSX Composite Index is a market capitalization-weighted index that provides a broad measure of performance of the Canadian equity market.

SUMMARY OF INVESTMENT PORTFOLIO

as at December 31, 2014

Sector Allocation	% of Net Asset Value*	% of Investment Portfolio
Financials	29.6	23.5
Consumer Discretionary	21.1	16.7
Energy	21.1	16.7
Industrials	20.8	16.4
Materials	14.1	11.1
Information Technology	8.8	7.0
Telecommunication Services	4.1	3.3
Consumer Staples	2.0	1.6
Cash & Cash Equivalents	2.0	1.6
Utilities	1.4	1.1
Health Care	1.3	1.0

Asset Allocation	% of Net Asset Value*	% of Investment Portfolio
Canadian Equities	108.8	86.1
Foreign Equities	15.5	12.3
Cash & Cash Equivalents	2.0	1.6

Top 25 Holdings

Issuer	Sector	% of Net Asset Value*	% of Investment Portfolio
Dollarama Inc.	Consumer Discretionary	7.7	6.1
Enbridge Inc.	Energy	5.3	4.2
Canadian Pacific Railway Limited	Industrials	5.2	4.1
Bank of Montreal	Financials	4.0	3.2
West Fraser Timber Co. Ltd.	Materials	3.9	3.1
Air Canada	Industrials	3.6	2.8
Element Financial Corporation	Financials	3.5	2.8
Royal Bank of Canada	Financials	3.5	2.8
Open Text Corporation	Information Technology	3.4	2.7
Yahoo! Inc.	Information Technology	3.3	2.6
Magna International Inc.	Consumer Discretionary	3.0	2.4
Home Capital Group Inc.	Financials	3.0	2.4
Brookfield Canada Office Properties	Financials	2.8	2.3
Stantec Inc.	Industrials	2.8	2.2
Gildan Activewear Inc.	Consumer Discretionary	2.7	2.1
Methanex Corporation	Materials	2.6	2.1
The Toronto-Dominion Bank	Financials	2.6	2.0
Rogers Communications Inc.	Telecommunication Services	2.5	2.0
TransForce Inc.	Industrials	2.4	1.9
IMAX Corporation	Consumer Discretionary	2.3	1.8
TransCanada Corporation	Energy	2.3	1.8
Apple Inc.	Information Technology	2.2	1.8
Raging River Exploration Inc.	Energy	2.2	1.7
AutoZone Inc.	Consumer Discretionary	2.2	1.7
Canfor Corporation	Energy	2.1	1.7
		81.1 *	64.3
Total Net Asset Value* ($000's)			$564,382
Total Investment Portfolio* ($000's)			$712,948

* Total Net Asset Value represents Total Investment Portfolio adjusted for leverage in the form of preference shares ($148 million), other assets and other liabilities.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Company. The most recent quarterly portfolio disclosure may be obtained by visiting the Company's web site at www.canadiangeneralinvestments.ca, by calling 416-366-2931 (Toll-free: 1-866-443-6097), or by writing to the Company at 10 Toronto Street,Toronto, Ontario, Canada, M5C 2B7.

Financial Reports

MANAGEMENT REPORT

THE ACCOMPANYING FINANCIAL STATEMENTS HAVE BEEN PREPARED BY MANAGEMENT AND APPROVED BY THE BOARD OF DIRECTORS OF THE COMPANY. MANAGEMENT IS RESPONSIBLE FOR THE INFORMATION AND REPRESENTATIONS CONTAINED IN THESE FINANCIAL STATEMENTS.

The Company maintains appropriate processes to ensure that relevant and reliable financial information is produced. The financial statements have been prepared in accordance with International Financial Reporting Standards and include certain amounts that are based on estimates and judgements. The significant accounting policies which Management believes are appropriate for the Company are described in note 3 to the financial statements.

The Board of Directors is responsible for reviewing and approving the financial statements and overseeing Management's performance of its financial reporting responsibilities. An Audit Committee comprised of non-Management Directors is appointed by the Board. The Audit Committee reviews the financial statements, adequacy of internal controls, the audit process and financial reporting with Management and the external Auditors. The Audit Committee reports to the Board of Directors prior to the approval of the audited financial statements for publication.

PricewaterhouseCoopers LLP, the Company's external Auditor, who is appointed by the shareholders, audited the financial statements in accordance with Canadian generally accepted auditing standards to enable them to express to the shareholders their opinion on the financial statements. Their report is set out on page 14.

Vanessa L. Morgan
Chairman

Jonathan A. Morgan
President & CEO

February 18, 2015

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Canadian General Investments, Limited
(the Company)

We have audited the accompanying financial statements of the Company, which comprise the statements of financial position as at December 31, 2014, December 31, 2013 and January 1, 2013 and the statements of comprehensive income, changes in net assets and cash flows for years ended December 31, 2014 and December 31, 2013, and the related notes, which comprise a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2014, December 31, 2013 and January 1, 2013 and its financial performance and its cash flows for the years ended December 31, 2014 and December 31, 2013 in accordance with International Financial Reporting Standards.

PricewaterhouseCoopers LLP

Chartered Professional Accountants,
Licensed Public Accountants
Toronto, Ontario

February 18, 2015

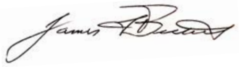
Statements of Financial Position

As at December 31, 2014, December 31, 2013 and January 1, 2013
(in thousands of Canadian dollars, except per share amounts)

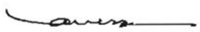
	Note	December 31, 2014	December 31, 2013	January 1, 2013
Assets				
Current assets				
Investments	5	701,815	675,528	598,914
Cash		11,133	8,858	5,613
Interest and dividends receivable		834	1,218	1,307
HST receivable		139	145	345
Income taxes recoverable		-	-	944
Total assets		713,921	685,749	607,123
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities		760	744	693
Accrued dividends on preference shares		252	252	281
Income taxes payable		160	1,488	-
Total current liabilities		1,172	2,484	974
Preference shares	7	148,367	148,210	150,000
Total liabilities		149,539	150,694	150,974
Net assets		564,382	535,055	456,149
Equity				
Share capital	6	128,568	128,568	128,568
Retained earnings		435,814	406,487	327,581
Total equity		564,382	535,055	456,149
Net assets per common share		27.05	25.65	21.87

The notes on pages 21-32 are an integral part of the financial statements.

Approved by the Board of Directors



Director



Director

Statements of Comprehensive Income

For the years ended December 31
(in thousands of Canadian dollars, except per share amounts)

	Note	2014	2013
Income			
Net gains on investments			
Dividend income		12,913	14,650
Interest for distribution purposes		609	221
Net realized gain on sale of investments		25,102	30,857
Net change in unrealized gain on investments		21,980	65,291
Net gains on investments		60,604	111,019
Securities lending revenue	12	88	89
Total net income		60,692	111,108
Expenses			
Management fees	11	8,062	7,022
Dividends on preference shares	7	5,738	6,019
Transaction costs on purchases and sales		397	595
Listing and regulatory costs		230	227
Directors' fees and expenses		230	235
Interest and financing charges	7	183	171
Investor relations		151	141
Withholding taxes	9	134	133
Custodial fees		83	73
Security holder reporting costs		57	55
Audit fees		50	49
Independent review committee fees and expenses	11	26	26
Legal fees		23	43
Other		63	62
Total operating expenses		15,427	14,851
Investment income before income taxes		45,265	96,257
Refundable income tax expense	8	83	1,498
Increase in net assets from operations		45,182	94,759
Increase in net assets from operations, per common share		2.17	4.54

The notes on pages 21-32 are an integral part of the financial statements.

Statements of Changes in Net Assets

For the years ended December 31
(in thousands of Canadian dollars)

	Share Capital	Retained Earnings	Total
At January 1, 2013	128,568	327,581	456,149
Increase in net assets from operations		94,759	94,759
Dividends paid to common shareholders from net investment income	-	(5,423)	(5,423)
Dividends paid to common shareholders from net realized gain on investments	-	(10,430)	(10,430)
At December 31, 2013	128,568	406,487	535,055
Increase in net assets from operations	-	45,182	45,182
Dividends paid to common shareholders from net investment income	-	(5,007)	(5,007)
Dividends paid to common shareholders from net realized gain on investments	-	(10,848)	(10,848)
At December 31, 2014	128,568	435,814	564,382

The notes on pages 21-32 are an integral part of the financial statements.

Statements of Cash Flows

For the years ended December 31
(in thousands of Canadian dollars)

	Note	2014	2013
Cash flows from operating activities			
Increase in net assets from operations		45,182	94,759
Adjustments for:			
Amortization of financing charge	7	157	88
Net realized gain on sale of investments		(25,102)	(30,857)
Net change in unrealized gain on investments		(21,980)	(65,291)
Purchases of investments		(94,195)	(149,969)
Proceeds of disposition of investments		114,990	169,503
Interest and dividends receivable		384	89
HST receivable		6	200
Income taxes (recoverable) payable	8	(1,328)	2,432
Accounts payable and accrued liabilities		16	51
Net change in preference share dividends payable	7	-	(29)
Net cash flows from operating activities		18,130	20,976
Cash flows from financing activities			
Preference shares issued, net of expenses		-	73,122
Preference shares redeemed		-	(75,000)
Bank indebtedness, borrowed		-	75,000
Bank indebtedness, repayment		-	(75,000)
Dividends paid to common shareholders		(15,855)	(15,853)
Net cash flows (used in) financing activities		(15,855)	(17,731)
Net increase in cash		2,275	3,245
Cash at the beginning of the year		8,858	5,613
Cash at the end of the year		11,133	8,858
Items classified as operating activities			
Interest received		609	221
Dividends received, net of withholding taxes		13,163	14,600
Preference share dividends and interest paid	7	5,763	6,136
Income taxes paid (recovered), including withholding taxes - net	8	1,544	(803)

The notes on pages 21-32 are an integral part of the financial statements.

Schedule of Investment Portfolio

Number of Shares	Investment	Cost	Fair Value
		(in thousands of dollars)	
	Consumer Discretionary (16.7%)		
	Auto Components		
135,000	Magna International Inc.	9,765	16,995
	Household Durables		
200,000	KB Home	3,827	3,840
	Leisure Products		
213,900	BRP Inc.	5,359	5,178
	Media		
365,000	IMAX Corporation	4,133	13,089
253,344	Postmedia Network Canada Corp., C	2,396	253
	Multiline Retail		
730,000	Dollarama Inc.	7,520	43,362
	Specialty Retail		
17,000	AutoZone, Inc.	10,335	12,210
423,900	Performance Sports Group Ltd.	3,196	8,961
	Textiles, Apparel & Luxury Goods		
230,000	Gildan Activewear Inc.	9,417	15,111
	Total Consumer Discretionary	55,948	118,999
	Consumer Staples (1.6%)		
	Food & Staples Retailing		
240,000	Alimentation Couche-Tard Inc., B SV	5,050	11,686
	Total Consumer Staples	5,050	11,686
	Energy (16.7%)		
	Oil, Gas & Consumable Fuels		
145,000	Canadian Natural Resources Limited	2,328	5,208
200,000	Crescent Point Energy Corp.	5,429	5,382
500,000	Enbridge Inc.	5,145	29,870
70,000	Marathon Petroleum Corporation	6,217	7,330
310,500	Peyto Exploration & Development Corp.	9,259	10,392
1,500,000	RMP Energy Inc.	8,122	6,870
1,675,000	Raging River Exploration Inc.	7,902	12,295
140,000	Suncor Energy Inc.	5,382	5,166
1,410,000	Storm Resources Ltd.	7,767	5,837
226,000	TransCanada Corporation	6,260	12,905
225,000	Tourmaline Oil Corp.	7,209	8,707
788,661	Whitecap Resources Inc.	7,546	9,022
	Total Energy	78,566	118,984

Number of Shares	Investment	Cost	Fair Value
		(in thousands of dollars)	
	Financials (23.5%)		
	Capital Markets		
400,000	Canaccord Genuity Group Inc.	5,233	3,124
76,900	Economic Investment Trust Limited	3,851	6,902
	Banks		
275,000	Bank of Montreal	10,640	22,600
245,000	Royal Bank of Canada	10,190	19,659
260,000	Toronto-Dominion Bank	5,599	14,433
	Consumer Finance		
105,000	Mastercard Incorporated, A	7,360	10,495
	Diversified Financial Services		
450,000	Callidus Capital Corporation	8,180	7,875
1,422,000	Element Financial Corporation	6,598	20,107
120,000	TMX Group Limited	4,117	6,072
	Insurance		
7,200	E-L Financial Corporation Limited	2,640	4,917
375,000	Manulife Financial Corporation	6,510	8,317
	Real Estate Investment Trusts		
616,900	Brookfield Canada Office Properties	3,682	16,632
	Thrifts & Mortgage Finance		
254,500	Genworth MI Canada Inc.	5,141	9,411
350,000	Home Capital Group Inc.	8,687	16,797
	Total Financials	88,428	167,341
	Health Care (1.0%)		
	Health Care Technology		
120,000	Catamaran Corporation	803	7,204
	Total Health Care	803	7,204

The notes on pages 21-32 are an integral part of the financial statements.

Schedule of
Investment Portfolio

Number of Shares	Investment	Cost	Fair Value
		(in thousands of dollars)	
	Industrials (16.4%)		
	Airlines		
1,700,000	Air Canada	8,756	20,179
110,000	Spirit Airlines, Inc.	9,891	9,645
	Electrical Equipment		
450,000	Lumenpulse Inc.	8,450	7,380
	Machinery		
55,000	Caterpillar Inc.	5,741	5,840
	Marine		
372,000	Algoma Central Corporation	2,863	6,101
	Professional Services		
500,000	Stantec Inc.	11,089	15,965
	Road & Rail		
130,000	Canadian Pacific Railway Limited	7,181	29,088
450,000	TransForce Inc.	6,466	13,315
	Trading Companies & Distributors		
375,000	Russel Metals Inc.	3,243	9,713
	Total Industrials	63,680	117,226
	Information Technology (7.0%)		
	Internet Software & Services		
315,000	Yahoo! Inc.	10,622	18,458
	Software		
280,000	Open Text Corporation	8,343	18,931
	Technology Hardware, Storage & Peripherals		
98,000	Apple Inc.	3,714	12,549
	Total Information Technology	22,679	49,938
	Materials (11.1%)		
	Chemicals		
275,000	Methanex Corporation	5,951	14,677
	Metals & Mining		
110,000	East Asia Minerals Corporation, wts 12/15/2016, unlisted	15	0
325,000	First Quantum Minerals Ltd.	8,292	5,366
165,000	Franco-Nevada Corporation	4,007	9,439
600,000	HudBay Minerals Inc.	6,900	6,072
120,000	Primero Mining Corp., wts 07/20/2015	222	15
300,000	Tahoe Resources Inc.	5,165	4,845
	Materials (11.1%) continued		
	Paper & Forest Products		
400,000	Canfor Corporation	9,694	11,856
190,000	Norbord Inc.	4,235	4,908
335,000	West Fraser Timber Co. Ltd.	16,744	22,267
	Total Materials	61,225	79,445
	Telecommunication Services (3.3%)		
	Diversified Telecommunication Services		
220,000	TELUS Corporation	6,057	9,216
	Wireless Telecommunication Services		
310,000	Rogers Communications Inc., B NV	4,346	14,003
	Total Telecommunication Services	10,403	23,219
	Utilities (1.1%)		
	Multi-Utilities		
190,000	Canadian Utilities Limited, A NV	2,140	7,773
	Total Utilities	2,140	7,773
	Transaction costs	(667)	-
	Total investments	388,255	701,815

NV: non-voting

SV: subordinate voting

Percentage amounts in brackets represent fair value as a percentage of Total Investments, Cash, Receivable for securities sold and Payable for securities purchased.

The notes on pages 21-32 are an integral part of the financial statements.

Notes to the Financial Statements

1 GENERAL INFORMATION

Canadian General Investments, Limited (CGI or the Company) is domiciled in Canada and incorporated under the laws of Ontario, Canada. The address of its registered office is 10 Toronto Street, Toronto, Ontario, Canada, M5C 2B7.

CGI is a closed-end equity fund focussed on medium- to long-term investments in Canadian corporations. Its objective is to provide better than average returns to investors through prudent security selection, timely recognition of capital gains and appropriate income generating instruments.

The Company's investment and administration activities are managed by Morgan Meighen & Associates Limited (the Manager).

The Company's shares are publicly listed and trade on the Toronto and London Stock Exchanges (symbol CGI).

These financial statements were authorized for issue by the Board of Directors on February 18, 2015.

2 BASIS OF PRESENTATION AND ADOPTION OF IFRS

Statement of compliance

These are the Company's first annual financial statements prepared in accordance with International Financial Reporting Standards (IFRS) as published by the International Accounting Standards Board. The Company adopted this basis of accounting as required by Canadian securities legislation and the Canadian Accounting Standards Board. Previously, the Company prepared its financial statements in accordance with Canadian generally accepted accounting principles as defined in Part V of the CPA Canada Handbook (Previous Canadian GAAP). The Company has consistently applied the accounting policies used in the preparation of its opening IFRS statement of financial position at January 1, 2013 and throughout all periods presented, as if these policies had always been in effect.

The impact of the transition to IFRS on the Company's reported financial position, financial performance and cash flows in the Company's financial statements for the year ended December 31, 2013 prepared under Previous Canadian GAAP is disclosed in note 13.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

THE PRINCIPAL ACCOUNTING POLICIES APPLIED IN THE PREPARATION OF THESE FINANCIAL STATEMENTS ARE SET OUT BELOW. THESE POLICIES HAVE BEEN CONSISTENTLY APPLIED TO ALL THE PERIODS PRESENTED.

3.1 Financial assets and financial liabilities

Classification

The Company recognizes financial instruments at fair value upon initial recognition, plus transaction costs in the case of financial instruments measured at amortized cost. Investment transactions are recorded on the trade date. The Company's investments are designated as fair value through profit or loss (FVTPL). All other financial assets and liabilities are classified as loans and receivables or financial liabilities as applicable and are measured at amortized cost and reflect the amount to be received or paid, discounted, when appropriate, at the contract's effective interest rate.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

When available, the Company measures the fair value of an instrument using quoted prices in an active market for that instrument. A market is regarded as active if quoted prices are readily and regularly available and represent actual and regularly occurring market transactions on an arm's length basis. Publicly listed securities are valued at the last traded market price on the reporting date, where the last traded price falls within the day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. The Company's policy is to recognize transfers into and out of the fair value hierarchy as of the date of the event or change in circumstances giving rise to the transfer.

Unlisted securities that trade on an over-the-counter market and other securities, in special circumstances where a market quotation is not readily available or is considered inappropriate (such as a stale price), are valued using available sources of information and commonly used valuation techniques, using primarily observable inputs. The Company considers observable inputs to be market data that is readily available, regularly distributed or updated, reliable and verifiable, and provided by independent sources.

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price, i.e. the fair value of the consideration given or received, unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets.

3.2 Foreign currencies

Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at period-end exchange rates. Purchases and sales of investments, investment income and expenses are calculated at the exchange rates prevailing on the dates of the transactions. The Canadian dollar is the Company's functional and presentation currency.

3.3 Investment income

Dividend income is recorded on the ex-dividend date. Interest income and securities lending revenue are recognized as earned.

3.4 Securities lending

Securities lent are not derecognized from the Company's statement of financial position as the Company retains substantially all the risks and rewards of ownership.

3.5 Cash

Cash is comprised of demand deposits with reputable financial institutions.

3.6 Preference shares

The Company classifies financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments.

The Company has two series of its Class A preference shares in issue: Series 3 and Series 4. Both have priority over the common shares with respect to the payment of dividends and the return of capital and the distribution of assets in the event of liquidation. The preference shares provide investors with the right to require redemption for cash at values and dates set out in the table in note 7 and also in the event of the Company's liquidation.

The preference shares are classified as financial liabilities and are stated at amortized cost using the effective interest method.

3.7 Increase (decrease) in net assets, per common share

The increase (decrease) in net assets from operations, per common share is calculated by dividing increase (decrease) in net assets from operations by the weighted average number of common shares outstanding during the period.

3.8 Taxation

The Company qualifies as an investment corporation under Section 130 of the Income Tax Act (Canada) (the Act) and, as such, is subject to a reduced rate of income tax on its net investment income other than dividends received from taxable Canadian corporations.

Income taxes are paid by the Company on net capital gains realized at the rate of approximately 20%. These income taxes are recoverable by the Company as long as it continues to qualify as an investment corporation and pays out sufficient dividends related to these realized gains. Refundable income taxes paid or recovered are recorded as an expense or recovery in the period in which such tax becomes payable or receivable.

In addition, temporary differences between the carrying values of assets and liabilities for accounting and income tax purposes give rise to deferred income tax assets and liabilities. The most significant temporary difference is that between the reported fair value of the Company's investment portfolio and its adjusted cost base (ACB) for income tax purposes. To the extent that the fair value of the Company's portfolio exceeds its ACB, a deferred tax liability arises which is fully offset by the future refundable taxes available to the Company as an investment corporation. Conversely, when the ACB exceeds the fair values of the portfolio, a deferred tax asset is generated. A deferred tax asset is also generated to the extent that the Company has available and unutilized capital and non-capital tax losses. However, these deferred tax assets have not been recorded in the statements of financial position since, with the exception of refundable income taxes described above, the Company does not record income taxes.

3.9 Future accounting changes

The final version of IFRS 9, Financial Instruments, was issued by the IASB in July 2014 and will replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 introduces a model for classification and measurement, a single, forward-looking 'expected loss' impairment model and a substantially reformed approach to hedge accounting. The new single, principle-based approach for determining the classification of financial assets is driven by cash flow characteristics and the business model in which an asset is held. The new model also results in a single impairment model being applied to all financial instruments, which will require more timely recognition of expected credit losses. It also includes changes in respect of own credit risk in measuring liabilities elected to be measured at fair value, so that gains caused by the deterioration of an entity's own credit risk on such liabilities are no longer recognized in profit or loss. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, however is available for early adoption. In addition, the own credit changes can be early applied in isolation without otherwise changing the accounting for financial instruments. The Company is in the process of assessing the impact of IFRS 9 and has not yet determined if it will adopt the new standard early.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Designation of financial instruments at fair value through profit and loss is the most significant judgement used by management in the preparation of these financial statements.

5 FINANCIAL RISK MANAGEMENT

5.1 Financial risk factors

In the normal course of operations, the Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate risk, currency risk and price risk). In general, the Manager seeks to minimize the potential adverse effects of these risks on the Company's performance by employing professional, experienced portfolio managers, by ongoing monitoring of the Company's positions and market events, and by diversifying the investment portfolio within the policies and guidelines set by the Board of Directors of the Company, in a manner consistent with the investment objective. Pursuant to the Manager's bottom-up selection mandate, security selection is the primary criteria for managing risk. In order to mitigate risk, depending on conditions, the Manager considers other criteria such as asset class, industry, country and currency.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's main exposure to credit risk may consist of investments in debt instruments, including short-term securities, bonds, preferred shares, amounts due from brokers as well as securities on loan as part of the Company's securities lending program. The fair value of debt instruments includes consideration of the creditworthiness of the debt issuer. The carrying amount of other assets represents the maximum credit risk exposure as at December 31, 2014, as these have a short term to settlement. As at December 31, 2014, December 31, 2013 and January 1, 2013, the Company had no investments in debt instruments.

All transactions in securities are settled/paid for on delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the Company's custodian has received payment. Payment is made on a purchase once the securities have been received by the Company's custodian. The trade will fail if either party fails to meet its obligation.

Credit risk with respect to the Company's securities lending program is considered minimal given the nature of the collateral, as well as the indemnification provided by the agent administering the program (note 12).

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities.

As the Company is a publicly traded, closed-end investment fund with a fixed number of common shares outstanding, unlike an open-ended mutual fund, it is not exposed to the liquidity risk associated with daily cash redemptions of securities. However, as part of a leverage strategy, the Company currently has two series of Class A preference shares outstanding: Series 3 for $75 million with a redemption date of June 15, 2016 and Series 4 for $75 million with a redemption date of June 15, 2023. Included in the Series 3 and Series 4 preference share provisions is a restriction, which precludes payment of a common share dividend unless, after giving effect thereto, the ratio of assets to obligations (both as defined in the preference share provisions) exceeds 2.5 times.

Liquidity risk is managed by investing the majority of the Company's assets in investments that are traded in an active market and which can be readily disposed of and by retaining sufficient cash and cash equivalent positions to maintain liquidity. Restricted and unlisted securities, if any, are identified in the schedule of investment portfolio. There are no restricted securities as at December 31, 2014, December 31, 2013 or January 1, 2013. Leverage decisions, whether in the form of bank borrowings or bond or preference share issues from treasury, are at the discretion of the Company's Board of Directors.

All financial liabilities of the Company, except for the Class A preference shares, as at December 31, 2014, December 31, 2013 and January 1, 2013 fall due within twelve months.

Market risk

The Company's investments are subject to market risk which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The following include sensitivity analyses that show how the net assets would have been affected by a possible change in the relevant risk at each reporting date. In practice, the actual results may differ and the differences could be material.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest-bearing financial assets and financial liabilities expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows.

Although the Company may invest in interest-bearing financial instruments, the substantial majority of the Company's financial assets and financial liabilities, except for the Class A preference shares, are non-interest-bearing or have short maturities. As a result, the Company is not subject to significant amounts of risk on its investments due to fluctuations in the prevailing levels of market interest rates.

As at December 31, 2014, December 31, 2013 and January 1, 2013, the Company had no investments in debt instruments.

The Company's two series of Class A preference shares outstanding both have fixed coupon rates. While they themselves do not subject the Company to interest rate risk, any new issues, whether or not in connection with the redemption date of an existing series, will be subject to the prevailing interest rate environment at that time.

Currency risk

Currency risk arises from financial instruments that are denominated in a currency other than the Canadian dollar. The Company is exposed to the risk that the value of securities denominated in other currencies will fluctuate due to changes in exchange rates. Securities trading in foreign markets are exposed to currency risk, as the price in local terms in the foreign market is converted to Canadian dollars to determine fair value. The Company's policy is not to enter into any hedging arrangements.

As at December 31, 2014, the Company investment portfolio had a 11.3% (December 31, 2013 - 9.6%; January 1, 2013 - 6.5%) weighting in foreign currencies. As at December 31, 2014, had the Canadian dollar strengthened or weakened by 5% in relation to all currencies represented in the portfolio, with all other variables held constant, net assets would have decreased or increased, respectively, by approximately $4,018,000 or approximately 0.7% (December 31, 2013 - $3,284,000 or approximately 0.6%; January 1, 2013 - $1,958,000 or approximately 0.4%).

Price risk

Price risk is the risk that the fair value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether these changes are caused by factors specific to an individual investment or its issuer, or by factors affecting all similar instruments traded in a market or market segment. All securities present a risk of loss of capital. The Manager moderates this risk through careful selection of securities and other financial instruments within the parameters of the investment strategy and by maintaining a well diversified portfolio. The maximum risk resulting from financial instruments is equivalent to their fair value. The Company's equity and debt (if any) instruments are susceptible to other price risk arising from uncertainty about future prices of the instruments.

As at December 31, 2014, a 5% increase or decrease in market prices in the investment portfolio, excluding short-term securities, with all other variables held constant, would have resulted in the Company's net assets increasing or decreasing, respectively, by approximately $35,091,000 or approximately 6.2% (December 31, 2013 - $33,776,000 or approximately 6.3%; January 1, 2013 - $29,946,000 or approximately 6.6%).

Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, product type, industry sector or counterparty type. The following is a summary of the Company's concentration risk:

	December 31, 2014	December 31, 2013	January 1, 2013
Financials	23.5%	21.9%	21.3%
Consumer Discretionary	16.7%	15.1%	9.0%
Energy	16.7%	19.1%	21.1%
Industrials	16.4%	13.8%	8.7%
Materials	11.1%	12.2%	22.3%
Information Technology	7.0%	6.4%	4.8%
Telecommunication Services	3.3%	3.7%	3.9%
Consumer Staples	1.6%	1.5%	0.7%
Utilities	1.1%	1.8%	3.1%
Health Care	1.0%	3.2%	4.2%
Cash	1.6%	1.3%	0.9%
	100.0%	100.0%	100.0%

Sensitivity analyses are provided for information purposes only. In practice, the actual trading results may differ from this sensitivity analysis and the difference could be material.

5 FINANCIAL RISK MANAGEMENT (Continued)

5.2 Capital risk management

The Company considers capital to be composed of its equity, as well as its outstanding preference shares. The Company's primary objective when managing its capital is to ensure that activities are carried out in accordance with the investment objective of the Company, as described in note 1. In addition, the Company monitors its adherence to the provisions of the preference shares. In particular, included in the provisions is a dividend payment restriction, which provides that the Company shall not pay a dividend on its common shares unless after giving effect thereto, the ratio of assets to obligations (both as defined in the preference shares' provisions) exceeds 2.5 times. All common share dividend payments made in 2014 and 2013 were in compliance with this provision.

5.3 Fair value measurements

The Company classifies its investments within a fair value hierarchy, based on the inputs used in their fair value measurement. The hierarchy of inputs is summarized below:

Level 1: Unadjusted quoted prices at the measurement date in active markets for identical assets

Level 2: Directly or indirectly observable inputs other than quoted prices included in Level 1, such as quoted prices for identical or similar assets in markets that are not active

Level 3: Inputs for the assets that are not based on observable market data

Level 2 investments include positions that are not traded in active markets and/or subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information and commonly used valuation techniques.

All other financial instruments of the Company, which may include cash, receivable on securities sold or payable on securities purchased, accounts payable and accrued liabilities, accrued dividends on preference shares and preference shares are carried at amortized cost which approximates their fair value due to their short-term nature.

(in thousands of dollars)	Level 1	Level 2	Level 3	Total
As at December 31, 2014				
Financial assets at FVTPL:				
Investments	701,815	-	-	701,815
As at December 31, 2013				
Financial assets at FVTPL:				
Investments	675,527	1	-	675,528
As at January 1, 2013				
Financial assets at FVTPL:				
Investments	597,991	923	-	598,914

During the years ended December 31, 2014 and December 31, 2013, there were no investments transferred between the levels.

The Manager is responsible for performing fair value measurements included in the financial statements of the Company, including Level 3 measurements, if any. The Manager obtains pricing from a third party pricing vendor.

6 SHARE CAPITAL

Common shares

The Company is authorized to issue an unlimited number of common shares. As at December 31, 2014, there are 20,861,141 (December 31, 2013 - 20,861,141; January 1, 2013 - 20,861,141) common shares issued and outstanding with no par value.

Subsequent to year end, the Company declared a quarterly dividend of $0.14 per share payable on March 15, 2015 to common shareholders of record at the close of business on February 27, 2015.

7 PREFERENCE SHARES

The Company is authorized to issue, in series, a class of preference shares of which the following are outstanding:

Class A preference shares	December 31, 2014 Number of shares	December 31, 2013 Number of shares	January 1, 2013 Number of shares	Stated amount per share $	Cumulative annual dividend rate %	Date of issue	December 31, 2014 Amount $ (In thousands)	December 31, 2013 Amount $ (In thousands)	January 1, 2013 Amount $ (In thousands)
Series 2	-	-	3,000,000	25.00	4.65	November 3, 2003	-	-	75,000
Series 3	3,000,000	3,000,000	3,000,000	25.00	3.90	March 3, 2006	75,000	75,000	75,000
Series 4	3,000,000	3,000,000	-	25.00	3.75	May 30, 2013	75,000	75,000	-
							150,000	150,000	150,000
Deferred issuance costs (net of amortization of $245,000 (December 31, 2013 - $88,000, January 1, 2013 - nil))							1,633	1,790	-
Fair value of preference shares at amortized cost							148,367	148,210	150,000

On May 30, 2013, the Company completed a public offering of 3,000,000, 3.75% cumulative, redeemable Class A preference shares, Series 4 for net proceeds of $73,122,000. Issuance costs associated with the offering are amortized over the expected life using the effective interest rate method with amortization expense recorded in Interest and financing charges in the Statements of Comprehensive Income.

The Company may redeem for cash, the following series, in whole or in part, at the following prices during the defined periods:

	$26.00	$25.75	$25.50	$25.25	$25.00
Series 3	-	-	-	June 15, 2014 to June 14, 2015	June 15, 2015 and thereafter (1)
Series 4	June 15, 2018 to June 14, 2019	June 15, 2019 to June 14, 2020	June 15, 2020 to June 14, 2021	June 15, 2021 to June 14, 2022	June 15, 2022 and thereafter (2)

(1) The holders may require the Company to redeem the Series 3 shares on or after June 15, 2016 for a cash price of $25.00 per share.
(2) The holders may require the Company to redeem the Series 4 shares on or after June 15, 2023 for a cash price of $25.00 per share.

Subsequent to year end, the Company declared a quarterly dividend of $0.24375 per share payable on March 15, 2015 to Series 3 shareholders of record at the close of business on February 27, 2015 and a quarterly dividend of $0.23438 per share payable on March 15, 2015 to Series 4 shareholders of record at the close of business on February 27, 2015.

8 INCOME TAXES

As at December 31, 3014, the Company has federal refundable capital gains taxes on hand of approximately $197,000 (December 31, 2013 - $686,000; January 1, 2013 - $302,000), which are refundable on payment of capital gains dividends of approximately $1.4 million (December 31, 2013 - $4.9 million; January 1, 2013 - $2.2 million) and Ontario refundable capital gains taxes on hand of approximately $485,000 (December 31, 2013 - $576,000; January 1, 2013 - $380,000), which are refundable on payment of capital gains dividends of approximately $8.4 million (December 31, 2013 - $10.0 million; January 1, 2013 - $6.6 million).

The Company is also subject to a special tax of 33-1/3% on taxable dividends received from corporations resident in Canada. This special tax is refundable on payment of taxable dividends to shareholders at the rate of $1 for each $3 of such dividends paid. The Company has refundable dividend tax on hand of approximately $1,937,000 as at December 31, 2014 (December 31, 2013 - $1,401,000 and January 1, 2013 - $575,000).

The Company's refundable income tax expense during the period is determined as follows:

(in thousands of dollars)	2014	2013
Provision for income taxes on investment income before income taxes		
Provision for income taxes based on combined Canadian federal and provincial income tax rate of 39.5%	17,879	38,021
Increase (decrease) in income taxes resulting from:		
Dividends from taxable Canadian companies	(4,750)	(5,458)
Dividends on preference shares	2,266	2,378
Net change in unrealized gain	(8,682)	(25,555)
Non-taxable portion of net realized gains	(4,958)	(6,094)
Increase in refundable dividend tax on hand	550	817
Income taxes recoverable on dividends from net realized gains on investments	(2,142)	(2,060)
Differences arising from use of different cost bases for income tax and accounting purposes and other items	(76)	(447)
Other	(4)	(104)
Refundable income tax expense	83	1,498

In accordance with the Act, a corporation can qualify as an investment corporation if certain tests are satisfied. One of the tests is that the corporation cannot have specified shareholders. A specified shareholder is generally a shareholder, who, along with certain persons to whom the shareholder is considered to be related, has a greater than 25% shareholding. The Company has had specified shareholders since June 20, 1996. The specified shareholder rules of the Act generally allow the Company to maintain its investment corporation status as long as it does not have any specified shareholders other than those specified shareholders existing on June 20, 1996. In addition, the specified shareholders as at June 20, 1996 cannot, after that date, contribute capital or acquire additional shares of the Company other than through certain specified transactions.

9 WITHHOLDING TAXES

The Company incurs withholding taxes imposed by certain countries on investment income. Such income or gains are recorded gross of withholding taxes in the statements of comprehensive income. Withholding taxes are shown as a separate item in the statements of comprehensive income. During the year ended December 31, 2014, the average withholding tax rate paid by the Company was 15.0% (2013: 15.0%).

10 FINANCIAL INSTRUMENTS BY CATEGORY

The following tables present the carrying amounts of the Company's financial instruments by category. All the Company's financial liabilities were carried at amortized cost:

(in thousands of dollars)	Financial assets at FVTPL Designated at inception	Financial assets at amortized cost	Total
December 31, 2014			
Cash	-	11,133	11,133
Investments	701,815	-	701,815
Interest and dividends receivable	-	834	834
	701,815	11,967	713,782
December 31, 2013			
Cash	-	8,858	8,858
Investments	675,528	-	675,528
Interest and dividends receivable	-	1,218	1,218
	675,528	10,076	685,604
January 1, 2013			
Cash	-	5,613	5,613
Investments	598,914	-	598,914
Interest and dividends receivable	-	1,307	1,307
	598,914	6,920	605,834

11 RELATED PARTY INFORMATION

Third Canadian General Investment Trust Limited (Third Canadian) owns, directly and indirectly through three wholly-owned subsidiaries, 36.6% of the common shares of the Company, and is therefore considered a related party. Jonathan A. Morgan and Vanessa L. Morgan, both directors and executive officers of the Company, beneficially own directly or indirectly or exercise control or direction over an aggregate of 100% of the common shares of Third Canadian. Including the holding by Third Canadian, Mr. Morgan and Ms. Morgan together own directly or indirectly or exercise control or direction over an aggregate of 52.5% of the outstanding common shares of the Company, making them the ultimate controlling party.

Transactions with related entities

Management fees

The Company's activities are managed by the Manager pursuant to a management agreement dated January 1, 2006. Mr. Morgan and Ms. Morgan together own directly or indirectly 85%, and are both directors and executive officers, of the Manager. Management fees are paid monthly to the Manager for services received in connection with the management of the Company's financial accounts and investment portfolio, among other services. These fees are calculated monthly at 1% per annum of the fair value of the Company's investments adjusted for cash, portfolio accounts receivable and portfolio accounts payable. Values for fee calculation purposes are determined on the basis of the financial statements of the Company as at the last day of the applicable month.

During the year ended December 31, 2014 $8,170,000 (2013 - $7,082,000) was paid to the Manager and $672,000 was accrued and included in accounts payables and accrued liabilities as at December 31, 2014 (December 31, 2013 -$646,000).

Dividends

As a result of its ownership position in the Company, Third Canadian received dividends from net investment income of $1,831,000 (2013 - $1,984,000) and dividends from net realized gain on investments of $3,968,000 (2013 - $3,815,000).

Key management personnel compensation

No compensation was paid or is payable by the Company to any executive of the Manager in his or her capacity as a Director or Officer of the Corporation.

During the year ended December 31, 2014, the independent directors of the Company received directors' fees aggregating $207,000 (2013 - $212,200) from the Company. No other compensation was paid or is payable to the directors of the Company for the year ended December 31, 2014, except for compensation paid by the Company in respect of such persons acting as members of the Independent Review Committee for the Company, aggregating $25,000 (2013 - $25,000).

12 SECURITIES LENDING

The Company participates in a securities lending program with its custodian, CIBC Mellon Trust Company. Collateral is held by the custodian as agent for the Company and generally comprises Canadian or provincial government-guaranteed securities or obligations of other governments with appropriate credit ratings, and other short-term securities, of at least 105% of the fair value of securities on loan. In the event that any of the loaned securities are not returned to the Company and the value of the collateral held is less than the fair value of the securities not returned, the custodian shall indemnify the Company for any such shortfall.

At December 31, 2014, the Company had loaned securities with a fair value of $53,107,000 (December 31, 2013 - $67,801,000; January 1, 2013 - $89,024,000) and the custodian held collateral of $56,347,000 (December 31, 2013 - $72,601,000; January 1, 2013 - $94,662,000). This collateral is not reflected in the statements of financial position and consisted of the following:

	December 31, 2014	December 31, 2013	January 1, 2013
Securities lending collateral			
Federal government debt securities	32.9%	35.3%	62.1%
Provincial government debt securities	52.0%	53.7%	35.3%
Equities	15.1%	9.1%	0.0%
Bank deposit notes	0.0%	1.9%	2.3%
Convertibles	0.0%	0.0%	0.3%
	100.0%	100.0%	100.0%

The gross earnings from securities lending during the year ended December 31, 2014 was $155,000 (2013 - $139,000) and was offset by fees of $58,000 (2013 - $57,000).

13 TRANSITION TO IFRS

As stated in note 2, these are the Company's first annual financial statements prepared in accordance with IFRS.

The accounting policies set out in note 3 have been applied in preparing the financial statements for the year ended December 31, 2014, the comparative information presented in these financial statements for the year ended December 31, 2013 and as at December 31, 2013 and in the preparation of an opening IFRS statement of financial position at January 1, 2013 (the Company's date of transition).

In preparing its opening IFRS statement of financial position, the Company has adjusted amounts reported previously in financial statements prepared in accordance with Previous Canadian GAAP. An explanation of how the transition from Previous Canadian GAAP to IFRS has affected the Company's financial position, financial performance and cash flows is set out below.

Transition elections

The only voluntary exemption adopted by the Company upon transition was the ability to designate a financial asset or financial liability at fair value through profit and loss upon transition to IFRS. All financial assets designated at FVTPL upon transition (see note 3) were previously carried at fair value under Previous Canadian GAAP as required by Accounting Guideline 18, Investments Companies.

Reconciliation of equity and comprehensive income as reported under Previous Canadian GAAP to IFRS

Equity (in thousands of dollars)	December 31, 2013	January 1, 2013
Equity as reported under Previous Canadian GAAP	533,397	454,782
Revaluation of investments at FVTPL	1,658	1,367
Net assets	535,055	456,149

Comprehensive income (in thousands of dollars)	Year ended December 31, 2013
Comprehensive income as reported under Previous Canadian GAAP	95,966
Revaluation of investments at FVTPL	291
Refundable income tax expense	(1,498)
Increase in net assets from operations	94,759

Revaluation of investments at FVTPL

Under Previous Canadian GAAP, the Company measured fair values of its investments in accordance with Section 3855, Financial Instruments – Recognition and Measurement, which required the use of bid prices for long positions, to the extent they were available. Under IFRS, the Company measures the fair values of its investments using the guidance in IFRS 13, Fair Value Measurement, which requires that if an asset has a bid price and an ask price, then its fair value is to be based on a price within the bid-ask spread that is most representative of fair value. As a result, upon adoption of IFRS an adjustment was recognized to increase the carrying amount of the Company's investments by $1,367,000 at January 1, 2013 and $1,658,000 as at December 31, 2013. The impact of this adjustment was to increase the Company's increase in net assets from operations by $291,000 for the year ended December 31, 2013.

Refundable income taxes

Under previous Canadian GAAP, the Company recorded refundable income taxes as a direct charge or recovery to retained earnings. Under IFRS, refundable income taxes are recorded as income tax expense or recovery in the period in which such tax becomes payable or receivable.

Reclassification adjustments

In addition to the measurements adjustments noted above, the Company reclassified certain amounts upon transition in order to conform to its financial statement presentation under IFRS. Under Previous Canadian GAAP, the Company netted withholding taxes against dividend income. Under IFRS $133,000 was reclassified and presented separately as an expense for the year ended December 31, 2013.

Estimates

Hindsight was not used to create or revise estimates and accordingly the estimates made by the Company under Previous Canadian GAAP are consistent with their application under IFRS.

CORPORATE INFORMATION

BOARD OF DIRECTORS

James F. Billett
President, J.F. Billett Holdings Ltd.

James G. Cook
Barrister and Solicitor

Jonathan A. Morgan
Executive Vice-President,
Morgan Meighen & Associates Limited

Vanessa L. Morgan
President & CEO,
Morgan Meighen & Associates Limited

R. Neil Raymond
President, Feejay Corporation Canada Ltd.

Michael A. Smedley
Executive Vice-President & Chief Investment Officer, Morgan Meighen & Associates Limited

Richard O'C. Whittall
President, Watershed Capital Holdings Inc.

AUDIT COMMITTEE

James F. Billett (Chairman)
James G. Cook
R. Neil Raymond
Richard O'C. Whittall

CORPORATE GOVERNANCE COMMITTEE

James G. Cook
Jonathan A. Morgan
R. Neil Raymond (Chairman)

INDEPENDENT DIRECTORS COMMITTEE

James F. Billett
James G. Cook (Chairman)
R. Neil Raymond
Richard O'C. Whittall

OFFICERS

Vanessa L. Morgan
Chairman

Jonathan A. Morgan
President & CEO

Frank C. Fuernkranz, CPA, CA, CFA
Secretary - Treasurer & CFO

Christopher J. Esson, CPA, CA, CFA
Assistant - Treasurer

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website: www.canadiangeneralinvestments.ca

MANAGER

Morgan Meighen & Associates Limited
Toronto

AUDITOR

PricewaterhouseCoopers LLP
Toronto

BANKERS

Bank of Montreal
Toronto

SOLICITORS

Blake, Cassels & Graydon LLP
Toronto

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website: www.computershare.com/investor

To change your address, eliminate multiple mailings or for other shareholder account inquiries, please contact Computershare at the above address. We are pleased to offer you the convenience of Direct Registration System (DRS), a system that allows you to hold securities in 'book entry' form without the need for a physical certificate. For additional information, please refer to the Questions and Answers section at:
www.computershare.com/investorcentrecanada

To participate, simply send your share certificate to Computershare along with a letter requesting the deposit of the shares into DRS.

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STOCK EXCHANGE LISTINGS

The Toronto Stock Exchange

Trading Symbols:

Comon Shares	CGI
Preference Shares,	
Series 3	CGI.PR.C
Series 4	CGI.PR.D

The London Stock Exchange

Trading Symbol:

Common Shares	CGI

PUBLICATION

Net asset value per share (NAV) and/or market price and market return are published daily/weekly in various media in Canada and the U.K.

The Company posts ongoing top 10 portfolio investments (priced at market), together with current NAV and market return information on its website. CGI also posts its top 25 holdings on its website on a quarterly basis. Similar information is available directly from the Company upon request.

DIVIDEND REINVESTMENT AND SHARE PURCHASE PLAN

The Plan, administered by the Company's Canadian Transfer Agent, offers an efficient method of acquiring additional shares. As well as with reinvested dividends, shareholders may purchase additional shares for cash (minimum $100 – maximum $5,000) every quarter. Shares are purchased on the open market, with participants paying the average cost while the Company pays all administrative charges, including commissions. The Plan may be used for self-directed RRSPs. Also, a number of Canadian brokers offer dividend reinvestment plans to CGI shareholders. Note: U.S. shareholders are eligible for the dividend reinvestment segment of the plan only.

ANNUAL MEETING OF SHAREHOLDERS

The Annual General Meeting of shareholders of Canadian General Investments, Limited will be held at 2:00pm (Toronto time), Wednesday, April 22, 2015 at Twenty Toronto Street Conferences and Events, Salon 3, 2nd Floor, 20 Toronto Street, Toronto, Ontario, Canada, M5C 2B8.

Telephone: (416) 869-1048
website: www.20toronto.ca

The Company is a founding member of the Closed-End Fund Association (CEFA) in North America.

Managed by:

MORGAN MEIGHEN
& ASSOCIATES
Investment Management

CANADIAN GENERAL INVESTMENTS, LIMITED

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