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STOCK EXCHANGE LISTINGS

The Toronto Stock Exchange

Trading Symbols:

Common Shares	CGI
Preference Shares, Series 2	CGI.PR.B
Series 3	CGI.PR.C

The London Stock Exchange

Trading Symbol:

Common Shares	CGI
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FOCUSSED ON CANADA

Managed by:



CANADIAN GENERAL INVESTMENTS, LIMITED

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FIRST QUARTER
SHAREHOLDER UPDATE

March 31, 2010



GENERAL COMMENTARY

Canadian General Investments, Limited (CGI) posted a net asset value (NAV) total return of 8.8% in the first quarter of 2010, surpassing the 3.1% total return of its benchmark, the S&P/TSX Composite Index. CGI's market value return over the same period was 3.0%. Although still far from their high point hit in 2007, CGI's shares have retraced a good portion of their decline, with the share price climbing from \$10.50 a year ago to \$16.25 at the end of the first quarter 2010. The year-over-year NAV total return was 66.2% and the market value total return was 62.6%.

The events of the last two years have heightened in everyone the awareness of the need to move quickly given a crisis and have led CGI to qualify its previous commitment to being fully invested at all times. Given the leverage on the portfolio in the form of the two series of preference shares, we have new appreciation for the words attributed to John Maynard Keynes, "Markets can remain irrational longer than you can remain solvent". CGI was never at risk of insolvency, but its ability to pay its regular quarterly common share dividends was endangered and much of the tremendous growth of the years leading up to the crash was lost. One of the key lessons of this period for CGI has been the need to retain a significant portion of the portfolio in large-cap, liquid holdings, which can serve as a quick source of cash given another crisis.

We believe that CGI's investment team has the stock selection skills appropriate to the current situation and will remain alert to sudden changes in the investment climate and react accordingly, as CGI works its way back up to its previous heights.

Vanessa L. Morgan
Chairman

Jonathan A. Morgan
President & CEO

INVESTMENT COMMENTARY

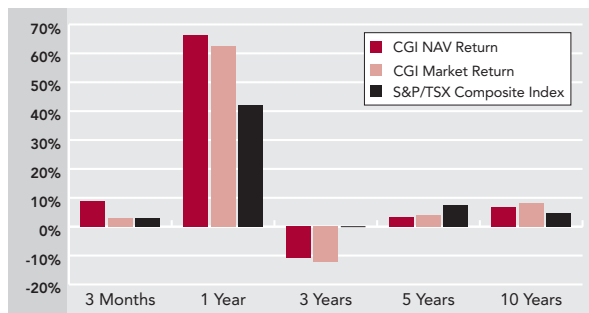
Most of the major global equity markets kept their rallies intact in the first quarter of 2010, extending a period of impressive gains from their bottoms in a time frame now approximating one year. The pace of the increases has tempered in the first three months of this year as market participants understandably grew cautious after the notable recoveries over that period of time. For example, the S&P/TSX had its fourth straight quarterly gain, but was only up 3.1% for the quarter, a relatively small contribution to the 42.1% one year return to March 31, 2010.

CONFIDENCE IN CANADA

The rebound to date in Canadian markets and in CGI has been particularly evident in resources-linked stocks and mainly in mid-cap stocks across many sectors, but not predominantly in the major Index stocks. Resources funding, activity on the ground and permitting continued at a strong pace in Canadian projects at home and abroad. Many Canadian businesses outside the resource sector and across most market segments have also been performing strongly. Economic data has been turning favourable, as an air of confidence prevails, in part relating to financial health in Canada and some distance from problems in the U.S. There is better adjustment than in the past to the less desirable effects of Canadian dollar appreciation.

Similar to this time last year, Canadian banks have shown leadership, while good earnings have supported their globally recognized relative quality, providing impetus to renewed buying in the Financials. The other large sectors with considerable influence, Energy and Materials, were mixed after good moves in 2009. Energy was actually down 2.7% and Materials was up only 0.2%, though many individual stocks not in the main weightings had great

Compound Annual Returns for the Periods Ending March 31, 2010



performances. Five of CGI's top ten performers were in these two sectors. Labrador Iron Ore Royalty Income Fund, a long-term winner usually in the top ten, was No.1. Its operating company, ranking high among the world's booming iron producers, has very long life reserves, low cost operations and great infrastructure that challenge so many of its peers. Following closely was Western Coal Corp. - a satisfying start for a holding initiated only in December and increased in size through the quarter. Other names were Pacific Rubiales Energy Corp., a heavy oil producer in Colombia and two more in the global coal rally, Teck Resources Limited and Grande Cache Coal Corporation. The closely associated rallies in coal and iron stocks are, of course, linked with the demand pressures out of China and other Asian countries.

PORTFOLIO DIVERSITY

Other top ten contributors to CGI's performance during the quarter illustrate the diversity of the portfolio: BMTC Group Inc., the Quebec home furnishings leader, in which CGI is an important minority holder; SXC Health Solutions Corp., a star in pharmacy benefits management and other health industry functions; IMAX Corp. of the 3D film entertainment world; the Bank of Montreal; and, The Toronto-Dominion Bank.

New positions in the quarter included: Blackpearl Resources Inc., a heavy oil play purchased based on the success of its managers in predecessor companies and using enhanced recovery methods in large, oil-in-place pools; Data Group Income Fund, a high yield leader in document management

in Canada; and, Eastern Platinum Limited. The latter is a junior platinum producer in South Africa that is expected to double production by 2011, coincident with a possible sustained rise in the metal's price.

Big percentage gainers included Imperial Metals Corporation, the richly endowed small-cap copper miner in British Columbia; Bankers Petroleum Ltd., the key heavy oil operator in Albania, and Legacy Oil & Gas Inc., a new start-up by early developers of the Bakken shale play in Saskatchewan, the only North American shale play that is oil, rather than gas, prone.

Other strong performers in resources were conspicuous in CGI's portfolio, including Baytex Energy Trust, Ventana Gold Corporation, East Asia Minerals Corporation, Lundin Mining Corporation, Methanex Corporation and Domtar Corporation. About two-thirds of the portfolio's names were in resources in the latest quarter. This points to the superiority of CGI's stock selection in sectors that performed modestly according to their indices.

The first phase of the market rebound last year was clearly a comeback from over-sold conditions in an investment world that retains plenty of buying power and sees big demand for resources, goods and services. The investment team senses that widely based opportunity lies ahead. The Canadian market is positioned to benefit further and, with its bottom-up investing style, so is CGI.

Michael A. Smedley
*CEO & Chief Portfolio Officer
of the Manager*

D. Greg Eckel
*Senior Vice-President
of the Manager*

SUMMARY OF INVESTMENT PORTFOLIO

as at March 31, 2010

Sector Allocation

	% of Net Asset Value*	% of Investment Portfolio
Materials	36.6	27.5
Energy	36.4	27.3
Financials	21.1	15.8
Industrials	9.5	7.1
Consumer Discretionary	9.3	6.9
Information Technology	8.1	6.1
Consumer Staples	3.5	2.7
Short-Term Securities	3.5	2.6
Telecommunication Services	2.9	2.1
Utilities	2.6	2.0
Cash & Cash Equivalents	1.0	0.7

Asset Allocation

	% of Net Asset Value*	% of Investment Portfolio
Canadian Equities	121.9	91.4
Foreign Equities	8.1	6.1
Short-Term Securities	3.5	2.6
Cash & Cash Equivalents	1.0	0.7

SUMMARY OF INVESTMENT PORTFOLIO (CONTINUED)**Top 25 Holdings as at March 31, 2010**

Issuer	Sector	% of Net Asset Value*	% of Investment Portfolio
BMTC Group Inc.	Consumer Discretionary	5.2	3.9
Labrador Iron Ore Royalty Income Fund	Materials	4.8	3.6
Pacific Rubiales Energy Corp.	Energy	4.0	3.0
Royal Bank of Canada	Financials	3.7	2.8
BPO Properties Ltd.	Financials	3.6	2.7
Bank of Montreal	Financials	3.5	2.6
Canadian Treasury Bills	Short-Term Securities	3.5	2.6
Petrobank Energy and Resources Ltd.	Energy	3.2	2.4
SXC Health Solutions Corp.	Information Technology	3.1	2.3
Franco-Nevada Corporation	Materials	3.1	2.3
Enbridge Inc.	Energy	3.0	2.3
Rogers Communications Inc.	Telecommunication Services	2.9	2.2
Teck Resources Limited	Materials	2.7	2.0
The Toronto-Dominion Bank	Financials	2.6	2.0
Potash Corporation of Saskatchewan Inc.	Materials	2.4	1.8
IMAX Corp.	Consumer Discretionary	2.3	1.7
Western Coal Corp.	Energy	2.2	1.7
TransCanada Corporation	Energy	2.2	1.6
Sino-Forest Corporation	Materials	2.1	1.6
Celestica Inc.	Information Technology	2.1	1.6
Suncor Energy, Inc.	Energy	2.1	1.6
Canadian Natural Resources Limited	Energy	2.1	1.6
Crescent Point Energy Corp.	Energy	1.8	1.3
Domtar Corporation	Materials	1.8	1.3
Freeport-McMoRan Copper & Gold Inc.	Materials	1.7	1.3
		71.7*	53.8
Total Net Asset Value* (\$000's)			\$ 436,079
Total Investment Portfolio* (\$000's)			\$ 581,653

* Total Net Asset Value represents Total Investment Portfolio adjusted for leverage in the form of preference shares (\$150 million), other assets and other liabilities. The Total Investment Portfolio includes a payable on securities purchased of \$4.7 million.

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 Manager's web site at www.mmainvestments.com, 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.

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 the Annual Report to Shareholders.

The Company is an investment fund, and as such, this Quarterly Shareholder Update 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.