



Third Canadian General
Investment Trust Limited

REGISTRAR AND TRANSFER AGENT

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STOCK EXCHANGE LISTING

The Toronto Stock Exchange
Trading Symbol: THD

Managed by:



MorganMeighen
& ASSOCIATES

Investment Managers

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GROWTH AND INCOME

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**FIRST QUARTER
SHAREHOLDER UPDATE**

March 31, 2008

GENERAL COMMENTARY

Third Canadian's first quarter performance lagged its benchmark, the S&P/TSX Composite Index (S&P/TSX), showing net asset value (NAV) and market returns with dividends reinvested of -17.6% and -12.4%, respectively, compared to the S&P/TSX total return of -2.8%. The market return of Canadian General Investments, Limited (CGI), the major holding, was -20.8%, underperforming CGI's NAV performance of -13.6%, reflecting the negative market sentiment.

The long-term upward trend of the S&P/TSX peaked in July of 2007, since which time we have been experiencing a bear market. Anxiety has radiated outward from the U.S. in the first quarter of 2008, as it became clear that the financial ills resulting from the sub-prime housing debacle were not restricted to the United States nor the housing sector. The scale of the leverage riding on the back of this sector was not appreciated until recently, and we are now witnessing a great unwinding of leveraged positions as this source of funds dries up. This has put pressure on stocks world wide and on financial stocks, in particular.

Third Canadian's portfolio has underperformed in the quarter, despite no direct exposure to asset-backed commercial paper and a light weighting in the financial sector. This is largely driven by the leverage inherent in the portfolio, both in Third Canadian, itself, and underlying in CGI and, to a lesser extent, Canadian World Fund Limited, which while enhancing returns on the upside, unfortunately also accelerates losses on the downside.

Nevertheless, we regard the overall portfolio positioning of Third Canadian positively and are optimistic that we will be on the path to recovery, once the current imbalances have worked through the global financial system.

Vanessa L. Morgan
Chairman

Jonathan A. Morgan
President & CEO

INVESTMENT COMMENTARY

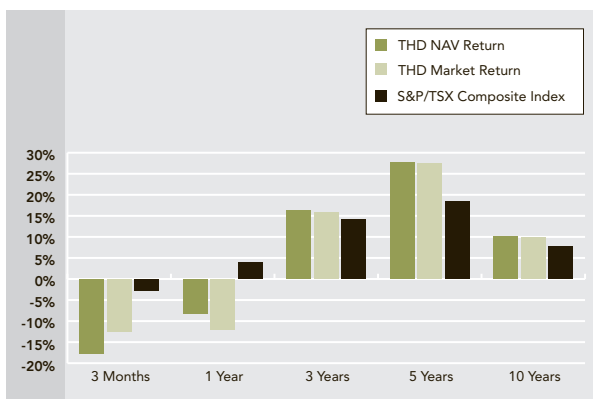
The continued fallout from U.S. sub-prime lending issues, first appearing in August 2007, has degenerated further and caused major disruptions to the global credit markets. Normal course lending behavior, required by virtually all market participants, has been disrupted, if not entirely halted, resulting in sharp declines for most equity markets. So far, the Canadian markets have proven more resilient than many of their counterparts elsewhere, but returns in almost all sectors are negative and overall markets are extremely volatile.

PRINCIPAL ASSETS

A combined total weighting for the constituents of the principal assets, Canadian General Investments, Limited (CGI) and Canadian World Fund Limited (CWF), is down modestly from December 31, 2007 to 59.0% of the portfolio, with CGI remaining the most dominant force at 55.5% of the total at March 31, 2008.

Not surprisingly, given the swoon in equity markets most everywhere, both CGI and CWF had difficult first quarters. CGI's year-to-date NAV return is -13.6% and its market return is -20.8% compared to the -2.8% total return for the S&P/TSX. For CWF, the NAV return is -17.2% and the market return is -19.1% against its benchmark Morgan Stanley Capital International All Country World Index (in Cdn \$) of -6.1%.

Compound Annual Returns for the Periods Ending March 31, 2008



NON-PRINCIPAL ASSETS

The non-principal assets were also affected by the downturn in the markets and now total approximately \$126 million, a decline from their \$142 million valuation at December 31, 2007. Although still at a loss, the non-principal assets lessened the impact of the principal assets on Third Canadian's overall results.

The long-standing resource leadership theme remains intact in the Canadian context, as the related index groups continue to act as key support elements in the S&P/TSX Index. In fact, materials and energy were the only sectors in the index that had positive returns in the quarter, making it difficult for a diversified equity fund to perform against a narrowly derived benchmark return.

Third Canadian's year-to-date results were indicative of this resource domination with its top four quarterly performers in the materials sector. Leading the way was a new position established in Grande Cache Coal Corporation, a junior metallurgical coal producer in British Columbia, whose stock was lifted by its potential to lever the anticipated price increases for its coal into record sales and profitability. Other names in the top four were The Mosaic Company, Labrador Iron Ore Royalty Income Fund and Cleveland-Cliffs Inc., another new name in 2008.

But the downside in equity markets prevailed throughout the quarter and Third Canadian, as a participant, was affected by the market's somewhat erratic and indiscriminate selling process during this time. Declines were dominant in almost anything but resources, and market conditions were

partially responsible for a prudent protection of gains with selling in names such as Apple Inc., MGM MIRAGE, Google Inc. and Timminco Limited.

In response to the challenging market conditions and assisting in capital preservation, the cash component of the portfolio was carried at somewhat higher than historic levels for a good portion of the quarter. But by quarter-end, some purchases had been made and the portfolio had returned to a "fully invested" status. For example, Suncor Energy and MTY Food Group Inc. were a couple of existing holdings which were expanded, while new positions were established in First Solar, Inc. and JSC MMC Norilsk Nickel.

OUTLOOK

There are a number of legitimate factors that continue to affect the fortunes of the market. Economic uncertainty, the credit market chaos, a U.S. housing downturn and financial institution stability concerns are but a few of the issues prolonging the current equity market instability and, until the probable outcome of these risks can be assessed and quantified, confidence will remain shaky and markets will remain fragile in the near term. However, Third Canadian's long-term approach has carried it through tough times in the past and, when the markets settle down, we are confident that shareholders will be rewarded for their patience.

On behalf of the Manager,

Michael A. Smedley
CEO & Chief Portfolio Officer

D. Greg Eckel
Senior Vice-President

SUMMARY OF INVESTMENT PORTFOLIO

as at March 31, 2008

Portfolio Breakdown

	% of Net Assets*	% of Investment Portfolio
Principal Assets**	73.5	59.0
Canadian Equities & Income Trusts	37.8	30.3
Foreign Equities	13.3	10.6
Cash & Cash Equivalents	0.2	0.2

SUMMARY OF INVESTMENT PORTFOLIO (CONTINUED)
Top 25 Holdings as at March 31, 2008

Issuer	Country	Sector	% of Net Assets*	% of Investment Portfolio
Canadian General Investments, Limited**	Canada	Principal Assets	69.1	55.5
Canadian World Fund Limited**	Canada	Principal Assets	4.4	3.5
Timminco Limited	Canada	Canadian Equities & Income Trusts	2.1	1.7
Equinox Minerals Limited	Canada	Canadian Equities & Income Trusts	1.9	1.6
Sceptre Investment Counsel Limited	Canada	Canadian Equities & Income Trusts	1.7	1.4
The Mosaic Company	U.S.A.	Foreign Equities	1.6	1.3
Freeport-McMoRan Copper & Gold Inc.	U.S.A.	Foreign Equities	1.6	1.2
MMX Mineração e Metálicos S.A.	Brazil	Foreign Equities	1.5	1.2
Monsanto Company	U.S.A.	Foreign Equities	1.4	1.1
Suncor Energy, Inc.	Canada	Canadian Equities & Income Trusts	1.3	1.1
Labrador Iron Ore Royalty Income Fund	Canada	Canadian Equities & Income Trusts	1.3	1.1
Gildan Activewear Inc.	Canada	Canadian Equities & Income Trusts	1.3	1.0
Thompson Creek Metals Company Inc.	Canada	Canadian Equities & Income Trusts	1.2	1.0
Ag Growth Income Fund	Canada	Canadian Equities & Income Trusts	1.2	0.9
Grande Cache Coal Corporation	Canada	Canadian Equities & Income Trusts	1.2	0.9
Novo Nordisk A/S	Denmark	Foreign Equities	1.2	0.9
GENIVAR Income Fund	Canada	Canadian Equities & Income Trusts	1.1	0.9
Ritchie Bros. Auctioneers Incorporated	Canada	Canadian Equities & Income Trusts	1.0	0.8
First Solar, Inc.	U.S.A.	Foreign Equities	1.0	0.8
Deere & Company	U.S.A.	Foreign Equities	1.0	0.8
Bunge Limited	Argentina	Foreign Equities	1.0	0.8
Vestas Wind Systems A/S	Denmark	Foreign Equities	0.9	0.7
North West Company Fund	Canada	Canadian Equities & Income Trusts	0.9	0.7
Northern Property Real Estate Investment Trust	Canada	Canadian Equities & Income Trusts	0.8	0.7
First Capital Realty Inc.	Canada	Canadian Equities & Income Trusts	0.8	0.7
			102.5*	82.3
Total Net Assets* (\$000's)				\$ 246,743
Total Investment Portfolio* (\$000's)				\$ 307,420

* Total Net Assets represents Total Investment Portfolio adjusted for future income taxes on unrealized net capital gains (\$21.7 million), leverage in the form of bank indebtedness (\$40.0 million), other assets and other liabilities. The Total Investment Portfolio includes a payable on securities purchased, net of a receivable on securities sold, of \$0.4 million.

** Investments in TSX listed closed-end investment funds under common control with the Company. CGI is focussed on medium to long-term investments in Canadian corporations. CWF invests globally in securities of primarily publicly traded growth companies. Information on these funds is available on the Internet at www.sedar.com or by visiting the Manager's web site at www.mmainvestments.com.

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 110 Yonge Street, Suite 1601, Toronto, Ontario, Canada, M5C 1T4.

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 Update 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.