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**FOR IMMEDIATE RELEASE**

**JOINT PRESS RELEASE**

**FRONT STREET U.S. MLP INCOME FUND LTD. AND FRONT STREET  
MUTUAL FUNDS LIMITED AMALGAMATION UPDATE**

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**Toronto, Ontario (January 18, 2016)** — Front Street U.S. MLP Income Fund Ltd. (“**FSUSMLP**”) (TSX: MLP) and Front Street Mutual Funds Limited (“**FSMFL**” and together with FSUSMLP, the “**Funds**”) announced today an update regarding the previously announced amalgamation (the “**Merger**”) of FSUSMLP and FSMFL.

Provided that all necessary regulatory approvals are obtained, on the effective date of the Merger, currently expected to be January 26, 2016 (the “**Effective Date**”), each shareholder of FSMFL will be issued the class and series of shares of the new amalgamated fund that are of equal denomination as the class and series of FSMFL shares that he or she holds immediately prior to the Merger, and these shares will carry terms that are identical in all respects to their current holdings. For each equity share, series C, and equity share, series U that shareholders of FSUSMLP hold immediately prior to the Merger, they will receive, on the effective date of the Merger, one series MC share, and one series MU share, respectively, of the new amalgamated fund’s Front Street MLP and Infrastructure Income Class.

The following events, among others, will occur to effect the Merger:

- prior to the Merger, each of the Funds will make any cash distributions of income and capital gains to ensure that neither will be liable for tax under Part I of the Income Tax Act in the taxation year ending immediately prior to the effective date of the Merger;
- Articles of Amalgamation for the Merger will be filed prior to the effective date of the Merger;
- all of the material contracts of the Funds will be rationalized either by terminating or amending such agreements as may be necessary or desirable in light of the Merger;
- prior to the Merger, the FSUSMLP equity shares will be delisted from the Toronto Stock Exchange;
- The net asset value (and hence the issue price) of each Series MC and Series MU share of FSMFL when issued on the Effective Date, will be equal to the net asset value per equity share, Series C or equity share, Series U, as applicable, of FSUSMLP calculated as at the close of business on the last business day prior to the Effective Date;
- the portfolio assets of FSUSMLP, which will be entirely cash immediately prior to the Merger, will become assets of the new amalgamated fund’s Front Street MLP and Infrastructure Income Class; and

- the cash added to the portfolio of the new amalgamated fund from FSUSMLP will be invested in accordance with the investment objectives, strategies and restrictions of the new amalgamated fund's Front Street MLP and Infrastructure Income Class (which will be identical to FSMFL's Front Street MLP and Infrastructure Income Class).

Complete details regarding the Merger were outlined in the joint management proxy circular dated November 11, 2015 and sent to shareholders of record on November 18, 2015. The joint management proxy circular is also available at [www.sedar.com](http://www.sedar.com).

*Certain statements in this press release may be viewed as forward-looking statements. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, intentions, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects", "is expected", "anticipates", "plans", "estimates" or "intends" (or negative or grammatical variations thereof), or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved) are not statements of historical fact and may be forward-looking statements. Statements which may constitute forward-looking statements relate to: the proposed timing of the merger and expected completion thereof; and the Funds that are proposed to be merged. Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements including as a result of changes in the general economic and political environment, changes in applicable legislation, and the performance of each Fund. There are no assurances the Funds can fulfill such forward-looking statements and the Funds do not undertake any obligation to update such statements. Such forward-looking statements are only predictions; actual events or results may differ materially as a result of risks facing one or more of the Funds, some of which are beyond the control of the Funds.*

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