



FRONT STREET CAPITAL

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Front Street Capital

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FOR IMMEDIATE RELEASE:

**Front Street Capital Launches Three New Non-Indexed
Corporate Class Mutual Funds**

Front Street Capital launches Front Street Growth and Income Fund, Front Street Global Opportunities Fund, and Front Street Value Fund

TORONTO (July 15, 2011) – Front Street Capital announced today the launch of Front Street Growth and Income Fund, Front Street Global Opportunities Fund, and Front Street Value Fund. The new mutual funds build on the success of Front Street Capital's popular non-indexed yield and equity solutions.

"These new funds will build on the track record of veteran Front Street Capital portfolio managers, and will provide core income and growth solutions for those looking for a broader selection in our corporate class line-up of funds," said Gary Selke, CEO, Front Street Capital. "We are committed to providing access to our world-class portfolio managers, and are confident in their ability to deliver returns."

Front Street Growth and Income Fund offers investors moderate growth with consistent quarterly payout (fixed \$.50 annual payout, paid quarterly, \$.12 a quarter. This represents a 5% effective yield). In contrast to the value approach, with capital preservation focus of the Front Street Diversified Income Fund, lead manager Prakash Hariharan, will invest in the debt and equity of growth-oriented companies, utilize option-writing strategies, as well as a flexible global approach to achieve his balanced fund investment objective.

Front Street Global Opportunities Fund will apply a growth-oriented, sector rotation approach to provide capital appreciation. One of the key strategies will be to examine the global macro environment and assess new and emerging technologies that will create productivity enhancements for some and a deterioration of productivity for others, across all market segments. Veteran portfolio manager, Frank Mersch will target companies who "win" and those poised to "lose" from technological improvements.

Front Street Value Fund will apply a deep value, contrarian approach to providing capital appreciation. For years, portfolio manager Eric Dzuba has applied his value style to the Front Street Diversified Income Fund. His philosophy of not overpaying for the cash flows of a business has preserved capital for clients during the last two market downturns. Eric will now take this value approach to an equity offering with global flexibility, providing a non-correlated, non-indexed complement to the equity funds that Frank Mersch and Norm Lamarche manage.

About Front Street Capital's Corporate Class Funds

The following class-structured funds (Front Street Mutual Funds Ltd. funds) provide the ability to switch investments between the different funds on a tax-deferred basis. Investors should benefit from the ability to switch between funds with different strategies and objectives, in a focussed and cost-effective structure.

- Front Street Small Cap Fund
- Front Street Value Fund
- Front Street Special Opportunities Canadian Fund
- Front Street Canadian Equity Fund
- Front Street Global Opportunities Fund
- Front Street Growth and Income Fund
- Front Street Money Market Fund
- Front Street Resource Fund

About Front Street Capital (www.frontstreetcapital.com)

Front Street Capital, together with its affiliates, is widely recognized as an established leader in the Canadian investment industry, with approximately \$3.5 billion in assets under management among various long/short equity strategies, mutual funds, limited partnerships and trusts. Front Street portfolio managers have extensive experience in the investment industry with specific expertise in the energy, mining, natural resource and agriculture sectors. The Front Street group invests primarily in Canadian equities, including their subsidiary global emerging-market operations, employing fundamental and technical analysis, combined with a global macroeconomic perspective and comprehensive knowledge of the Canadian corporate landscape.

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