METALS PLUS INCOME CORP.

Fourth Quarter 2014

Inception Date: February 18, 2011
Fund Manager: Faircourt Asset Management Inc.
Portfolio Advisor: Faircourt Asset Management Inc.
TSX Symbol: MPI

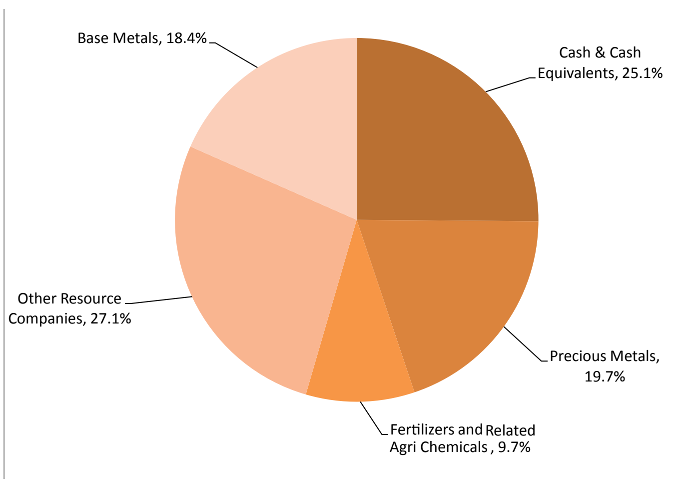
METALS PLUS INCOME CORP.

The company invests in publicly listed metals and materials companies, including those primarily engaged in the discovery, development or processing of raw materials. This includes the mining and refining of precious metals, base metals, fertilizers and related agri-chemicals and uranium.

TOP TEN HOLDINGS as at December 31, 2014

- Agnico Eagle Mines Ltd.
- Agrium Inc.
- Badger Daylighting Ltd.
- BHP Billiton Ltd.
- Eldorado Gold Corp.
- First Quantum Minerals Ltd.
- Freeport-McMoRan Inc.
- Interfor Corp.
- Silver Wheaton Corp.
- West Fraser Timber Co.

PORTFOLIO ALLOCATION as at December 31, 2014



Based on % of Portfolio, Net of Options

INVESTMENT OBJECTIVES

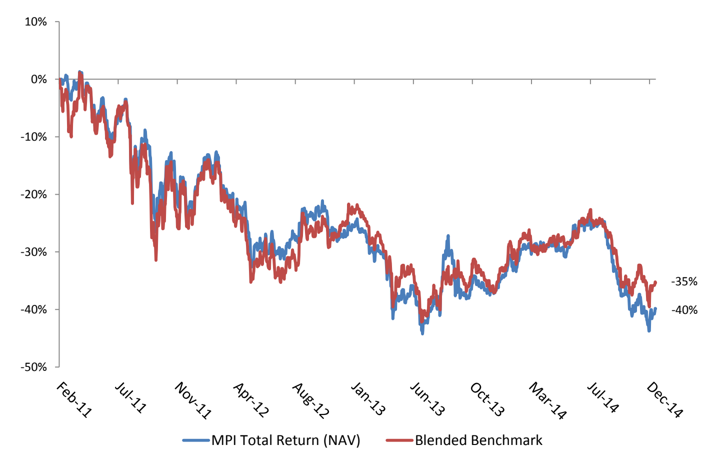
The Company's investment objectives are to provide shareholders with: (i) monthly distributions targeted to yield 6% per annum or $0.05 per month based on the issue price of $10.00 per Share; and (ii) the opportunity for capital appreciation. In January 2014, the distribution was adjusted to $0.03 per month. The distribution rate is 9.97% based on market price as at December 31, 2014.

OPTION WRITING

Our Manager believes that option writing has the potential to add value in certain sectors that have sustained volatility. Mining and Materials equities, which have historically maintained a high degree of volatility, are well suited to an option writing strategy. The sustained volatility in these sectors allow the option writer the potential to generate significant premium income. In addition, an option writing strategy is an effective way to help lower the level of volatility for an investor, and potentially improve returns.

PAST PERFORMANCE

The following chart provides the returns since inception of the fund relative to its benchmark ending December 31, 2014.



Source: Bloomberg. Data is based on NAV (net asset value) and includes distributions.

Returns for Year Ended December 31, 2014

		1 Year	3 Year	5 Year	Since Inception
MPI	Market Price (1)	-7.01%	-6.96%	N/A	-14.70%
MPI	Net Asset Value (1,3)	-8.41%	-8.35%	N/A	-12.49%
	Benchmark/Index (2)	-5.04%	-6.80%	N/A	-11.56%

Distribution History	2014	2013	2012	2011
Total Distributions Per Share	$0.36	$0.60	$0.60	$0.45

Notes:
(1) Assumes reinvestment of distributions
(2) Source: Bloomberg
(3) Based on NAV; Source: Faircourt Asset Management

FAIRCOURT *Asset Management Inc.*
141 Adelaide St. West, Suite 1402, Toronto, Ontario, M5H 3L5 416.364.8989 Toll Free: 1.800.831.0304 Fax: 416.360.3466 www.faircourtassetmgt.com

Management fees and expenses are associated with an investment in the fund. The performance data provided assumes reinvestment of distribution only and does not take into account redemption charges or income taxes payable by any security holder that would have reduced returns. An investment in the fund is not covered by the Canada Deposit Insurance Corporation or any other government deposit insurer. There can be no assurance that the fund will be able to maintain its net asset value per security at a constant amount or that the full amount of your investment in the fund will be returned to you. Past performance may not be repeated.

Metals Plus Income Corp: December 2014 Update

The fourth quarter saw mixed performance from the materials sector. Base and precious metals were generally weaker, while lumber and agriculture fared better.

Base metals demand, and by extension pricing continue to be driven by China. Weakness in metals pricing has persisted as over the last six months, GDP growth expectations for China have been steadily edging downward and growth in Europe has also become a challenge for EU member states. In China, economic growth has been reduced to 7.3%, a rate of growth not seen since the financial crisis.

Growing inventories on the London Metals Exchange (LME) and stockpiles of nickel ore in China represent an overhang in the market. At a time of oversupply, we have also seen a downgrade of global demand growth expectations from the IMF, all helping to reduce early 2014 gains in base metals.

Overall, the IMF has reduced its global growth forecast for 2015, acknowledging that the economic boost from lower oil prices will have muted effects on growth as other setbacks such as the challenges in Europe and in emerging markets will produce headwinds. However, more positively, growth from a stronger -than-expected U.S. economy is expected to partially offset slowing growth in the rest of the world.

The fourth quarter of 2014 saw many changes in the precious metals markets, as the sector reacted to macro economic decisions from different governments and organizations. The first macro change that occurred during Q4 was the US Federal Reserve's announced ending of quantitative easing. October marked the month where, after a series of positive economic data, the Fed confirmed it would no longer buy bonds to support US Treasury markets. The decision was the first major step the Fed has taken to normalizing policies to higher interest rates, since the Fed's policies to fight the 2008 financial crisis, and breathe more life into a tepid recovery. This marked a negative period for gold as the intention to move rates higher would result in a stronger US currency.

Another major change that occurred during the second half of 2014 was the significant drop in the price of oil from a high of $107 to end the year below $60/barrel. The price drop was caused by many factors including reduced global demand, steadily increasing supply from the United States ("shale oil") as well as unwillingness on the part of OPEC to reduce supply in the hopes of stabilizing prices. The slump in oil cut the appeal of gold and related precious metals as an inflation hedge, however longer term implications to fight deflation through additional stimulus will be positive long term for gold.

Canadian lumber producers experienced strong returns in the fourth quarter as optimism over a continued recovery in U.S. housing buoyed the lumber markets. Canadian producers also benefitted from a weakening Canadian dollar, which improves their margins substantially. With the U.S. housing recovery expected to continue into 2015, we continue to believe there is upside in the lumber stocks.

MPI is a diversified metals and materials fund. The portfolio is composed of companies in precious and base metals, agricultural chemicals, energy and other materials. Underlying the funds premise is our belief that over time, demand for materials will expand significantly due to economic growth in leading developed markets as well as emerging markets, such as China, Brazil, India, South Korea and Russia amongst others. An important distinguishing feature of the fund is that it pays a monthly distribution generated through a combination of option writing and distributions received on its equity holdings, options premiums being the larger component. Our options strategy supplements the dividend stream and allows the Fund to pay monthly distributions while options can also make money for the fund during flat periods in the materials market.

The Fund posted a total return of -8.58% during the quarter, modestly underperforming its benchmark that returned -7.66%. The Fund's precious metals and lumber holdings had positive performance, while lower returns were seen in energy and in base metals. While economic uncertainty remains, we are encouraged by the mid to long term recovery prospects for base metals such as zinc and copper. The NAV of the Class A Shares, combined with paid distributions during the period ended December 31, 2014, provided a total return for holders of Class A Shares of -8.41% compared to the blended benchmark of -5.04% over this same period.

In order to generate additional returns and reduce risk, the Company may write covered calls on securities held in the portfolio and cash secured put options on securities desired to be held in the portfolio. Writing a call option tends to decrease the Fund's exposure to the underlying instrument. Writing put options tends to increase the Fund's exposure to the underlying instrument. As at December 31, 2014, approximately 57% in cash and short-term investments has been pledged for cash secured puts.

The Portfolio Manager continues to patiently add to positions, at reasonable values, during intervals when market prices pull back. Lower overall market volatility, as measured by the VIX index, or the Chicago Board Options Exchange Volatility Index, which measures the implied volatility of the S&P 500 index options, provided select opportunities for the Fund to both reduce the volatility of the portfolio and allowed the Fund to generate cash flow from option premium of approximately $1.13million or $0.44 per weighted average number of class A Shares outstanding during the period ended December 31, 2014.

During the period, the Company declared regular monthly distributions totaling $0.36 per class A Share. Cash received from option writing (puts and calls) since inception of the Fund February 18, 2011, amounts to approximately $7.34 million or $2.23 per average share issued and outstanding. Distributions paid to date amounted to $6.89 million or $2.09 per average share issued and outstanding.