METALS PLUS INCOME CORP.

Third Quarter 2015

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

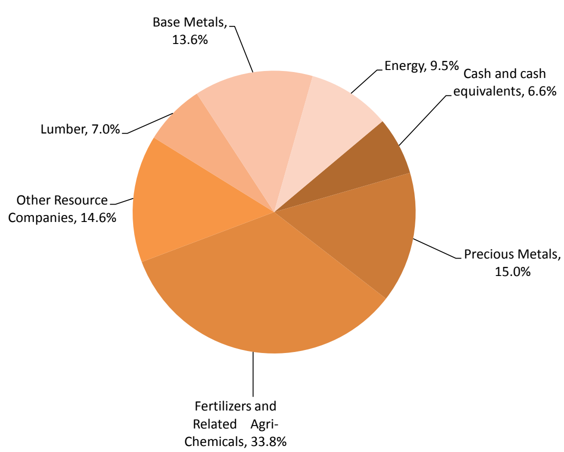
METALS PLUS INCOME CORP.

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 September 30, 2015

- Agrium Inc.
- BHP Billiton Ltd.
- Canadian Pacific Railway Ltd.
- CF Industries Holdings Inc.
- Detour Gold Corp.
- Goldcorp Inc.
- Inter Pipeline Ltd.
- Methanex Corp.
- Monsanto Co.
- Rio Tinto PLC

PORTFOLIO ALLOCATION as at September 30, 2015



Based on % of Portfolio, Net of Options

INVESTMENT OBJECTIVES

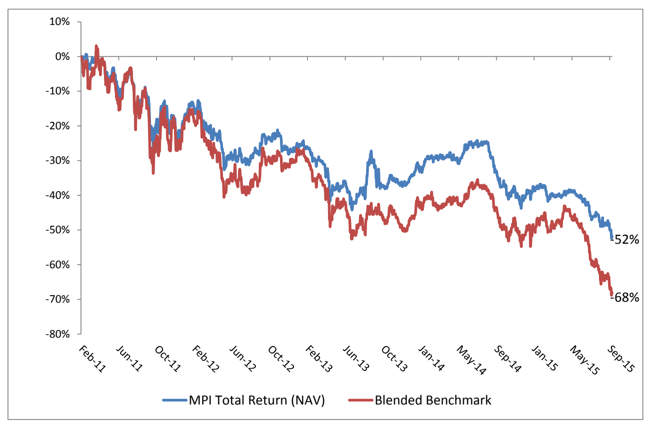
The Company's investment objectives are to provide shareholders with: (i) monthly distributions targeted to yield 6% per annum or $0.05 per month based on the issue price of $10.00 per Share; and (ii) the opportunity for capital appreciation. In January 2014, the distribution was adjusted to $0.03 per month. The distribution rate is 12.72% based on the market price as at September 30, 2015.

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 September 30, 2015.



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

Returns for the period ended September 30, 2015

		1 Year	3 Year	5 Year	Since Inception
MPI	Market Price(1)	-27.11%	-12.98%	N/A	-16.08%
MPI	Net Asset Value (1,3)	-24.96%	-13.21%	N/A	-14.14%
MPI	Benchmark/Index(2)	-42.18%	-23.38%	N/A	-22.22%

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

METALS PLUS INCOME CORP.

FAIRCOURT
Asset Management Inc.

Metals Plus Income Corp: September 2015 Update

Continued concern over growth in China weighed on most materials sub-sectors during Q3. At the same time, the strength of the US dollar began to reduce earnings on SP 500 companies while deflationary risks continued to plague the EU.

The US economy has been progressing through 2015 with a slow and steady improvement in jobs growth and housing starts while inflation was contained below the Fed's 2% target rate. Over the last 12 months, further stimulus was found in the form of lower energy prices that re-allocated cash into consumer spending. Even with these positives, though, the result was less than desired as consumer confidence did not reach anticipated levels and yet the US dollar continued to rally. With lower commodity prices, threats of global deflationary pressures filtered into North American markets.

Chinese equity markets experienced a massive selloff during Q3 as leadership attempts to stimulate the domestic economy proved ineffective. By mid August, a surprise move by the Peoples Bank of China announced a one time 1.9% devaluation of the renminbi. That abrupt change equaled the biggest daily change in value since China moved to a managed float of its currency a decade ago. In explaining the move, the PBOC announced that it was necessary to adjust the value given the last few months of volatility caused by the drop in the Shanghai stock exchange and reduced GDP growth that have plagued both China and the global economy. The move was destabilizing as it draws into question the feasibility of Chinese growth targets.

Despite increased volatility and downward price movements in global equity markets, investors expected the long overdue interest rate announcement by the FOMC in September. The Fed chose to remain on the sidelines, citing increased worries about the state of the global economy. In its statement, the Fed stated that its main fear was lower demand in China has resulted in falling prices and weaker growth in countries that produce raw materials such as oil, metals and other commodities. This weakness has had ripple effects and is now causing price weakness, deflationary pressures in North America. As a result, the Fed chose to remain accommodative, leaving rates unchanged.

Commodity market reaction to the "no change" in rates by the FOMC brought a short rally in copper, however once the market digested the Fed inaction was a reaction to uncertainty over the Chinese economy, the price of copper moved lower once again. The weaker copper price also reflects economic weakness in Europe. The prospects for growth in the European economy have dimmed as the continent faces a growing immigration crisis. The European economy is also battling deflation despite recent attempts to further stimulate the region through increased quantitative easing strategies.

Base Metals:
Base metals prices have been soft as the Chinese economy has weakened through much of the last two years while the US dollar has rallied, providing a difficult combination of weaker demand and reduced commodity pricing with the US dollar rally providing a headwind against most commodity producers.

The Chinese government has attempted to stimulate its domestic economy with three interest rate cuts this year, in addition to a 1 trillion yuan bond for infrastructure projects last summer. With all of these moves, the government hoped to re-invigorate the domestic economy and the nation's exports to achieve their target growth rate of 7%. For more than a decade, the world has relied on growth in China as the consumer of industrial materials, however this prolonged slowdown has created challenges for the global economy

Precious Metals:
With the quarter witnessing the Chinese equity market meltdown, price pressures were exerted as many investors were forced to sell precious metals holdings to cover losses. In addition to this initial price weakness, the quarter witnessed challenging markets as most analysts called for a September interest rate increase from the FOMC creating a US dollar rally that hurt the value of many commodities including precious metals. This forecast caused negative price movements throughout the quarter. Since September 17th, when the FOMC decided to keep rates at historic lows, a rally has ensued in precious metals, as many investors have begun to re-allocate their holdings back to gold, in order to deal with the potential of the next year or so with no change in US interest rates.

Energy:
Over the past 15 months, the oil and gas sector has experienced massive price declines as a result of the 60% drop in global oil prices. Since OPEC's decision to allow production increases as a way to either exert influence or hurt burgeoning shale based North American producers, the result has been a free fall in equity prices. Combined with production increases, slower global GDP growth has meant that excess production has not been consumed, building excess inventories month after month.Although the sector has rallied off its August lows, we do not see this dynamic changing in the near term as China continues to stabilize its economy, and North America continues to see the effects of deflationary pressures caused by a strong US dollar and weaker commodity prices. As a result, the fund has only a minimum weight in energy, focusing on the more liquid names that provide exposure to the sector and ample opportunity within our option writing program.

Ferts/Ag:
We remain cautiously optimistic on the outlook for agriculture heading into the last quarter of 2015 and first half of 2016. We continue to prefer the non-potash names (Agrium and CF Industries, both primarily nitrogen) relative to potash weighted companies, given the potential for oversupply and flat pricing in the market. The forward outlook provided by AGU was fairly optimistic and we are encouraged they can generate impressive free cash flow and maintain strong volumes and stable pricing during the period of cyclical weakness in the fertilizer market.

Lumber:
Forest products continue to experience some direct and indirect effects from slower growth in China compounded by a very weak Russian Ruble, which has made Russian lumber cheaper for China to import. NA lumber export volumes to China are down, and prices have been soft. Helping global demand is NA housing where lumber demand has been steady with US home builders maintaining sound momentum. We continue to believe that steady, if slow, demand improvement in the US housing sector will lead to improved lumber prices.

By diversifying its positions, in addition to the Manager's options strategy, as well as avoiding higher leveraged names the Fund was able to significantly outperform its index over the quarter. While the environment for materials remains challenging, we believe that additional stimulus from China is likely, and will improve demand for a range of commodities.

MPI is a diversified metals and materials fund. The portfolio is composed of companies in precious and base metals, agricultural chemicals, lumber and forestry, energy and other materials. Underlying the funds premise is our belief that over time, demand for materials will expand 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 the 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 goal of the option-writing program is to generate additional returns and to 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 options 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. 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 still generate additional income for investors.

The Fund generated cash flow from option premium of approximately $162,000 or $0.104 per weighted average number of class A Shares outstanding during the quarter ended September 30, 2015. During the period, the Company declared regular monthly distributions totalling $0.09 per class A Share. Cash received from option writing (puts and calls) since inception of the Fund amounts to approximately $7.96 million or $2.58 per average share issued and outstanding. Distributions paid to date amounted to $7.43 million or $2.41 per average share issued and outstanding.

For the quarter ended September 30, 2015, the NAV of the Class A Shares, combined with paid distributions provided a total return for holders of Class A Shares of -14.70.% outperforming the return posted by the Fund's blended benchmark return -35.88% over the same period.