BROMPTON FUNDS

BROMPTON OIL & GAS INCOME FUND

OGF.UN

Actively managed portfolio of oil and gas securities.

Management Report of Fund Performance

August 14, 2008

This interim management report of fund performance for Brompton Oil & Gas Income Fund (the "Fund"), formerly Brompton Equal Weight Oil & Gas Income Fund, contains financial highlights but does not contain either the interim or annual financial statements of the Fund. The interim financial statements follow this report. You may obtain a copy of the interim or annual financial statements at your request, at no cost, by calling 866-642-6001 or by sending a request to Brompton Funds, Bay Wellington Tower, Brookfield Place, 181 Bay Street, Suite 2930, P.O. Box 793, Toronto, Ontario, M5J 2T3, or by visiting our website at www.bromptongroup.com or SEDAR at www.sedar.com.

Unitholders may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record, independent review committee's report, or quarterly portfolio disclosure.

The Fund

Brompton Oil & Gas Income Fund is a closed-end investment trust managed by Brompton Funds Management Limited (the "Manager"). The units of the Fund trade on the Toronto Stock Exchange ("TSX") under the symbol OGF.UN. Effective June 19, 2008, the Fund is actively managed by MFC Global Investment Management ("MFC"), a subsidiary of Manulife Financial Corp., a top-ranked manager of income fund investments with extensive experience in income trusts, other equity securities and fixed income investments. The Fund is RRSP, DPSP, RRIF and RESP eligible.

Recent Developments

Since the 2007 year-end, the Manager has proceeded with a comprehensive strategy to address uncertainty concerning the future of income trust investments in Canada resulting from the federal government's decision in 2006 to tax income trusts and to limit their ability to issue new equity. Those federal tax changes have had a significant impact on the income trust sector: close to 20% of Canada's income trusts have been merged, taken over, or converted to a corporate structure since the changes were announced, and these activities may continue.

In April 2008, the Manager recommended a reorganization of Brompton Equal Weight Oil & Gas Income Fund to continue to meet the key investment objectives of high monthly distributions and the opportunity for capital appreciation. As part of this reorganization, the Manager proposed a move from passive to active management, expansion of the Fund's investment universe beyond income trusts, and the appointment of top-ranked MFC as Portfolio Manager.

At a special meeting on June 9, 2008, unitholders approved the changes and the new mandate for the renamed Brompton Oil & Gas Income Fund effective June 19, 2008.

Investment Objectives and Strategies

The Fund was originally designed as a passively managed, equally weighted portfolio of oil and gas income trusts, with investment objectives of high monthly cash distributions and low management fees, together with the opportunity for capital appreciation, based on the performance of the portfolio. With the reorganization effective June 19, 2008, the basic investment objectives are unchanged, but new strategies have been adopted to achieve those objectives. The most fundamental change was the expansion of the Fund's investment universe beyond the shrinking income trust sector to include other income-producing oil and gas securities and beyond oil and gas producers to include the energy service and pipeline sector. An active management strategy has been adopted to achieve this change and maximize benefits to investors, with MFC as Portfolio Manager.

Risks

Risks associated with an investment in the units of the Fund are discussed in the Fund's 2007 annual information form, which is available on the Fund's website at www.bromptongroup.com or on SEDAR at www.sedar.com. There were no changes to the Fund over the period that materially affected the risks associated with an investment in the units of the Fund.

In accordance with investment fund industry practice, all figures presented in this management report of fund performance are based on the Fund's calculation of its weekly net asset value ("Published NAV"), which is exempted from the application of Canadian Institute of Chartered Accountants ("CICA") Section 3855, except for the figures presented in the Net Asset Value per Unit table, which can be found under Financial Highlights. In accordance with National Instrument ("NI") 81-106, the figures in this table must be derived from the financial statements ("GAAP NAV").

Results of Operations

Distributions

During the six months ended June 30, 2008, the Fund declared monthly cash distributions to unitholders which totaled $0.43 per unit, compared to $0.57 per unit during the same period in the previous year. Since inception in October 2004, the Fund has paid total cash distributions of $4.62 per unit. The lower distribution rate in 2008 was due to reduced distribution rates from several underlying trusts since the second quarter of 2007. The reductions primarily resulted from low natural gas prices in 2007. The Fund increased its monthly distribution rate to $0.07 per unit effective June 30, 2008, from $0.0664 per unit in April and May, due to higher income anticipated on the investment portfolio resulting from the approved reorganization of the Fund, expansion of the investment universe, and the move to active management.

Revenues and Expenses

The Fund's investments generated distribution income of $0.47 per unit in the six months ended June 30, 2008, down from $0.55 per unit in the same period in 2007. The decline in income was largely due to declines in distribution rates from underlying trusts.

Total expenses of the Fund for the six-month period declined in 2008 to $0.06 per unit versus $0.07 per unit in 2007.

The Fund has a distribution reinvestment plan which allows participating unitholders to automatically reinvest monthly distributions in additional units of the Fund. For the six months ended June 30, 2008, 40,168 units were acquired in the market through this plan at an average price of $7.94 per unit.

Net Asset Value

As a result of rising natural gas and oil prices in 2008, the net asset value per unit increased over the six months by $3.02 per unit, or 46.5%, from $6.49 to $9.51. The aggregate net assets of the Fund increased from $203.0 million on December 31, 2007 to $296.2 million on June 30, 2008 for the reasons noted above.

Investment Portfolio

As of June 30, 2008, the Fund's investments included a total of 20 income funds, which is a decrease of four issuers since the end of 2007, reflecting the conversion of Fairborne Energy Trust to a corporation, the mergers of Canetic Energy Trust with Penn West Energy Trust and Focus Energy Trust with Enerplus Resources Fund, and the buyout of Primewest Energy Trust. The oil and gas investment portfolio recorded net gains (realized and unrealized) of $94.6 million during the period.

Liquidity and Capital Resources

As of June 30, 2008, the Fund had borrowings of $26.4 million under a revolving credit facility, which represented 8.1% of total assets or 8.9% of net assets. During the period, the Fund replaced its term credit and revolving loan facilities with a single revolving credit facility. The 364-day revolving credit facility is used principally to invest in additional portfolio investments to increase the overall distributions paid by the Fund and provides for maximum borrowings of $38.8 million at either the prime rate of interest or the bankers' acceptance rate plus a fixed percentage. During the period, the minimum and maximum amounts of borrowings under the Fund's facilities were $26.0 million and $37.7 million, respectively.

To provide liquidity, units of the Fund are listed on the TSX under the symbol OGF.UN. The Fund's normal course issuer bid program allows it to purchase its units on the TSX for cancellation when they trade below net asset value per unit. As a result, purchases under the issuer bid are accretive to the net asset value per unit. A total of 165,100 units were purchased during the six months ended June 30, 2008, under this program at an average price of $7.28 per unit. During the period, units of the Fund traded at an average discount to net asset value of 5.0%. Investors may also redeem their units in accordance with the Fund's redemption provisions.

Related Party Transactions

Related party transactions consist of services provided by the Manager pursuant to a management agreement. See the Management Fees section below.

Management Fees

Commencing on June 19, 2008, the Fund pays management fees equal to 0.85% per annum of the Published NAV of the Fund, plus applicable taxes. The Manager is responsible for fees payable to MFC, the Portfolio Manager. All of the management fee is used by the Manager to cover its general administration expenses, the cost of portfolio management services and for profit. The Fund also pays a service fee equal to 0.40% per annum of the Published NAV. The service fee is in turn paid by the Manager to the investment dealers in proportion to the number of units held by clients of such dealers at the end of each calendar quarter.

Until June 19, 2008, pursuant to a management agreement, the Manager provided management and administrative services to the Fund, for which it was paid a management fee equal to 0.45% per annum of the Published NAV of the Fund plus applicable taxes. The management fee could be paid in cash or units at the option of the Manager. To the extent that units were issued from treasury for this purpose, they were issued at the Published NAV per unit. The Manager was also responsible for paying fees to Brompton Capital Advisors Inc., which is an affiliate of the Manager and the previous portfolio manager of the Fund.

During the six-month period ended June 30, 2008, the entire management fee was paid in cash. During the six months ended June 30, 2008, management and service fees amounted to $0.6 million ($0.02 per unit) and $0.4 million ($0.01 per unit), respectively.

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help readers understand the Fund's financial performance for the fiscal periods indicated. This information is derived from the Fund's audited annual and unaudited interim financial statements. *The information in the following tables is presented in accordance with NI 81-106 and, as a result, does not act as a continuity of opening and closing net asset value per unit.* The increase (decrease) in net assets from operations is based on average units outstanding during the period, and all other numbers are based on actual units outstanding at the relevant point in time.

Net Asset Value per Unit

	For the Six Months Ended June 30, 2008	For the Year Ended December 31			
		2007	2006	2005	2004[1]
Net asset value, beginning of period/year[2][3]	$ 6.46	$ 8.07	$ 12.28	$ 9.53	$ 9.45
Increase (decrease) from operations:[4]					
Total revenue	**0.47**	1.07	1.55	1.41	0.33
Total expenses	**(0.06)**	(0.12)	(0.16)	(0.15)	(0.03)
Realized gain (loss) for the period/year	**(0.16)**	(2.13)	0.01	1.11	—
Unrealized gain (loss) for the period/year	**3.21**	0.60	(4.12)	1.73	0.07
Total increase (decrease) in net assets from operations	**$ 3.46**	$ (0.58)	$ (2.72)	$ 4.10	$ 0.37
Distributions to unitholders:[3]					
Cash distributions:					
From net investment income (excluding dividends)	$ **N/A[5]**	$ 0.76	$ 1.11	$ 0.95	$ 0.18
From net realized gain on investments	**N/A[5]**	—	—	0.43	—
Return of capital	**N/A[5]**	0.30	0.35	—	0.11
Total cash distributions	**0.43**	1.06	1.46	1.38	0.29
Unit distributions:					
From net realized gain on investments	—	—	—	0.57	—
Total distributions to unitholders	**$ 0.43**	$ 1.06	$ 1.46	$ 1.95	$ 0.29
Net asset value, end of period/year[2][3]	**$ 9.49**	$ 6.46	$ 8.10	$ 12.28	$ 9.53

(1) Period from October 7, 2004 (commencement of operations) to December 31, 2004.

(2) The net asset values per unit from the beginning of 2007 are the GAAP NAV. The net asset value per unit for prior periods is based on the prior financial statements and has not been adjusted for the new accounting standards adopted in 2007.

(3) Net asset value per unit and distributions per unit are based on the actual number of units outstanding at the relevant time.

(4) The increase (decrease) in net assets from operations per unit is based on the weighted average number of units outstanding over the fiscal period.

(5) Allocations for the period ended June 30, 2008 are not determinable until year end.

Ratios and Supplemental Data (Based on Published NAV)

	June 30, 2008	December 31 2007	2006	2005	2004[1]
Net assets (in 000s)	**$ 296,182**	$ 203,011	$ 293,727	$ 449,986	$ 397,824
Number of units outstanding (in 000s)	**31,136**	31,301	36,250	36,654	41,747
Management expense ratio ("MER")[2]	**1.65%**	1.54%	1.43%	1.39%	7.19%
Portfolio turnover rate[3]	**15.19%**	24.75%	46.90%	45.92%	N/A
Trading expense ratio[4]	**0.10%**	0.16%	0.07%	0.14%	N/A
Closing market price	**$ 9.07**	$ 6.07	$ 7.75	$ 12.06	$ 10.15

(1) Annualized for the period from October 7, 2004 (commencement of operations) to December 31, 2004.

(2) MER is based on the requirements of NI 81-106 and includes the total expenses of the Fund for the stated period, including interest expense and issuance costs, but excluding brokerage commissions on securities transactions, and is expressed as an annualized percentage of the average net assets of the period.

(3) The Fund's portfolio turnover rate indicates how actively the Fund's Portfolio Manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund. The portfolio turnover rate was not provided when the Fund was less than one year old. Portfolio turnover rate is calculated by dividing the lesser of the cost of purchases and the proceeds of sales of portfolio securities for the period, excluding cash and short-term investments maturing in less than one year, by the average market value of investments during the period.

(4) The trading expense ratio represents total commissions expressed as an annualized percentage of daily average net assets of the Fund during the period. This disclosure was a new requirement in 2005 under NI 81-106 and was not applied retroactively.

Expense Ratio

The MER of the Fund increased from 1.54% as at December 31, 2007 to 1.65% as at June 30, 2008 due to the increased burden of fixed costs on the lower average net asset value in the first six months of 2008, as well as an increase in management and service fee rates in June. This ratio is exaggerated by the inclusion of interest expense on borrowings used to purchase additional units of portfolio investments to increase the distributions of the Fund.

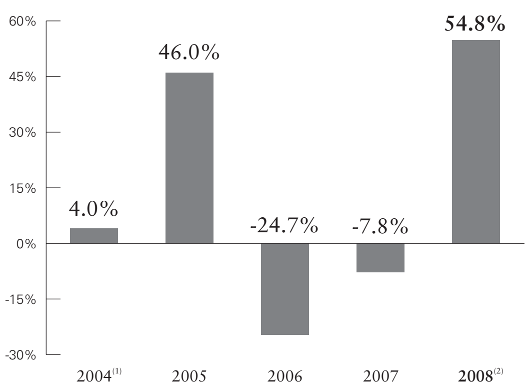
The MER, excluding interest expense and issuance costs, was 1.0% as at June 30, 2008, compared to 0.90% the previous year, for the same reasons described above. This latter ratio is more representative of the ongoing efficiency of the administration of the Fund.

Past Performance

The following chart and table show the past performance of the Fund. Past performance does not necessarily indicate how the Fund will perform in the future. The information shown is based on Published NAV per unit and assumes that distributions made by the Fund on its units in the periods shown were reinvested (at Published NAV per unit) in additional units of the Fund.

The bar chart shows the Fund's return for the six-month period ended June 30, 2008, and for each year since inception. The chart shows, in percentage terms, how an investment held on the first day of each fiscal period would have changed by the last day of the fiscal period.

Year-by-Year Returns



(1) Period from October 7, 2004 (commencement of operations) to December 31, 2004.

(2) Period from January 1, 2008 to June 30, 2008.

The following table shows the Fund's compound return for the six-month period ended June 30, 2008, and annual compound return since inception, compared with the S&P/TSX Capped Energy Trust Index ("Energy Trust Index") and the S&P/TSX Composite Index ("Composite Index"). The Energy Trust Index is a subset of the S&P/TSX Capped Income Trust Index based on the energy sector of the Global Industry Classification Standard. Income trusts that qualify for inclusion must derive their distribution income from actual operating entities. The Composite Index tracks the performance, on a market weight basis, of approximately 300 large stocks listed on the TSX. The Energy Trust Index and the Composite Index are calculated without the burden of management fees and fund expenses whereas the performance of the Fund is calculated after deducting such fees and expenses.

Annual Compound Returns

	Six Months Ended June 30, 2008	Since Inception[1]
Brompton Oil & Gas Income Fund[2]	**54.8%**	14.0%
S&P/TSX Capped Energy Trust Index	**41.6%**	23.5%
S&P/TSX Composite Index	**6.0%**	16.8%

[1] Period from October 7, 2004 (commencement of operations) to June 30, 2008.

[2] Based on Published NAV per unit and assuming that distributions made by the Fund on its units in the period shown were reinvested (at Published NAV per unit) in additional units of the Fund.

The Fund performed strongly in the first six months of 2008, buoyed by the ongoing strength of oil prices, which increased by 46% during the period, and a significant rebound in natural gas prices, which increased by 86% during the period, after a lackluster year for natural gas in 2007. The Fund generated a positive compound return of 54.8% during the first six months of 2008, outperforming the Energy Trust Index by 13.2%, in large part due to the Fund's higher weighting in natural gas securities (52% of the Fund, compared to 33% of the Energy Trust Index). As well, the Fund outperformed the broad-based Composite Index during the six months ended June 30, 2008.

Since inception, the Fund has underperformed the Energy Trust Index due to its higher weighting in natural gas securities and the Fund administration costs, which are represented in its MER, whereas the Energy Trust Index does not include such costs in its return.

Summary of Investment Portfolio

As at June 30, 2008

Total Published NAV	$ 296,181,983

Portfolio Composition	% of Portfolio	% of Published NAV
Oil and gas	99.9%	108.4%
Cash and short-term investments	0.1%	0.1%
Total investment portfolio	100.0%	108.5%
Other net liabilities		(8.5%)
Total net asset value		100.0%

Holdings	% of Portfolio	% of Published NAV
Baytex Energy Trust	6.2%	6.8%
Trilogy Energy Trust	6.0%	6.5%
Freehold Royalty Trust	5.6%	6.1%
Crescent Point Energy Trust	5.6%	6.1%
Daylight Resources Trust	5.5%	6.0%
Bonterra Energy Income Trust	5.3%	5.8%
ARC Energy Trust	5.3%	5.7%
NAL Oil & Gas Trust	5.2%	5.6%
Bonavista Energy Trust	5.2%	5.6%
Paramount Energy Trust	5.1%	5.5%
Penn West Energy Trust	4.9%	5.3%
Vermilion Energy Trust	4.8%	5.2%
Advantage Energy Income Fund	4.8%	5.2%
Zargon Energy Trust	4.7%	5.1%
Progress Energy Trust	4.5%	4.9%
Enerplus Resources Fund	4.4%	4.7%
Pengrowth Energy Trust	4.4%	4.7%
Peyto Energy Trust	4.3%	4.7%
Harvest Energy Trust	4.2%	4.6%
Provident Energy Trust	3.9%	4.3%
Cash and short-term investments	0.1%	0.1%

The investment portfolio may change due to ongoing portfolio transactions of the investment fund. Quarterly updates are available within 60 days of each quarter end.

Portfolio Manager

MFC Global Investment Management
MFC Global Investment Management is the diversified investment management group of Manulife Financial and is the Portfolio Manager for Brompton's oldest fund – Brompton VIP Income Fund. MFC is a top-ranked portfolio manager of income-oriented investments, with extensive experience in income trusts, dividend-paying equities and both high-yield and investment grade, fixed income investments. MFC has more than 100 years of experience managing portfolios for the Manufacturers Life Insurance Company, John Hancock Life Insurance Company, and other major clients. With more than $240 billion in assets under management, MFC Global Investment Management is a leading global investment management group.

MFC Global
Investment Management

Forward-Looking Statements

Some of the statements contained herein including, without limitation, financial and business prospects and financial outlook may be forward-looking statements which reflect management's expectations regarding future plans and intentions, growth, results of operations, performance and business prospects and opportunities. Words such as "may," "will," "should," "could," "anticipate," "believe," "expect," "intend," "plan," "potential," "continue" and similar expressions have been used to identify these forward-looking statements. These statements reflect management's current beliefs and are based on information currently available to management. Forward-looking statements involve significant risks and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements including, but not limited to, changes in general economic and market conditions and other risk factors. Although the forward-looking statements contained herein are based on what management believes to be reasonable assumptions, we cannot assure that actual results will be consistent with these forward-looking statements. Investors should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date hereof and we assume no obligation to update or revise them to reflect new events or circumstances.

Statements of Net Assets (Unaudited)

As at	June 30, 2008	Dec. 31, 2007
Assets		
Investments, at market value	**$ 320,469,551**	$ 239,480,811
Cash and short-term investments	**229,067**	331,204
Amounts receivable for investments sold	**1,546,156**	—
Income receivable	**2,494,579**	2,387,160
Total assets	**324,739,353**	242,199,175
Liabilities		
Accounts payable and accrued liabilities	**561,982**	469,756
Distributions payable to unitholders (note 6)	**2,179,501**	2,450,854
Loans payable (note 10)	**26,405,485**	37,200,000
Total liabilities	**29,146,968**	40,120,610
Unitholders' equity		
Unitholders' capital (note 4)	**312,526,729**	314,183,948
Contributed surplus (note 4)	**18,318,031**	17,861,925
Deficit	**(35,252,375)**	(129,967,308)
Net assets representing unitholders' equity	**$ 295,592,385**	$ 202,078,565
Units outstanding (note 4)	**31,135,723**	31,300,823
Net asset value per unit	**$ 9.49**	$ 6.46

The accompanying notes are an integral part of these financial statements.

Statements of Operations and Deficit (Unaudited)

For the six months ended June 30	2008	2007
Income		
Distributions from income funds	**$ 14,733,989**	$ 19,598,759
Securities lending income (note 9)	**313,332**	421,605
Interest income	**22,679**	10,774
	15,070,000	20,031,138
Expenses		
Management fees (note 7)	**614,602**	673,532
Service fees (note 7)	**403,124**	409,886
Audit fees	**19,731**	16,379
Independent review committee and director fees	**14,959**	21,324
Trustee fees	**10,724**	11,200
Custodial fees	**9,375**	11,099
Legal fees	**65,880**	22,845
Unitholder reporting costs	**32,738**	26,407
Other administrative expenses	**49,332**	75,224
Interest and bank charges (note 10)	**792,132**	933,028
	2,012,597	2,200,924
Net investment income	**13,057,403**	17,830,214
Net realized loss on sale of investments (note 8)	**(5,021,258)**	(33,843,942)
Transaction costs (note 2)	**(123,144)**	(247,302)
Net realized loss on foreign currency transactions	**—**	(2,245)
Net change in unrealized gain/loss on investments	**100,064,547**	32,095,289
Increase in net assets from operations	**107,977,548**	15,832,014
Deficit, beginning of period	**(129,967,308)**	(72,054,713)
Distributions to unitholders (note 6)	**(13,262,615)**	(20,572,060)
Deficit, end of period	**$ (35,252,375)**	$ (76,794,759)
Increase in net assets from operations per unit[1]	**$ 3.46**	$ 0.44

[1] Based on the weighted average number of units outstanding for the period (note 4).

The accompanying notes are an integral part of these financial statements.

Statements of Cash Flows (Unaudited)

For the six months ended June 30	2008	2007
Cash flows from operating activities:		
Increase in net assets from operations	**$ 107,977,548**	$ 15,832,014
Adjustments to reconcile net cash provided by (used in) operations:		
Net realized (gain) loss on sale of investments (note 8)	**5,021,258**	33,843,942
Net change in unrealized gain/loss on investments	**(100,064,547)**	(32,095,289)
Decrease (increase) in income receivable	**(107,419)**	1,003,262
Increase (decrease) in accounts payable and accrued liabilities	**92,226**	(3,374)
Purchase of investments (note 8)	**(40,918,278)**	(32,576,390)
Proceeds from sale of investments (note 8)	**53,426,671**	61,347,927
Cash provided by operating activities	**25,427,459**	47,352,092
Cash flows from financing activities:		
Increase (decrease) in loans payable	**(10,794,515)**	(21,461,954)
Distributions paid to unitholders (note 6)	**(13,533,968)**	(21,526,686)
Repurchase of units (note 4)	**(1,201,113)**	(3,887,277)
Cash used in financing activities	**(25,529,596)**	(46,875,917)
Net increase (decrease) in cash and short-term investments	**(102,137)**	476,175
Cash and short-term investments, beginning of period	**331,204**	12,134
Cash and short-term investments, end of period	**$ 229,067**	$ 488,309
Supplemental information:		
Interest paid	**$ 928,981**	$ 978,025

The accompanying notes are an integral part of these financial statements.

Statements of Changes in Net Assets (Unaudited)

For the six months ended June 30	2008	2007
Net assets, beginning of period (note 3)	**$ 202,078,565**	$ 292,446,710
Operations:		
Increase in net assets from operations	**107,977,548**	15,832,014
Unitholder transactions:		
Distributions to unitholders (note 6)	**(13,262,615)**	(20,572,060)
Repurchase of units (note 4)	**(1,201,113)**	(3,887,277)
Total unitholder transactions	**(14,463,728)**	(24,459,337)
Net decrease in net assets	**93,513,820**	(8,627,323)
Net assets, end of period	**$ 295,592,385**	$ 283,819,387
Distributions per unit (note 6)	**$ 0.43**	$ 0.57

The accompanying notes are an integral part of these financial statements.

Statement of Investments (Unaudited)

As at June 30, 2008		Cost	Fair Value	% of Portfolio
No. of Units	**Oil and Gas**			
1,177,735	Advantage Energy Income Fund	$ 19,535,466	$ 15,487,215	
500,090	ARC Energy Trust	8,910,036	16,843,031	
574,831	Baytex Energy Trust	8,336,127	19,998,370	
442,180	Bonavista Energy Trust	11,950,062	16,559,641	
468,701	Bonterra Energy Income Trust	14,293,716	17,107,587	
444,630	Crescent Point Energy Trust	8,731,795	17,923,035	
1,460,763	Daylight Resources Trust	16,626,344	17,660,624	
298,180	Enerplus Resources Fund	12,954,394	14,044,278	
755,346	Freehold Royalty Trust	13,774,839	18,105,644	
550,480	Harvest Energy Trust	15,119,359	13,497,770	
984,359	NAL Oil & Gas Trust	14,057,851	16,596,293	
1,618,768	Paramount Energy Trust	19,427,261	16,236,243	
684,359	Pengrowth Energy Trust	14,344,847	14,029,360	
455,140	Penn West Energy Trust	14,463,594	15,679,573	
687,217	Peyto Energy Trust	13,823,611	13,847,423	
998,624	Progress Energy Trust	14,469,878	14,529,979	
1,074,192	Provident Energy Trust	12,180,502	12,503,595	
1,417,777	Trilogy Energy Trust	18,933,222	19,267,589	
351,322	Vermilion Energy Trust	8,256,593	15,545,999	
582,769	Zargon Energy Trust	16,584,282	15,006,302	
	Total Oil and Gas	**276,773,779**	**320,469,551**	**100.0%**
	Embedded Broker Commission (note 2)	**(517,186)**	**—**	
	Total	**$ 276,256,593**	**$ 320,469,551**	**100.0%**

The accompanying notes are an integral part of these financial statements.

Notes to the Financial Statements (Unaudited)
June 30, 2008 and 2007

1. OPERATIONS

Brompton Oil & Gas Income Fund (the "Fund"), formerly Brompton Equal Weight Oil & Gas Income Fund, is a closed-end investment trust created under the laws of the Province of Ontario on September 28, 2004, pursuant to a declaration of trust. Computershare Trust Company of Canada is the Trustee and Brompton Funds Management Limited (the "Manager") is responsible for managing the affairs of the Fund. RBC Dexia Investor Services Trust is the custodian of the Fund's assets and prepares the weekly valuations of the Fund. The Fund is listed on the Toronto Stock Exchange and commenced operations on October 7, 2004.

At a Special Meeting held on June 9, 2008, unitholders of Brompton Equal Weight Oil & Gas Income Fund approved an extraordinary resolution to make the following changes to the Fund:

i) Amend the name of the Fund to Brompton Oil & Gas Income Fund;

ii) Amend the investment strategies and restrictions of the Fund to provide exposure to a portfolio that includes income trusts, dividend-paying common equities, and convertible debt and to broaden the investment universe beyond oil and gas producers to include securities issued by energy service and pipeline entities;

iii) Adopt an active investment management strategy with MFC Global Investment Management as Portfolio Manager;

iv) Adopt the fees which reflect active investment management by paying a management fee of 0.85% of net asset value per annum and a service fee of 0.40% of net asset value per annum; and

v) Amend the annual redemption date to the second last business day of August.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP") and should be read in conjunction with the December 31, 2007 annual audited financial statements.

a) Adoption of New Accounting Standards

Section 3862 – Financial Instruments – Disclosures

On January 1, 2008, the Fund adopted the Canadian Institute of Chartered Accountants ("CICA") Section 3862, "Financial Instruments – Disclosures." Section 3862 requires enhanced disclosure of the nature and extent of the risks arising from financial instruments and how the Fund manages those risks. This standard impacts the Fund's disclosure provided but does not affect the Fund's results or financial position.

Section 3863 – Financial Instruments – Presentation

On January 1, 2008, the Fund adopted CICA Section 3863, "Financial Instruments – Presentation." Section 3863 carries forward the presentation requirements of Section 3861 with respect to financial instruments. This standard impacts the Fund's disclosure provided but does not affect the Fund's results or financial position.

Section 3855 – Financial Instruments – Recognition and Measurement

Effective January 1, 2007, the Fund adopted CICA Section 3855, "Financial Instruments – Recognition and Measurement," which establishes standards for the fair valuation of investments as well as the accounting treatment of transaction costs. For investments that are traded in an active market where quoted prices are readily and regularly available, Section 3855 requires that bid prices (for investments held) and ask prices (for investments sold short) be used in determining the fair value of investments. Prior to the adoption of this new standard, fair value was commonly based on the closing price of an investment for the day. For financial reporting purposes, on January 1, 2007, the Fund adopted the amended valuation policy for actively traded securities held by the Fund without retroactive restatement of prior periods. The impact of the initial adoption of the valuation policy on January 1, 2007 has been disclosed in note 3.

Section 3855 also requires that transaction costs, such as brokerage commissions, incurred in the purchase and sale of investments by the Fund be expensed in the period incurred. Prior to the adoption of Section 3855, transaction costs were capitalized and included in the cost of purchases or proceeds from sale of investments.

Section 1535 – Capital Disclosures

On January 1, 2008, the Fund adopted CICA Section 1535, "Capital Disclosures," which requires that the Fund disclose information about its objectives, policies and processes for managing capital, including disclosures of any externally imposed capital requirements and the consequences of non-compliance. This standard impacts the Fund's disclosure provided but does not affect the Fund's results or financial position.

b) Valuation of Investments

Investments are deemed held for trading in accordance with Section 3855 and Accounting Guideline 18. The Fund's investments are valued at estimated fair value. Investments held long that are publicly traded are valued at their bid prices on the valuation date. Investments with no available bid price are valued at their closing price. Short-term investments and bonds are valued at the average bid quotations from recognized investment dealers. The cost of investments is based on their average cost.

c) Cash and Short-term Investments

Cash and short-term investments consist of cash on hand and short-term debt investments with maturities of less than three months on acquisition. Cash and short-term investments are deemed held for trading and therefore are carried at fair value.

d) Investment Transactions and Income Recognition

Investment transactions are recorded on the trade date, and any realized gains or losses are recognized using the average cost of the investments. Interest income is recognized on an accrual basis. Distributions from income trusts are recognized on the ex-distribution date. Dividend income is recognized on the ex-dividend date. Net realized gains or losses on investments include net realized gains or losses from foreign currency changes.

e) Transaction Costs

Transaction costs, such as brokerage commissions incurred in the purchase and sale of securities, are expensed and are recognized in the Statement of Operations and Deficit.

f) Foreign Exchange

The fair values of investments and other assets and liabilities that are denominated in foreign currencies are translated into Canadian dollars at the noon rate of exchange on each valuation date. Purchases and sales of investments and income derived from investments are translated at the rate of exchange prevailing on the date of such transactions.

g) Securities Lending

The Fund may enter into securities lending transactions. These transactions involve the temporary exchange of securities as collateral with a commitment to deliver the same securities on a future date. Income is earned from these transactions in the form of fees paid by the counterparty and, in certain circumstances, interest paid on securities held as collateral. Income earned from these transactions is recognized on an accrual basis and included in the Statement of Operations and Deficit.

h) Other Assets and Liabilities

For the purposes of categorization in accordance with Section 3862, income receivable and amounts receivable for investments sold are designated as loans and receivables and recorded at cost or amortized cost. Similarly, accounts payable and accrued liabilities, distributions payable to unitholders, and loans payable are designated as financial liabilities and reported at cost or amortized cost. Cost or amortized cost approximates fair value for these assets and liabilities due to their short-term nature.

i) Recent Accounting Pronouncements

The Canadian Accounting Standards Board ("AcSB") has confirmed its plan to adopt all International Financial Reporting Standards, as published by the International Accounting Standards Board, on or by January 1, 2011. In accordance with Canadian GAAP and AcSB's plan, the Fund will adopt all the International Financial Reporting Standards.

3. RECONCILIATION OF NET ASSET VALUE

As a result of the adoption of Section 3855 on January 1, 2007, and in accordance with a decision dated September 28, 2006 by the Canadian securities regulatory authorities, an adjustment was required to the opening net asset value of the Fund, between the net asset value for financial reporting purposes (the "GAAP NAV") and the net asset value for reporting other than in the financial statements (the "Published NAV").

The decrease to the net asset value and increase in the deficit as at January 1, 2007 as a result of applying Section 3855 was $1,280,087. The reconciliation of net asset value is as follows:

	June 30, 2008		Dec. 31, 2007	
	Net Asset Value	**Net Asset Value per Unit**	Net Asset Value	Net Asset Value per Unit
Published NAV	**$ 296,181,983**	**$ 9.51**	$ 203,011,259	$ 6.49
Section 3855 adjustment	**(589,598)**	**(0.02)**	(932,694)	(0.03)
GAAP NAV	**$ 295,592,385**	**$ 9.49**	$ 202,078,565	$ 6.46

4. UNITS OF THE FUND

The Fund is authorized to issue an unlimited number of transferable, redeemable units of beneficial interest, each of which represents an equal, undivided interest in the net assets of the Fund. Each unit entitles the holder to one vote and to participate equally with respect to any and all distributions made by the Fund. At a Special Meeting on June 9, 2008, unitholders approved a change in the annual redemption date from the second last business day in December to the second last business day of August, commencing August 2008. Units may be redeemed at the option of unitholders by tendering units of the Fund by the last business day of July for redemption on the second last business day of each August ("Redemption Valuation Date"). Redemption of tendered units will be settled based on the Published NAV per unit on the Redemption Valuation Date less associated costs of the redemption, including brokerage costs. Units tendered for redemption will be redeemed effective on the Redemption Valuation Date and will be settled on or before the tenth business day in September.

Units may also be redeemed at the option of unitholders by tendering the units on the last business day of the preceding month, other than the month of August. Unitholders whose units are redeemed will receive a redemption price per unit equal to the lesser of (i) 94% of the market price and (ii) 100% of the closing market price of the units on the applicable monthly redemption date, less any costs associated with the redemption, including brokerage costs.

Notes to the Financial Statements (Unaudited) (continued)

As at June 30, 2008, the Fund had accumulated contributed surplus of $18,318,031 (2007 – $17,861,925) since inception. Contributed surplus is recorded when units of the Fund are redeemed or repurchased at prices per unit which are below the average cost per unit of unitholders' capital.

The Fund received approval from the Toronto Stock Exchange to undertake a normal course issuer bid program for the period from November 6, 2006 to November 5, 2007. Pursuant to the issuer bid, the Fund could purchase up to 3,663,200 of its units for cancellation when the Published NAV per unit exceeded its trading price. The Fund renewed the issuer bid for the period from November 6, 2007 to November 5, 2008, which allows the Fund to purchase up to 3,562,600 units. The Fund may repurchase units when the net asset value per unit exceeds its trading price. During the six months ended June 30, 2008, 165,100 (2007 – 521,000) units were purchased for cancellation.

The weighted average number of units outstanding for the six months ended June 30, 2008 was 31,210,461 (2007 – 35,945,718).

5. CAPITAL MANAGEMENT

The Fund's objectives in managing its capital are to provide unitholders with a high level of monthly distributions and the opportunity for capital appreciation. The Fund's capital includes unitholders' capital and loans payable. The Fund manages its capital taking into consideration the risk characteristics of its holdings. In order to manage its capital structure, the Fund may adjust the amount of distributions paid to unitholders, return capital to unitholders, increase or decrease its level of borrowing, or purchase units for cancellation.

6. DISTRIBUTIONS PAYABLE TO UNITHOLDERS

Distributions, as declared by the Manager, are made on a monthly basis to unitholders of record on the last business day of each month. The distributions are payable by the tenth business day of the following month. For the six months ended June 30, 2008, the Fund declared total distributions of $0.43 (2007 – $0.57) per unit, which amounted to $13,262,615 (2007 – $20,572,060). Pursuant to the Fund's distribution reinvestment plan, unitholders may elect to reinvest monthly distributions in additional units of the Fund, which may be issued from treasury or purchased in the open market.

7. MANAGEMENT AND SERVICE FEES

Commencing on June 19, 2008, the Fund pays a management fee equal to 0.85% per annum of the Published NAV of the Fund, plus applicable taxes. The Manager is responsible for fees payable to MFC Global Investment Management, the Portfolio Manager. The Fund also pays a service fee equal to 0.40% per annum of the Published NAV. The service fee is in turn paid by the Manager to the investment dealers in proportion to the number of units held by clients of such dealers at the end of each calendar quarter.

Until June 19, 2008, pursuant to a management agreement, the Manager provided management and administrative services to the Fund, for which it was paid a management fee equal to 0.45% per annum of the Published NAV of the Fund plus applicable taxes. The management fee may be paid in cash or units at the option of the Manager. To the extent that units are issued from treasury for this purpose, they will be issued at the Published NAV per unit. The Manager is responsible for paying fees to Brompton Capital Advisors Inc. for its services to the Fund.

8. INVESTMENT TRANSACTIONS

Investment transactions for the six months ended June 30 were as follows:

	2008	2007
Proceeds from sale of investments	**$ 54,972,827**	$ 61,851,881
Less cost of investments sold:		
Investments at cost, beginning of period	**295,332,400**	422,919,696
Investments purchased during the period	**40,918,278**	32,576,390
Investments at cost, end of period	**(276,256,593)**	(359,800,263)
Cost of investments sold during the period	**59,994,085**	95,695,823
Net realized loss on sale of investments	**$ (5,021,258)**	$ (33,843,942)

Brokerage commissions on investments purchased and sold during the period ended June 30, 2008 amounted to $123,144 (2007 – $247,302). For the periods ended June 30, 2008 and 2007, there were no soft dollar amounts paid.

9. SECURITIES LENDING

The Fund entered into a securities lending program in September 2006 with its custodian, RBC Dexia Investor Services Trust. The aggregate market value of all securities loaned by the Fund cannot exceed 50% of the assets of the Fund. The Fund will receive collateral of at least 102% of the value of the securities on loan. Collateral will generally be comprised of cash and obligations of, or guaranteed by, the Government of Canada or a province thereof, or the United States Government or its agencies, or a permitted supranational agency as defined in NI 81-102. The market values of the securities on loan and the related collateral for the period ended June 30, 2008, were $119.2 million (2007 – $98.8 million) and $127.0 million (2007 – $105.9 million), respectively.

10. LOANS PAYABLE

Pursuant to an agreement with a Canadian chartered bank, the Fund has a 364-day renewable revolving credit facility. The revolving credit facility provides for maximum borrowings of $38.8 million at either the prime rate of interest or the bankers' acceptance rate plus a fixed percentage. There was $26.4 million outstanding under this facility as at June 30, 2008. The credit facility is secured by a first-priority security interest over all of the Fund's assets. During the period ended June 30, 2008, the minimum and maximum amounts of borrowings were $26.0 million (2007 – $30.6 million) and $37.7 million (2007 – $54.4 million), respectively.

11. FINANCIAL RISK MANAGEMENT

The Fund's investment activities expose it to a variety of financial risks. The Statement of Investments presents the securities held by the Fund as at June 30, 2008. Significant risks that are relevant to the Fund are discussed below.

The Manager attempts to minimize potential adverse effects of these risks on the Fund's performance by employing a professional, experienced Portfolio Manager. Commencing on June 19, 2008, these risks are managed by diversifying the investment portfolio within the constraints of the investment objectives. Prior to June 19, 2008, the Fund was passively managed with periodic rebalancing. To assist in managing risks, the Manager also maintains a governance structure that oversees the Fund's investment activities and monitors compliance with the Fund's stated investment strategy and restrictions, internal guidelines, and securities regulations.

The investment portfolio is primarily comprised of income trusts and Canadian equity securities.

a) Interest Rate Risk

Interest rate risk arises on interest-bearing financial instruments. The Fund is exposed to interest rate risk on its variable interest rate, 364-day revolving credit facility. Fluctuations in interest rates have a direct impact on the interest payments the Fund makes on its loans.

As at June 30, 2008, the Fund had no significant exposure to interest rate risk.

b) Other Price Risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All securities present a risk of loss of capital. The Portfolio Manager attempts to moderate this risk through the careful selection of securities and other financial instruments within the parameters of the investment strategy. The maximum risk of loss resulting from financial instruments is equivalent to their fair value.

The Fund is exposed to other price risk from its investment in income trusts and/or equity securities. As at June 30, 2008, had the prices on the respective stock exchanges for these securities increased or decreased by 10%, with all other variables held constant, net assets would have increased or decreased by approximately $32.0 million (approximately 10.8% of total net assets). In practice, the actual trading results may differ, and the difference could be material.

c) Credit Risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. The carrying amount of income receivable and amounts receivable for investments sold also represents the maximum credit risk exposure as they will be settled in the short term.

All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal as delivery of securities sold is only made once the broker has received payment. The trade will fail if either party fails to meet its obligation.

The Fund has entered a securities lending program with its custodian; see note 9. Credit risk associated with these transactions is considered minimal as all counterparties have a sufficient, approved credit rating and the value of cash or securities held as collateral must be at least 102% of the fair value of the securities loaned.

As at June 30, 2008, the Fund had no significant exposure to credit risk.

d) Liquidity Risk

Liquidity risk is the risk that the Fund may not be able to settle or meet its obligations on time or at a reasonable price. The Fund is exposed to liquidity risk through its monthly and annual redemptions and loans payable. The amounts involved in the monthly redemptions have been minimal. For the annual redemption, the Fund receives notice by the last business day in July and has up to the tenth business day in September to settle the redemptions, which gives the Portfolio Manager time to sell securities, although there may not be sufficient time to sell the securities at a reasonable price.

The Fund also has a 364-day revolving credit facility, which can be used to fund redemptions or finance investments; see note 10. The credit facility contains several financial covenants that require the Fund to meet certain financial ratios and financial condition tests. The Fund is within its financial covenants with respect to the credit facility. The Manager monitors the use of the credit facility on a regular basis.

Corporate Information

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