



# **CITADEL GROUP OF FUNDS**

## **CITADEL DIVERSIFIED INVESTMENT TRUST NOTICE OF RIGHTS OFFERING**

**DECEMBER 29, 2005**

**Stock Symbol: CTD.UN, TSX**

Citadel Diversified Investment Trust (the "Trust") announces that it is issuing Rights to subscribe for trust units to holders of its trust units of record at the close of business on January 9, 2006. Each holder of trust units is entitled to one Right for each trust unit held on the record date. Four Rights will entitle the holder to purchase one trust unit of the Trust at a price of \$10.90 per trust unit until 4:00 p.m. local time at the place of exercise on February 6, 2006. The subscription price of \$10.90 per trust unit represents a discount to the Trust's net asset value of \$12.15 per trust unit on December 22, 2005 of 10.3%.

The reason for the offering is to provide the Trust with additional capital that can be used to capitalize on certain attractive investment opportunities that the Trust's Investment Manager foresees arising over the next few months. Over the last 60 days, the Investment Manager has identified a significant number of attractive investment opportunities and as a result of capitalizing on these opportunities, the Trust has essentially become fully invested. By raising additional cash through this offering, the Investment Manager will be able to continue pursuing investment opportunities that it considers attractive, while still allowing the Trust to maintain a portfolio cash allocation of approximately 15% to fund future buying opportunities.

If all of the Rights are exercised, the Trust will issue 6,979,319 trust units and receive net proceeds of approximately \$75.1 million. The Toronto Stock Exchange has approved the listing of the Rights which are expected to commence trading on January 5, 2006 under the symbol of CTD.RT.

TD Securities Inc. will act as dealer manager to form a facilitating dealer group to solicit subscriptions for the clients.

For more information, contact Joe MacDonald, Executive Vice President, Sales and Marketing at 1-877-261-9674 or visit our website at [www.citadelfunds.com](http://www.citadelfunds.com).