

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons authorized to sell such securities.

Information has been incorporated by reference in this prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of Brompton Funds Management Limited at Bay Wellington Tower, 181 Bay Street, Suite 2930, P.O. Box 793, Toronto, Ontario M5J 2T3, or by calling 1-866-642-6001 and are also available electronically at www.sedar.com.

SHORT FORM PROSPECTUS

Warrant Offering

November 4, 2009



Warrants to Subscribe for up to 11,030,342 Units at a Subscription Price of \$4.74

Brompton Oil & Gas Income Fund will issue, to the holders of record of outstanding Units of the Fund at the close of business (Toronto time) on November 16, 2009, up to 11,030,342 Warrants to subscribe for and purchase an aggregate of up to 11,030,342 Units. This prospectus qualifies the distribution of the Warrants and the Units issuable upon the exercise thereof. See "Details of the Offering".

- Record Date:** November 16, 2009, subject to obtaining all necessary regulatory and exchange approvals.
- Commencement Date:** Warrants may be exercised commencing on November 17, 2009.
- Expiry Date and Time:** Warrants not exercised by 5:00 p.m. (Toronto time) on April 15, 2010 will be void and have no value.
- Subscription Price:** The Subscription Price for the Warrants will be \$4.74 which is the most recently calculated NAV per Unit prior to the date of filing the final prospectus plus the estimated per Unit fees and expenses of the Offering.
- Basic Subscription Privilege:** Each Unitholder at the close of business (Toronto time) on the Record Date will be entitled to receive one-half of a Warrant for each Unit held. Each Warrant entitles the holder thereof to subscribe for one Unit at the Subscription Price prior to 5:00 p.m. (Toronto time) on the Expiry Date. See "Details of the Offering – Basic Subscription Privilege".
- Additional Subscription Privilege:** Holders of Warrants who exercise their Warrants under the Basic Subscription Privilege may also subscribe *pro rata* for Additional Units not subscribed for initially, if any, on the basis set forth within. See "Details of the Offering – Additional Subscription Privilege".
- No Minimum Issue Size:** The completion of the Offering is not conditional upon the receipt by the Fund of any minimum amount of subscription proceeds.

The outstanding Units are listed and posted for trading on the TSX under the trading symbol "OGF.UN". The closing price for the outstanding Units on the TSX on November 3, 2009 was \$4.34 per Unit. The TSX has conditionally approved the listing of the Warrants distributed under this prospectus and the Units issuable upon the exercise thereof, subject to fulfillment by the Fund of the requirements of the TSX. **There is currently no market through which the Warrants may be sold and purchasers may not be able to resell Warrants issued under this prospectus. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the securities and the extent of issuer regulation. See "Risk Factors".**

	<u>Subscription Price⁽¹⁾</u>	<u>Proceeds to the Fund⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾</u>
Per Unit	\$4.74	\$4.66
Total	\$52,283,821	\$51,401,394

Notes:

- (1) The subscription price for the Warrants will be 4.74 which is the most recently calculated NAV per Unit prior to the date of filing the final prospectus plus the estimated per Unit fees and expenses of the Offering.
- (2) Assumes that all Warrants distributed to Unitholders of record on the Record Date are exercised.
- (3) The Fund will pay a fee at the time the Warrant is exercised equal to \$0.08 per Warrant to the CDS Participant whose client is exercising the Warrant.
- (4) Before deducting the estimated expenses of the Offering, of \$150,000, which will be paid by the Fund.

The Fund is an investment fund established under the laws of the Province of Ontario. The principal place of business and the registered office of the Fund is located at Suite 2930, Bay Wellington Tower, Brookfield Place, 181 Bay Street, Toronto, Ontario M5J 2T3. The investment objectives of the Fund are to provide Unitholders with the benefits of a high level of monthly income, together with the opportunity for capital appreciation. **There is no assurance that the Fund will be able to achieve its investment objectives. If a Unitholder does not exercise or elects to sell the Unitholder's Warrants, then the value of the Units held by that Unitholder may be diluted as a result of the exercise of the Warrants by others. See "Risk Factors" for a discussion of certain factors that should be considered by holders of Warrants and investors in Units.**

The Fund utilizes the book-entry only system administered by CDS with respect to Units and Warrants. The Fund may also utilize the non-certificated issue system or another system administered by CDS. A holder of Warrants may subscribe for Units by instructing the CDS Participant holding the subscriber's Warrants to exercise all or a specified number of such Warrants and forwarding the Subscription Price for each Unit subscribed for to such CDS Participant. See "Details of the Offering – Basic Subscription Privilege". Holders of Warrants who exercise their Warrants pursuant to the Basic Subscription Privilege may subscribe *pro rata* for Units, if any, not initially subscribed for pursuant to the Additional Subscription Privilege. See "Details of the Offering – Additional Subscription Privilege".

Computershare Trust Company of Canada will be appointed the Warrant Agent of the Fund to receive subscriptions from holders of Warrants, to act as registrar and transfer agent for the Warrants and to perform certain services relating to the exercise and transfer of Warrants. Holders of Warrants desiring to exercise their Warrants and purchase Units should ensure that subscriptions and payment in full of the Subscription Price are received by the Warrant Agent prior to 5:00 p.m. (Toronto time) on the Expiry Date. Warrants submitted to the Warrant Agent during the Exercise Period will be exercised in accordance with the practices and procedures of the Warrant Agent and the applicable CDS Participants. A subscriber subscribing through a CDS Participant must deliver its payment and instructions sufficiently in advance of the Expiry Date to allow the CDS Participant to properly exercise the Warrants on such subscriber's behalf. **Units will be issued on a fully-paid basis only. Units not issued prior to the closing of the record books on a distribution record date will not be eligible to receive the applicable distribution. Holders of Warrants are encouraged to contact their broker or other CDS Participants as each CDS Participant may have an earlier cut-off time.** See "Details of the Offering – Exercise of Warrants and Warrant Agent".

In the opinion of Stikeman Elliott LLP, counsel to the Fund, provided that the Warrants and the Units are listed on a designated stock exchange under the Tax Act (which includes the TSX), the Warrants, and the Units issued on the exercise of Warrants, will be qualified investments under the Tax Act for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans, registered disability savings plans and tax-free savings accounts. See "Canadian Federal Income Tax Considerations" and "Eligibility for Investment".

No underwriter has been involved in the preparation of this prospectus or has performed any review of the contents of this prospectus.

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GLOSSARY OF TERMS

In this prospectus, the following terms have the meanings set forth below, unless otherwise indicated. Unless otherwise indicated, all references to dollar amounts in this prospectus are to Canadian dollars.

“**1933 Act**” means the United States *Securities Act of 1933*, as it may be amended from time to time.

“**Additional Subscription Privilege**” means the subscription privilege to subscribe for Additional Units to which all holders of Warrants that have subscribed for Units to which they are entitled pursuant to the Basic Subscription Privilege are entitled to.

“**Additional Units**” means the number of Units available for all subscriptions pursuant to the Additional Subscription Privilege.

“**Basic Subscription Privilege**” means the subscription privilege pursuant to which holders of Warrants may exercise the Warrants and subscribe for Units at the Subscription Price during the Exercise Period.

“**Business Day**” means any day on which the TSX is open for business.

“**CDS**” means CDS Clearing and Depository Services Inc.

“**CDS Participants**” means participants in CDS.

“**Commencement Date**” means November 17, 2009.

“**CRA**” means the Canada Revenue Agency.

“**Declaration of Trust**” means the amended and restated declaration of trust of the Fund dated as of June 19, 2008, as amended on June 8, 2009, as it may be further amended and/or restated from time to time.

“**Exercise Period**” means the period beginning at market open (Toronto time) on the Commencement Date and ending at 5:00 p.m. (Toronto time) on the Expiry Date.

“**Expiry Date**” means April 15, 2010.

“**Fund**” means Brompton Oil & Gas Income Fund, an investment fund established under the laws of the Province of Ontario and governed by the Declaration of Trust.

“**Loan Facility**” means the loan facility entered into between the Manager, on behalf of the Fund, and an arm’s length financial institution.

“**Manager**” means Brompton Funds Management Limited, in its capacity as manager of the Fund, or if applicable, its successor.

“**Minister**” means the Minister of Finance (Canada).

“**NAV per Unit**” means the Net Asset Value of the Fund divided by the number of Units that are outstanding (on either a basic or diluted basis) on the applicable calculation date.

“**Net Asset Value**” means the net asset value of the Fund, determined by subtracting the aggregate amount of the liabilities of the Fund from the total assets, as described in the current annual information form of the Fund.

“**Offering**” means the offering of up to 11,030,342 Warrants and the up to 11,030,342 Units issuable upon the exercise thereof, as contemplated in this prospectus.

“**Portfolio**” means the portfolio of securities held by the Fund from time to time.

“**Portfolio Manager**” means MFC Global Investment Management (Canada), a division of Elliott & Page Limited and part of MFC Global Investment Management[®], the asset management unit of Manulife Financial Corporation.

“**Portfolio Securities**” means the securities held in the Portfolio from time to time.

“**Proposed Amendments**” means all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister prior to the date hereof.

“**Record Date**” means November 16, 2009, subject to obtaining all necessary regulatory and exchange approvals.

“**Registered Plans**” means trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans, registered disability savings plans and tax-free savings accounts.

“**September 16th Tax Proposals**” means the tax proposals released by the Minister of Finance (Canada) on September 16, 2004.

“**SIFT Rules**” means the provisions of the Tax Act that apply to a SIFT trust, as that term is defined in section 122.1 of the Tax Act, and the unitholders of a SIFT trust.

“**Subscription Price**” means \$4.74 which is the most recently calculated NAV per Unit prior to the date of filing the final prospectus plus the estimated per Unit fees and expenses of the Offering.

“**Tax Act**” means the *Income Tax Act* (Canada) and the regulations thereunder, as the same may be amended from time to time.

“**TFSA**” means a tax-free savings account.

“**Trustee**” means Computershare Trust Company of Canada, in its capacity as trustee under the Declaration of Trust.

“**TSX**” means the Toronto Stock Exchange.

“**Unit**” means an issued and outstanding trust unit of the Fund, which, for greater certainty, does not include a Warrant.

“**United States**” means the United States of America, its territories and possessions.

“**Unitholder**” means a beneficial holder of a Unit.

“**U.S. person**” has the meaning given to such term in Regulation S under the 1933 Act.

“**Valuation Date**” means at a minimum, Thursday of each week, or if any Thursday is not a Business Day, the immediately preceding Business Day, and the last Business Day of each month, and includes any other date on which the Manager elects, in its discretion, to calculate the Net Asset Value and the NAV per Unit.

“**Warrant**” means one transferable warrant of the Fund to be issued to Unitholders of record on the Record Date on the terms and conditions of the Warrant Indenture.

“**Warrant Agent**” means Computershare Trust Company of Canada, in its capacity as Warrant Agent under the Warrant Indenture.

“**Warrant Indenture**” means the warrant indenture to be entered into on or about November 16, 2009 between the Manager, on behalf of the Fund, and the Warrant Agent.

FORWARD LOOKING STATEMENTS

Certain of the statements contained in this prospectus may be forward-looking statements. The use of 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 involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in the forward-looking statements including, but not limited to, changes in general economic and market conditions and other risk factors. Although the Manager believes the expectations reflected in the forward-looking statements are reasonable, no assurance can be given that actual results will be consistent with these expectations and forward-looking statements. Potential subscribers should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date hereof and the Fund and the Manager assume no obligation to update or revise them to reflect new events or circumstances except as may be required by applicable law.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents filed with the securities commissions or similar authorities in each of the provinces and territories of Canada are specifically incorporated by reference and form an integral part of this prospectus:

- (a) the annual information form of the Fund dated March 23, 2009 for the year ended December 31, 2008;
- (b) the annual financial statements of the Fund dated March 12, 2009, together with the accompanying report of the auditors, for the fiscal year ended December 31, 2008;
- (c) the management report of fund performance of the Fund dated March 12, 2009 for the fiscal year ended December 31, 2008;
- (d) the unaudited interim financial statements of the Fund dated August 13, 2009 for the six month period ended June 30, 2009; and
- (e) the interim management report of fund performance of the Fund dated August 13, 2009 for the six month period ended June 30, 2009.

Any of the documents of the type referred to above including any material change reports (excluding confidential material change reports), annual information forms, interim and annual financial statements and related management reports of fund performance, business acquisition reports and information circulars filed by the Fund with a securities commission or similar authority in Canada after the date of this prospectus and prior to the termination of the Offering, will be deemed to be incorporated by reference in this prospectus.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein will be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document it modifies or supersedes. The making of a modifying or superseding statement will not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded will not constitute a part of this prospectus, except as so modified or superseded. Information on any of the websites maintained by the Fund or the Manager does not constitute a part of this prospectus.

THE FUND

The Fund is an investment fund with a registered office located at Suite 2930, Bay Wellington Tower, Brookfield Place, 181 Bay Street, Toronto, Ontario M5J 2T3. The Fund was established under the laws of the Province of Ontario pursuant to a declaration of trust dated as of September 28, 2004, as amended and restated from time to time.

The Fund is not considered to be a mutual fund under the securities legislation of the provinces and territories of Canada. Consequently, the Fund is not subject to the various policies and regulations that apply to mutual funds under such legislation.

MANAGEMENT AND PORTFOLIO MANAGEMENT OF THE FUND

The manager of the Fund is Brompton Funds Management Limited. The Manager is a leading provider of structured investment products and has raised over \$4.5 billion in public offerings and acquisitions since its inception. The registered office of the Manager is Bay Wellington Tower, 181 Bay Street, Suite 2930, Toronto, Ontario M5J 2T3.

The portfolio manager is MFC Global Investment Management (Canada), a division of Elliott & Page Limited and part of MFC Global Investment Management®, the asset management unit of Manulife Financial Corporation. The Portfolio Manager provides comprehensive asset management solutions for institutional investors, such as pension plans, foundations, endowments and financial institutions, in key markets around the world.

DESCRIPTION OF THE BUSINESS

Investment Objectives

The investment objectives of the Fund are to provide Unitholders with the benefits of a high level of monthly income, together with the opportunity for capital appreciation.

Investment Strategies

The Fund seeks to achieve its investment objectives through exposure to an actively managed Portfolio of oil and gas securities, including but not limited to income trusts, dividend paying common equities and convertible debt of oil and gas producers and energy service and pipeline entities. In addition, subject to the investment restrictions, the Fund may invest in special situations, being non-dividend paying equities.

Investment Restrictions

The Declaration of Trust places a number of restrictions on the securities that may be included in the Portfolio, including that the Fund will not:

- (a) invest more than 10% of total assets of the Fund in the securities of any single issuer, other than securities issued or guaranteed by the Government of Canada or a province or territory thereof;
- (b) invest more than 10% of the total assets of the Fund in special situations, being non-dividend paying equities;
- (c) invest more than 10% of the total assets of the Fund in “illiquid securities”;
- (d) make or hold any investments that would result in the Fund failing to qualify as a “mutual fund trust” within the meaning of the Tax Act; or
- (e) purchase Portfolio securities for the purposes of exercising control over management of any issuer.

Additional investment restrictions applicable to the Fund are described in the Declaration of Trust.

Current Portfolio

The following tables are unaudited information relating to the composition and top 10 holdings of the Portfolio as of September 30, 2009:

Portfolio Composition

	<u>Percentage of Portfolio</u>
Oil and gas	99.9%
Cash and short term investments	<u>0.1 %</u>
Total investment portfolio	100.0%

Top 10 Holdings

	<u>Percentage of Portfolio</u>
Crescent Point Energy Corp.	8.8%
NAL Oil & Gas Trust	8.6%
Bonavista Energy Trust	7.8%
Bonterra Energy Income Trust	7.8%
Baytex Energy Trust	7.8%
Progress Energy Trust	7.7%
Vermilion Energy Trust	7.7%
ARC Energy Trust	7.6%
Zargon Energy Trust	7.2%
Peyto Energy Trust	<u>6.4%</u>
Percentage of Total Portfolio	77.4%

RATIONALE FOR THE OFFERING

Successful completion of the Offering will provide the Fund with additional capital that can be used to take advantage of attractive investment opportunities, and it is also expected to increase the trading liquidity of the Units and reduce the management expense ratio of the Fund.

DETAILS OF THE OFFERING

The following is a summary only and is subject to, and is qualified in its entirety by reference to the detailed provisions of the Warrant Indenture.

Issue of Warrants and Record Date

Subject to the Fund obtaining all necessary regulatory and exchange approvals, Unitholders will receive Warrants on the basis of one-third of a Warrant for each whole Unit held at the close of business (Toronto time) on the Record Date. The Warrants entitle the holders thereof to subscribe for and purchase from the Fund an aggregate of up to 11,030,342 Units, assuming exercise in full of the Warrants offered hereunder.

The Warrants will be registered in the name of CDS or its nominee. Unitholders hold their Units through a CDS Participant and will not receive physical certificates evidencing their ownership of Warrants. Only whole Warrants will be issued and any fractional Warrants otherwise issuable to a Unitholder will be rounded down to the nearest whole number. See "Delivery Form and Denomination of the Warrants".

Subscription Basis

One Warrant entitles the holder to subscribe for one Unit at the Subscription Price.

Subscription Price

The Subscription Price for the Warrants will be \$4.74 which is the most recently calculated NAV per Unit prior to the date of filing the final prospectus plus the estimated per Unit fees and expenses of the Offering.

Commencement Date, Exercise Period and Expiry Date and Time

Warrants may be exercised commencing on the Commencement Date and prior to 5:00 p.m. (Toronto time) on the Expiry Date. Warrants may be exercised at any time during the Exercise Period. Holders of Warrants who exercise the Warrants will become holders of Units issued through the exercise of the Warrants. **WARRANTS NOT EXERCISED PRIOR TO 5:00 P.M. (TORONTO TIME) ON THE EXPIRY DATE WILL BE VOID.** If a Unitholder does not exercise, or sells, the Warrants, then the value of the Units held by that Unitholder may be diluted as a result of the exercise of Warrants by others. See “Dilution to Existing Unitholders” below.

Exercise of Warrants and Warrant Agent

Computershare Trust Company of Canada will be appointed Warrant Agent of the Fund to receive subscriptions from holders of Warrants, to act as registrar and transfer agent for the Warrants and to perform certain services relating to the exercise and transfer of Warrants pursuant to the Warrant Indenture. The Fund will pay for the services of the Warrant Agent. Holders of Warrants desiring to exercise such Warrants and purchase Units should ensure that subscriptions and payment in full of the Subscription Price are received by the Warrant Agent prior to 5:00 p.m. (Toronto time) on the Expiry Date. Warrants submitted to the Warrant Agent during the Exercise Period will be exercised in accordance with the practices and procedures of the Warrant Agent and the applicable CDS Participants.

Delivery Form and Denomination of the Warrants

All Unitholders hold their Units through a CDS Participant. Initially, the Warrants will be issued in registered form and deposited with CDS. Holders must arrange exercises or transfers of Warrants through CDS Participants. The Fund expects that each Unitholder will receive a confirmation of the number of Warrants issued to such Unitholder from their CDS Participant in accordance with the practices and procedures of that CDS Participant. CDS will be responsible for establishing and maintaining accounts for its participants holding Warrants. The Warrants may be moved to another system administered by CDS.

None of the Fund, the Manager, the Trustee, the Portfolio Manager or the Warrant Agent will have any liability for (i) the records maintained by CDS or CDS Participants relating to the Warrants or the accounts maintained by them, (ii) maintaining, supervising or reviewing any records relating to such Warrants or (iii) any advice or representations made or given by CDS or CDS Participants with respect to the rules and regulations of CDS or any action to be taken by CDS or its participants.

The ability of a person having an interest in Warrants held through a CDS Participant to pledge such interest or otherwise take action with respect to such interest (other than through a CDS Participant) may be limited due to the lack of a physical certificate.

Basic Subscription Privilege

A holder of Warrants may subscribe for a whole number of Units by instructing the CDS Participant holding the subscriber’s Warrants to exercise all or a specified number of such Warrants and forwarding the Subscription Price for each Unit subscribed for in accordance with the terms of the Offering and the Warrant Indenture to the CDS Participant which holds the subscriber’s Warrants.

The Subscription Price is payable in Canadian funds by certified cheque, bank draft or money order drawn to the order of a CDS Participant, by direct debit from the subscriber’s brokerage account or, by electronic funds transfer or other similar payment mechanism. All payments must be forwarded to the appropriate office of the CDS Participant. The entire Subscription Price for Units subscribed for must be paid at the time of subscription and must be received by the Warrant Agent prior to the date of the exercise of the Warrants. Accordingly, a subscriber subscribing through a CDS Participant must deliver its payment and instructions sufficiently in advance of the

Expiry Date to allow the CDS Participant to properly exercise the Warrants on such subscriber's behalf. **Units will be issued on a fully-paid basis only. Units not issued prior to the closing of the record books on a distribution record date will not be eligible to receive the applicable distribution. Holders of Warrants are encouraged to contact their broker or other CDS Participants as each CDS Participant may have an earlier cut-off time.**

CDS Participants that hold Warrants for more than one beneficial holder may, upon providing evidence satisfactory to the Fund and the Warrant Agent during the Exercise Period, exercise Warrants on behalf of their accounts on the same basis as if the beneficial owners of Units were holders of record on the Record Date.

Notwithstanding anything to the contrary in this prospectus, the Warrants may not be distributed to Unitholders located in the United States, and the Warrants, including those purchased in the secondary market, may be exercised only by a holder of Warrants who represents at the time of exercise that the holder is not located in the United States, did not acquire the Warrants while in the United States, is not a U.S. person and is not exercising the Warrants for resale to or for the account or benefit of a U.S. person or a person in the United States. Payment of the Subscription Price will constitute a representation that the subscriber is not located in the United States, did not acquire Warrants while in the United States, is not a U.S. person, and is not exercising the Warrants for resale to or for the account or benefit of a U.S. person or a person in the United States. See "Plan of Distribution – United States Unitholders".

Holders of Warrants who wish to exercise their Warrants and receive Units are reminded that because Warrants must be exercised through a CDS Participant, a significant amount of time may elapse from the date of exercise and the date the Units issuable upon the exercise thereof are issued to the holder.

Additional Subscription Privilege

Each holder of Warrants that subscribes for Units to which such holder is entitled pursuant to the Basic Subscription Privilege may, at any time during the Exercise Period, subscribe for additional Units pursuant to the Additional Subscription Privilege, if applicable, at a price equal to the Subscription Price for each additional Unit. Holders of Warrants will not be required to fully exercise all of their Warrants under the Basic Subscription Privilege in order to be eligible for the Additional Subscription Privilege.

The number of Additional Units available for all additional subscriptions will be the difference, if any, between the total number of Units issuable upon exercise of Warrants and the total number of Units subscribed and paid for prior to 5:00 p.m. (Toronto time) on the Expiry Date. Subscriptions for Additional Units will be received subject to allotment only and the number of Additional Units, if any, which may be allotted to each subscriber will be equal to the lesser of: (a) the number of Additional Units which that subscriber has subscribed for under the Additional Subscription Privilege; and (b) the product (disregarding fractions) obtained by multiplying the number of Additional Units by a fraction, the numerator of which is the number of Warrants exercised by that subscriber under the Basic Subscription Privilege and the denominator of which is the aggregate number of Warrants exercised under the Basic Subscription Privilege by holders of Warrants that have subscribed for Additional Units pursuant to the Additional Subscription Privilege. If any holder of Warrants has subscribed for fewer Additional Units than such holder's *pro rata* allotment of Additional Units, the excess Additional Units will be allotted in a similar manner among the holders who were allotted fewer Additional Units than they subscribed for.

To apply for Additional Units under the Additional Subscription Privilege, a beneficial holder of Warrants must forward their request to a CDS Participant. Payment for Additional Units, in the same manner as for Units, must accompany the request when it is delivered to the CDS Participant. Accordingly, the subscriber must deliver payment and instructions sufficiently in advance of the Expiry Date to allow the CDS Participant to properly exercise Warrants on such subscriber's behalf and apply for Additional Units under the Additional Subscription Privilege, as applicable. Payment in full of the Subscription Price must be received by the Warrant Agent prior to 5:00 p.m. (Toronto time) on the Expiry Date, failing which the subscriber's entitlement to such Units will terminate. Any excess funds will be returned by mail or credited to a subscriber's account with its CDS Participant, without interest or deduction. **Units will be issued on a fully-paid basis only. Units not issued prior to the closing of the record books on a distribution record date will not be eligible to receive the applicable distribution. Holders of Warrants are encouraged to contact their broker or other CDS Participants as each CDS Participant may have an earlier cut-off time.**

Sale or Transfer of Warrants

Holders of Warrants in Canada may, instead of exercising their Warrants to subscribe for Units, sell or transfer their Warrants. Holders of Warrants through CDS Participants who wish to sell or transfer their Warrants must do so in the same manner in which they sell or transfer Units, namely, by providing instructions to the CDS Participant holding their Warrants in accordance with the policies and procedures of the CDS Participant. The TSX has conditionally approved the listing of the Warrants distributed under this prospectus and the Units issuable upon the exercise thereof. Listing will be subject to the Fund fulfilling all of the requirements of the TSX.

Dilution to Existing Unitholders

If a Unitholder wishes to retain its current percentage ownership in the Fund and assuming that all Warrants are exercised, such Unitholder should purchase all of the Units for which it may subscribe pursuant to the Warrants delivered under the Offering. If a Unitholder does not do so and other holders of Warrants exercise any of their Warrants, that Unitholder's current percentage ownership in the Fund will be diluted by the issue of Units under the Offering.

The Warrant Indenture contains anti-dilution provisions such that the subscription rights in effect under the Warrants for Units issuable upon the exercise of the Warrants will be subject to adjustment from time to time if, prior to the Expiry Date, the Fund:

- (a) subdivides, redivides or changes its outstanding Units into a greater number of Units;
- (b) reduces, combines or consolidates its outstanding Units into a smaller number of Units;
- (c) distributes to holders of all or substantially all of the outstanding Units, any securities of the Fund including rights, options or warrants to acquire Units or securities convertible into or exchangeable for Units or property or assets, including evidence of indebtedness (other than in connection with the distribution and exercise of the Warrants);
- (d) reclassifies the Units or reorganizes the capital of the Fund; or
- (e) consolidates, amalgamates, or merges the Fund with or into any other trust or other entity, or sells or conveys the property and assets of the Fund as an entirety or substantially as an entirety (other than in connection with the redemption or retraction of Units).

FEES AND EXPENSES

Expenses of the Offering

The expenses of the Offering (including the costs of preparing, printing and mailing the prospectus, legal expenses, expenses of the auditor and translation fees), which are estimated to be \$150,000 in the aggregate, will be paid by the Fund.

Warrant Exercise Fee

The Fund will pay a warrant exercise fee at the time the Warrant is exercised equal to \$0.08 per Warrant to the CDS Participant whose client is exercising the Warrant.

Management Fees

The Manager receives a management fee equal to 0.85% per annum of the Net Asset Value, calculated and payable monthly in arrears, plus applicable taxes. The Manager is responsible for paying the fees payable to the Portfolio Manager out of such management fee. A service fee (described below) is also payable by the Fund to the Manager.

Service Fee

The Fund pays to the Manager a service fee (calculated quarterly and paid as soon as practicable after the end of each calendar quarter) equal to 0.40% per annum of the Net Asset Value represented by the Units held at the end of the relevant quarter by clients of CDS Participants, plus applicable taxes. Such service fee is applied by the Manager to pay a service fee in an equivalent aggregate amount, plus applicable taxes, to CDS Participants based on the number of Units held by clients of such CDS Participants at the end of the relevant quarter.

Ongoing Expenses

The Fund also pays for all expenses incurred in connection with its operation and administration, as more fully described in the current annual information form of the Fund, which is incorporated by reference in this prospectus.

Additional Services

Any arrangements for additional services between the Fund and the Manager, or any affiliate thereof, that have not been described in this prospectus will be on terms that are no less favourable to the Fund than those available from arm's length persons (within the meaning of the Tax Act) for comparable services and the Fund will pay all expenses associated with such additional services.

CAPITALIZATION TABLE

The following table sets forth the unaudited capitalization of the Fund before and after giving effect to the Offering:

<u>Designation</u>	<u>Authorized as at October 30, 2009</u>	<u>Outstanding as at June 30, 2009</u>	<u>Outstanding as at October 30, 2009</u>	<u>Outstanding as at October 30, 2009 after giving effect to the Offering⁽¹⁾</u>
Units	Unlimited	\$128,347,048 (31,791,612 Units)	\$102,472,394 (22,060,684 Units)	\$153,723,788 (33,091,026 Units)
Loan Facility	\$27,500,000	—	\$13,173,958	\$13,173,958
Total		\$128,347,048	\$115,646,352	\$166,897,746

Notes

- (1) Based on the number of Units outstanding as at October 30, 2009, less the payment of the fees and expenses of the Offering, estimated to be \$150,000, and assuming payment of a warrant exercise fee by the Fund equal to \$0.08 per Warrant and assuming the exercise of all Warrants issued hereunder at a subscription price of \$4.74.

PRICE RANGE, NET ASSET VALUE, TRADING VOLUME OF UNITS AND DISTRIBUTIONS

The Units trade on the TSX under the symbol "OGF.UN". On November 3, 2009 the closing price of the Units on the TSX was \$4.34 per Unit. The following table sets forth the market price range and trading volume of the Units on the TSX for the 12-month period prior to the date of this prospectus. All such information, other than the NAV per Unit and Distributions per Unit, was obtained from Thomson Reuters or the TSX and the Fund, the Manager, the Trustee, the Portfolio Manager and the Warrant Agent do not assume any responsibility for the accuracy of such information.

Period	NAV Per Unit ⁽¹⁾		Distributions per Unit ⁽²⁾	Market Price		Volume
	High	Low		High	Low	
2009						
October	\$4.93	\$4.49	\$0.035	\$4.70	\$4.06	879,916
September	\$4.57	\$4.12	\$0.04	\$4.34	\$3.85	552,606
August	\$4.23	\$4.15	\$0.04	\$4.09	\$3.84	460,367
July	\$4.09	\$3.83	\$0.04	\$4.00	\$3.54	515,558
June	\$4.33	\$4.07	\$0.04	\$4.17	\$3.69	1,413,268
May	\$4.09	\$3.89	\$0.04	\$3.97	\$3.62	2,739,350
April	\$3.85	\$3.55	\$0.04	\$3.75	\$3.17	602,897
March	\$3.59	\$2.64	\$0.04	\$3.45	\$2.70	591,759
February	\$3.58	\$3.08	\$0.04	\$3.94	\$2.88	549,787
January	\$3.94	\$3.74	\$0.07	\$4.19	\$3.43	609,563
2008						
December	\$3.88	\$3.43	\$0.07	\$3.88	\$3.10	764,423
November	\$4.73	\$3.63	\$0.07	\$5.14	\$3.51	623,072

Notes

- (1) The Net Asset Value is presented on a diluted basis where applicable, and is calculated and published on a weekly basis.
(2) Distributions are listed by the month in which such distribution was declared.

PRIOR SALES

Since November 1, 2008, the following number of Units were issued from treasury and sold by the Fund at the price per Unit and date indicated below.

Date of Issue	Number of Units	Price per Unit	Date of Issue	Number of Units	Price per Unit
Jan 14, 2009 ⁽¹⁾	6,300	\$3.71	Feb 10, 2009 ⁽¹⁾	8,000	\$3.71
Jan 16, 2009 ⁽¹⁾	800	\$3.71	Feb 17, 2009 ⁽¹⁾	108	\$3.71
Jan 20, 2009 ⁽¹⁾	587	\$3.71	Feb 20, 2009 ⁽¹⁾	6,321	\$3.71
Jan 21, 2009 ⁽¹⁾	200	\$3.71	Feb 23, 2009 ⁽¹⁾	375	\$3.71
Jan 23, 2009 ⁽¹⁾	60	\$3.71	Feb 27, 2009 ⁽¹⁾	28,393	\$3.71
Jan 26, 2009 ⁽¹⁾	400	\$3.71	Mar 31, 2009 ⁽¹⁾	1,085	\$3.71
Jan 28, 2009 ⁽¹⁾	32,700	\$3.71	May 15, 2009 ⁽¹⁾	5,475	\$3.71
Feb 3, 2009 ⁽¹⁾	375	\$3.71	May 20, 2009 ⁽¹⁾	135,550	\$3.71
Feb 9, 2009 ⁽¹⁾	1,350	\$3.71	May 28, 2009 ⁽¹⁾	9,944,653	\$3.71

Notes

- (1) Issued pursuant to the exercise of previously issued warrants of the Fund.

USE OF PROCEEDS

The proceeds of the Offering, after deducting the fees and expenses of the Offering, will be invested by the Fund in accordance with the investment objectives and investment strategy of the Fund, subject to the investment restrictions of the Fund.

PLAN OF DISTRIBUTION

The Warrants and Units issuable upon exercise thereof are being distributed in reliance on an exemption from the dealer registration requirements.

The TSX has conditionally approved the listing of the Warrants distributed under this prospectus and the Units issuable upon the exercise thereof. Listing will be subject to the Fund fulfilling all of the requirements of the TSX.

United States Unitholders

The Units are not registered under the 1933 Act. The Offering is made in Canada and not in the United States. The Offering is not, and under no circumstances is to be construed as, an offering of any Units for sale in the United States or an offering to or for the account or benefit of any U.S. person or a solicitation therein of an offer to buy any securities. Accordingly, the Warrants may not be distributed to Unitholders located in the United States, and no subscriptions will be accepted from any person, or their agent, who appears to be, or who the Fund has reason to believe is, resident in the United States.

It is expected that the CDS Participant will, prior to the Expiry Date, attempt to sell for the United States Unitholders the Warrants allotable to such United States Unitholders at the price or prices it determines in its discretion. Any proceeds received by the CDS Participant with respect to such Warrants are expected to be delivered by the CDS Participant as soon as practicable to such United States Unitholders.

Other Foreign Unitholders and Undeliverable Documents

Unitholders whose recorded addresses are outside of Canada, other than the United States Unitholders, will be permitted to subscribe for Units pursuant to the terms of the Offering or, if they do not wish to exercise any of their Warrants to subscribe for Units, will be permitted to sell or otherwise transfer their Warrants through a CDS Participant provided that they represent to the Fund that the receipt by them of Warrants and the issuance to them of Units upon the exercise of the Warrants will not be in violation of the laws of their jurisdiction of residence.

By exercising Warrants, holders exercising through CDS Participants will be deemed to be confirming to the Fund that such Unitholders are eligible to receive Warrants and to exercise Warrants to subscribe for Units under the Offering.

All Unitholders whose recorded address is outside of Canada, other than those Unitholders who confirm their eligibility to receive and exercise Warrants, are advised that their Warrants will be held by their CDS Participant for the account of such Unitholders. It is expected that the CDS Participant will, prior to the Expiry Date, attempt to sell for such Unitholders the Warrants allotable to such Unitholders at the price or prices it determines in its discretion. Any proceeds received by the CDS Participant with respect to such Warrants are expected to be delivered by the CDS Participant as soon as practicable to such Unitholders.

If any Warrant offering documents are returned to a CDS Participant prior to the Expiry Date as undeliverable, the Manager expects that the respective Warrants will be sold and the net proceeds held by the CDS Participant for the account of the Unitholders whose Warrant offering documents were undeliverable, and in the event such proceeds are not claimed before the Expiry Date, such proceeds will be paid to the Fund.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

The Manager will receive the fees described under “Fees and Expenses” for its services to the Fund and will be reimbursed by the Fund for all expenses incurred in connection with the operation and administration of the Fund.

RISK FACTORS

Certain risk factors relating to the Fund, the Warrants and the Units are described below. Additional risks and uncertainties not currently known to the Manager, or that are currently considered immaterial, may also impair the operations of the Fund. If any such risk actually occurs, the business, financial condition, liquidity or results of operations of the Fund and the ability to the Fund to make distributions on the Units, could be materially adversely affected.

Dilution to Existing Unitholders

If a Unitholder does not exercise or elects to sell the Unitholder's Warrants, then the value of the Units held by that Unitholder may be diluted as a result of the exercise of Warrants by others. Additionally, exercise of Warrants may have a dilutive impact on the Fund's distributable income.

No Public Market for the Warrants

The TSX has conditionally approved the listing of the Warrants distributed under this prospectus and the Units issuable upon the exercise thereof. Listing will be subject to the Fund fulfilling all of the requirements of the TSX. There is currently no public market for the Warrants and there can be no assurance that an active public market will develop or be sustained after completion of the Offering.

Fluctuation in Value of Fund Investments

The value of the Units will vary according to the value of the Portfolio Securities, and in some cases the value of the Portfolio Securities may be affected by factors beyond the control of the Portfolio Manager, the Manager or the Fund. There is no assurance that an adequate market exists for the Portfolio Securities acquired by the Fund. The Portfolio Securities issued by issuers who are not reporting issuers in all provinces may be subject to an indefinite hold period under certain provincial securities legislation. In some circumstances, the issuers of the Portfolio Securities which the Fund may acquire have limited operating histories. The amounts which such issuers have been distributing may not be sustainable and the forecast distributions of such issuers may not be realized. The value of the Portfolio Securities will be influenced by factors which are not within the control of the Fund, including the financial performance of the respective issuers, operational risks relating to the specific business activities of respective issuers, quality of assets owned by respective issuers, commodity prices, risks associated with issuers operating outside of Canada, exchange rates, interest rates, environmental risks, political risks, issues relating to government regulation and other financial market conditions.

Recent Global Financial Developments

Global financial markets have experienced a sharp increase in volatility during recent months. This has been, in part, the result of the revaluation of assets on the balance sheets of international financial institutions and related securities. This has contributed to a reduction in liquidity among financial institutions and has reduced the availability of credit to those institutions and to the issuers who borrow from them. Notwithstanding that central banks as well as global governments are attempting to restore liquidity to the global economies, no assurance can be given that these efforts will abate the combined impact of the significant revaluations and constraints on the availability of credit on the economies around the world in the near to medium term. Some of these economies are experiencing significantly diminished growth or a recession. Continuing adverse market conditions and unexpected volatility or illiquidity in financial markets may also adversely affect the prospects of the Fund and the value of the Portfolio Securities. A substantial drop in the North American equities markets could be expected to have a negative effect on the Fund.

Interest Rate Fluctuations

It is anticipated that the market price for the Units at any given time will be affected by the level of interest rates prevailing at such time. A rise in interest rates may have a negative effect on the market price of the Units. Unitholders who wish to redeem or sell their Units may, therefore, be exposed to the risk that the redemption price or sale price of the Units will be negatively affected by interest rate fluctuations.

Trading Price of the Units

The Units may trade in the market at a discount to the NAV per Unit and there can be no assurance that the Units will trade at a price equal to the NAV per Unit. Units will be redeemable at 100% of the NAV per Unit on an applicable annual redemption date less any costs associated with the redemption, including brokerage costs. While the redemption right provides Unitholders the option of annual liquidity at the NAV per Unit, there can be no assurance that it will reduce any trading discounts of the Units.

Illiquid Securities

There is no assurance that an adequate market will exist for the Portfolio Securities. The Fund cannot predict whether the Portfolio Securities will trade at a discount to, a premium to, or at their respective net asset values. In addition, if the Portfolio Manager is unable, or determines that it is inappropriate to dispose of some or all of the Portfolio Securities prior to the termination of the Fund, Unitholders may, subject to applicable laws, receive distributions of Portfolio Securities *in specie* upon the termination of the Fund, for which there may be an illiquid market or which may be subject to resale restrictions of indefinite duration.

Taxation of the Fund

While the Fund has been structured so that the Fund will generally not be liable to pay income tax, the information available to the Fund and the Portfolio Manager relating to the characterization, for tax purposes, of the distributions received by the Fund in any year from issuers of the Portfolio Securities may be insufficient as at December 31 of that year to ensure that the Fund will make sufficient distributions in order that it will not be liable to pay income tax in respect of that year.

If the Fund ceases to qualify as a “mutual fund trust” under the Tax Act, the income tax considerations described in the Fund’s current annual information form would be materially and adversely different in certain respects. There can be no assurance that Canadian federal income tax laws respecting the treatment of mutual fund trusts will not be changed in a manner that adversely affects the Unitholders. Currently, a trust will be deemed not to be a mutual fund trust if it is established or maintained primarily for the benefit of non-residents unless all or substantially all of its property is property other than taxable Canadian property as defined in the Tax Act. On September 16, 2004, the Minister of Finance (Canada) released the September 16th Tax Proposals which propose that a trust would lose its status as a mutual fund trust if the aggregate fair market value of all units issued by the trust held by one or more non-resident persons or partnerships that are not Canadian partnerships, or any combination thereof, is more than 50% of the aggregate fair market value of all units issued by the trust where, at that time or any previous time, more than 10% (based on fair market value) of the trust’s property is taxable Canadian property or certain other types of property. If the September 16th Tax Proposals are enacted as proposed, and if these circumstances applied to the Fund, the Fund would thereafter cease to be a mutual fund trust and the income tax considerations as described in section 11.0 of the Fund’s current annual information form would be materially and adversely different in certain respects. The September 16th Tax Proposals do not currently provide any means of rectifying a loss of mutual fund trust status. On December 6, 2004, the Minister of Finance (Canada) indicated that the September 16th Tax Proposals are being further considered.

The CRA has expressed a view that, in certain circumstances, the interest on money borrowed to invest in an income fund that may be deducted may be reduced on a *pro rata* basis in respect of distributions from the income fund that are a return of capital and which are not reinvested for an income earning purpose. While the ability to deduct interest depends on the facts, based on the jurisprudence, CRA’s view should not affect the Fund’s ability to deduct interest on money borrowed to acquire units of income funds included in the Portfolio. If CRA’s view were to apply to the Fund, part of the interest payable by the Fund in connection with money borrowed to acquire certain securities held in the portfolio could be non-deductible, increasing the net income of the Fund for tax purposes and the taxable component of distributions to Unitholders. Income of the Fund which is not distributed to Unitholders would be subject to non-refundable income tax in the Fund.

Certain income funds in which the Fund may hold units are SIFTs. Accordingly, in such event, the after-tax returns realized by Unitholders may be reduced to the extent that the trust receives distributions of income or capital gains from such SIFTs. Finally, as a result of these rules, it is possible that SIFTs may seek to restructure their affairs and organizational structures in a manner that could have an impact upon the returns to the Fund and could limit the number of potential issuers in which the Fund may invest.

Changes in Legislation

There can be no assurance that certain laws applicable to the Fund, including income tax laws, government incentive programs and the treatment of mutual fund trusts under the Tax Act will not be changed in a manner which adversely affects the distributions received by the Fund or by the Unitholders.

Use of Leverage

The Fund utilizes leverage in order to enhance returns for Unitholders. The use of leverage may result in capital losses or a decrease in distributions to Unitholders. The interest expense and banking fees incurred in respect of the Loan Facility may exceed the incremental capital gains, if any, and income generated by the incremental investment in Portfolio Securities to be included in the Portfolio with the borrowed funds. There can be no assurance that the borrowing strategy employed by the Fund will enhance returns. In addition, the Fund may not be able to renew the Loan Facility on acceptable terms. The level of leverage actually employed may impose additional restrictions on the Fund and the Fund will be affected by credit markets and the availability of credit at the relevant time.

Loss of Investment

An investment in the Fund is appropriate only for investors who have the capacity to absorb a loss of some or all of their investment.

Securities Lending

The Fund may engage in securities lending. Although the Fund will receive collateral for the loans and such collateral will be marked-to-market, the Fund will be exposed to the risk of loss should the borrower default on its obligation to return the borrowed securities and the collateral be insufficient to reconstitute the portfolio of loaned securities.

Conflicts of Interest

The Manager and the Portfolio Manager and their directors and officers engage in the promotion, management or investment management of one or more funds or trusts with similar investment objectives to those of the Fund.

Although none of the directors or officers of the Manager or the Portfolio Manager will devote his or her full time to the business and affairs of the Fund, each director and officer of the Manager and the Portfolio Manager will devote as much time as is necessary to supervise the management of (in the case of the directors) or to manage the business and affairs of (in the case of officers) the Fund, the Manager and the Portfolio Manager, as applicable.

Status of the Fund

As the Fund is not a mutual fund as defined under Canadian securities laws, the Fund is not subject to the Canadian policies and regulations that apply to open-end mutual funds. The Fund is a mutual fund trust for purposes of the Tax Act.

Significant Redemptions

If a significant number of Units are redeemed, the trading liquidity of the Units could be significantly reduced. In addition, the expenses of the Fund would be spread among fewer Units resulting in a potentially lower distribution per Unit. The Manager has the ability to terminate the Fund if, in its opinion, it would be in the best interests of Unitholders to do so.

No Assurance of Achieving Investment Objectives or Monthly Distributions

There is no assurance that the Fund will be able to achieve its investment objectives. Furthermore, there is no assurance that the Fund will be able to pay distributions in the short or long term, nor is there any assurance that the Net Asset Value will be preserved. Changes in the relative weightings between the various types of investment vehicles making up the Portfolio Securities can affect the overall yield to Unitholders. The distributions received by the Fund from the Portfolio Securities may vary from month to month and certain of these issuers may pay distributions less frequently than monthly, with the result that revenue generated by the Portfolio Securities and available for distribution to Unitholders may vary substantially. To the extent necessary, Portfolio Securities will be sold in order that distributions can be paid to Unitholders at the distribution rate then in effect.

Composition of Fund Investments

The composition of the Portfolio Securities taken as a whole may vary widely from time to time and may be concentrated by type of security, commodity, industry or geography, resulting in the Portfolio Securities being less diversified than anticipated. Overweighting investments in certain sectors or industries involves risk that the Fund will suffer a loss because of declines in the prices of securities in those sectors or industries.

Volatility of Oil & Gas Prices

The operational results and financial condition of some of the oil and gas investments comprising the Portfolio will be dependent upon the prices received for oil and gas production. Oil and gas prices have fluctuated widely during recent years and are affected by supply and demand factors, political events, weather and general economic conditions, among other things. Any decline in oil and gas prices could have an adverse effect on the distributions received (whether directly or indirectly) from certain oil & gas investments comprising the Portfolio Securities and the value of such oil & gas investments.

Reliance on the Portfolio Manager

The Portfolio Manager will manage the Fund in a manner consistent with the investment objectives, investment strategy and investment restrictions of the Fund. The officers of the Portfolio Manager who will be primarily responsible for the management of the Portfolio have extensive experience in managing investment portfolios, however there is no certainty that such individuals will continue to be employees of the Portfolio Manager until the termination of the Fund.

Interest Rate and Foreign Exchange Hedging

Interest rate and foreign exchange hedges may be used by the Fund to the extent that the Portfolio Manager considers appropriate. The use of hedges involves special risks, including the possible default by the other party to the transaction, illiquidity and, to the extent the Portfolio Manager's assessment of certain market movements is incorrect, the risk that the use of hedges could result in losses greater than if the hedging had not been used.

Foreign Currency Exposure

As a portion of the Portfolio Securities may be comprised of securities denominated in United States dollars or other foreign currencies or securities whose value may be linked, in part, with the value of the United States dollar or other foreign currencies, the NAV per Unit and the value of distributions received by the Fund, when measured in Canadian dollars, will be affected by fluctuations in the value of the United States dollar or other foreign currencies relative to the Canadian dollar.

Use of Derivatives

The Fund may invest in and use derivative instruments for hedging purposes to the extent considered appropriate by the Manager or the Portfolio Manager, as the case may be, taking into account factors including transaction costs. There can be no assurance that the Fund's hedging strategies will be effective. The Fund is subject to the credit risk that its counterparty (whether a clearing corporation in the case of exchange-traded instruments or another third party in the case of over-the-counter instruments) may be unable to meet its obligations. In addition, there is a risk of loss by the Fund of margin deposits in the event of the bankruptcy of the dealer with whom the Fund has an open position in an option or futures or forward contract. Derivative instruments traded in foreign markets may offer less liquidity and greater credit risk than comparable instruments traded in North American markets. The ability of the Fund to close out its positions may also be affected by exchange imposed daily trading limits on options and futures contracts. If the Fund is unable to close out a position, it will be unable to realize its profit or limit its losses until such time as the option becomes exercisable or expires or the futures or forward contract terminates, as the case may be. The inability to close out options, futures and forward positions could also have an adverse impact on the Fund's ability to use derivative instruments to effectively hedge the Portfolio or implement its investment strategy.

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Stikeman Elliott LLP, counsel to the Fund, the following is, as of the date hereof, a summary of the principal Canadian federal income tax considerations under the Tax Act with respect to the receipt of Warrants under the Offering. This summary is only applicable to a Unitholder who is an individual (other than a trust), who acquires Warrants pursuant to the Offering and who, for the purposes of the Tax Act, is resident in Canada, deals at arm's length with the Fund and holds Units, and will hold Warrants, as capital property. Warrants and Units will generally be considered to be capital property to a Unitholder unless they are held in the course of carrying on a business of trading or dealing in securities or were acquired in one or more transactions considered to be an adventure in the nature of trade. A Unitholder whose Units might not otherwise qualify as capital property may be entitled to make the irrevocable election provided by subsection 39(4) of the Tax Act to have the Units and every other "Canadian security" (as defined in the Tax Act) owned by such Unitholder in the taxation year of the election and in all subsequent taxation years deemed to be capital property. This election is not available in respect of the Warrants. Unitholders should consult their own tax advisors for advice as to whether an election under subsection 39(4) of the Tax Act is available and/or advisable in their particular circumstances.

This summary is based upon the current provisions of the Tax Act and the Proposed Amendments, and counsel's understanding of the current published administrative policies and assessing practices of the CRA made publicly available prior to the date hereof. This summary assumes that the Proposed Amendments will be enacted as currently proposed although no assurance can be given in that regard. Except for the Proposed Amendments, this summary does not take into account or anticipate any changes in the law or administrative policy or assessing practice of the CRA, whether by way of legislative, governmental or judicial decision or action, nor does it take into account provincial or foreign tax legislation or considerations.

This summary assumes that the Fund will qualify at all times as a "unit trust" and a "mutual fund trust" within the meaning of the Tax Act.

This summary is not exhaustive of all possible Canadian federal income tax considerations. Moreover, the income and other tax consequences will vary according to the status of the Unitholder, the province or territory or provinces or territories in which the Unitholder resides or carries on business and, generally, the Unitholder's own particular circumstances. Accordingly, the following description of income tax matters is of a general nature only and is not intended to constitute advice to any particular Unitholder. Unitholders should consult their own tax advisors with respect to the income tax consequences applicable to them, based upon their particular circumstances.

No amount will be required to be included in computing the income of a Unitholder as a consequence of acquiring Warrants under the Offering, provided that the income of the Fund for its taxation year ending in 2009 does not exceed the cash distributions from the Fund for 2009. However, Unitholders will be required to reduce the adjusted cost base of their Units by the aggregate fair market value of all the Warrants acquired under the Offering. The cost of a Warrant received under the Offering will be nil.

A Warrant acquired by a Unitholder otherwise than pursuant to the Offering will be regarded as identical to every other Warrant, as the case may be, held by the Unitholder at that time as capital property. For the purposes of determining the adjusted cost base of each Warrant held by a Unitholder, the cost of Warrants so acquired must be averaged with the adjusted cost base to the Unitholder of all other Warrants, as the case may be, held as capital property immediately prior to such acquisition.

The exercise of a Warrant will not constitute a disposition of property for purposes of the Tax Act and, consequently, no gain or loss will be realized by the Unitholder on the exercise of a Warrant. Units acquired by a Unitholder upon the exercise of a Warrant will have a cost to the Unitholder for tax purposes equal to the aggregate of the Subscription Price for such Units and the adjusted cost base, if any, to the Unitholder of the Warrant so exercised. The cost of Units acquired by a Unitholder upon the exercise of a Warrant will be averaged with the adjusted cost base to the Unitholder of all other Units held at the time as capital property to determine the adjusted cost base of each such Unit to the Unitholder.

Upon the disposition of a Warrant by a Unitholder, other than pursuant to the exercise thereof, the Unitholder will realize a capital gain (or capital loss) to the extent that the proceeds of disposition, net of reasonable costs of disposition, exceed (or are exceeded by) the adjusted cost base, if any, of the Warrant to the Unitholder.

Upon the expiry of an unexercised Warrant, a Unitholder will realize a capital loss equal to the adjusted cost base, if any, of the Warrant to the Unitholder. One-half of such a capital gain will be included in computing the Unitholder's income, and one-half of such a capital loss may be deducted against taxable capital gains in accordance with the detailed rules in the Tax Act.

ELIGIBILITY FOR INVESTMENT

In the opinion of Stikeman Elliott LLP, provided that the Warrants and the Units are listed on a designated stock exchange under the Tax Act (which includes the TSX), the Warrants, and the Units issued on the exercise of Warrants, will be qualified investments under the Tax Act for Registered Plans.

If the Warrants are not listed on a designated stock exchange, the Warrants would, if issued on the date hereof, be a qualified investment for a Registered Plan provided that the Units issuable on the exercise of the Warrants are listed on a designated stock exchange and the Fund is not a "connected person" (within the meaning of the Tax Act) under the Registered Plan. Notwithstanding that a Warrant or Unit may be a qualified investment for a trust governed by a TFSA, the holder of a TFSA will be subject to a penalty tax on a Warrant or Unit held in the TFSA if such Warrant or Unit is a "prohibited investment" for the TFSA. A Warrant or Unit will generally be a "prohibited investment" if the holder of the TFSA does not deal at arm's length with the Fund for the purposes of the Tax Act or the holder of the TFSA has a "significant interest" (within the meaning of the Tax Act) in the Fund or a corporation, partnership or trust with which the Fund does not deal at arm's length for the purposes of the Tax Act. Holders of a TFSA who wish to hold Warrants or Units in their TFSA should consult their own tax advisors.

PROMOTER

The Manager has taken the initiative in reorganizing the Fund and accordingly may be considered to be a "promoter" of the Fund within the meaning of the securities legislation of certain provinces and territories of Canada. The Manager will receive fees from the Fund and will be entitled to reimbursement of expenses incurred in relation to the Fund as described under "Fees and Expenses".

AUDITORS

The auditors of the Fund are PricewaterhouseCoopers LLP, Chartered Accountants, Licensed Public Accountants, Suite 3000, P.O. Box 82, Royal Trust Tower, TD Centre, Toronto, Ontario.

REGISTRAR AND TRANSFER AGENT AND WARRANT AGENT

Computershare Trust Company of Canada is the registrar and transfer agent for the Units, and will be appointed the Warrant Agent and the registrar and transfer agent for the Warrants.

INTEREST OF EXPERTS

Certain legal matters relating to the Offering will be passed upon by Stikeman Elliott LLP on behalf of the Fund. As of the date hereof, the partners and associates of Stikeman Elliott LLP as a group each own less than one percent of the outstanding Units and any other outstanding securities of any associate or affiliate of the Fund.

The auditors of the Fund are PricewaterhouseCoopers LLP, Chartered Accountants, Licensed Public Accountants, who have prepared an auditors' report dated March 12, 2009 in respect of the financial statements of the Fund as at December 31, 2008 and 2007 and for each of the years ended December 31, 2008 and 2007. PricewaterhouseCoopers LLP has advised that they are independent with respect to the Fund within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of Ontario.

CONTRACTUAL RIGHT OF ACTION FOR RESCISSION

Pursuant to the terms of the Warrant Indenture, the Fund has granted to each holder of Warrants who elects to purchase Units pursuant to the Basic Subscription Privilege a contractual right of rescission. Pursuant to such right, a holder of Warrants that elects to exercise Warrants pursuant to the Basic Subscription Privilege may rescind such exercise by delivering a notice of rescission (in the form attached to the Warrant Indenture) to the Warrant Agent not later than midnight (Toronto time) on the second Business Day after a valid subscription is received by

the Warrant Agent (being the date on which both the instruction to exercise the Warrants and payment in full of the Subscription Price therefor is received by the Warrant Agent). Each holder of Warrants validly electing to rescind an exercise of Warrants will receive a full refund of the Subscription Price paid in connection with such exercise and will not receive any Units. Any Warrants rescinded will be cancelled. The contractual right of rescission granted to such holder is in addition to any other right or remedy available to a holder of Warrants at law.

PURCHASERS' STATUTORY RIGHTS

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two Business Days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission, revision of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal adviser.

AUDITORS' CONSENT

We have read the short form prospectus (the "prospectus") of Brompton Oil & Gas Income Fund (the "Fund") dated November 4, 2009, relating to the issue of warrants to subscribe for units of the Fund. We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the use, through incorporation by reference in the prospectus, of our report to the unitholders of the Fund on the statement of investments as at December 31, 2008, the statements of net assets as at December 31, 2008 and 2007 and the statements of operations and deficit, changes in net assets and cash flows for the years ended December 31, 2008 and 2007. Our report is dated March 12, 2009.

Toronto, Ontario
November 4, 2009

(Signed) PricewaterhouseCoopers LLP
Chartered Accountants, Licensed Public Accountants

CERTIFICATE OF THE FUND, THE MANAGER AND THE PROMOTER

Dated: November 4, 2009

This short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Nova Scotia, New Brunswick, Newfoundland and Labrador, Prince Edward Island, Quebec, Northwest Territories, Yukon Territory and Nunavut.

BROMPTON OIL & GAS INCOME FUND
by
BROMPTON FUNDS MANAGEMENT LIMITED
(as Manager and on behalf of the Fund)

(Signed) MARK A. CARANCI
President, Chief Executive Officer and Director

(Signed) CRAIG T. KIKUCHI
Chief Financial Officer

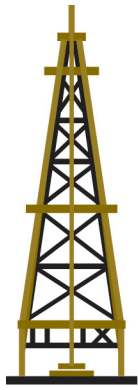
**On behalf of the Board of Directors of
Brompton Funds Management Limited**

(Signed) PETER A. BRAATEN
Director

(Signed) RAYMOND R. PETHER
Director

BROMPTON FUNDS MANAGEMENT LIMITED
(as Promoter)

(Signed) MARK A. CARANCI
President, Chief Executive Officer and Director



BROMPTON

OIL & GAS
INCOME FUND