

Excel Funds Management Inc. Announces Proposed Change to its Mutual Fund Line-Up

TORONTO, September 12, 2014 – Excel Funds Management Inc. (“**Excel Funds**”) today announced a proposed merger of one of its mutual funds.

Proposed Fund Merger

Subject to obtaining all necessary unitholder and regulatory approvals, Excel Funds proposes that the Excel Capital Income Fund be merged into the Excel High Income Fund. If approved, the merger will be effective on or about November 17, 2014.

If the proposed merger is approved, unitholders of each series of the Excel Capital Income Fund will receive securities of the equivalent series of the Excel High Income Fund, determined on a dollar-for-dollar basis. Securities of Excel Capital Income Fund have not been offered for investment as at April 8, 2013, following the March 21, 2013 federal budget which included measures that would eliminate certain tax benefits in investment funds that use forward contracts to convert income to capital gains for tax purposes. The Excel Capital Income Fund will be wound up as soon as possible following the merger.

Securityholder approval for Excel Capital Income Fund will be sought at a special meeting to be held on or about November 13, 2014. In advance of the meeting, full details of the proposed merger will be set out in a notice of meeting and a management information circular that will be sent to securityholders of record as at October 6, 2014. The notice of meeting and management information circular will also be available on SEDAR at www.sedar.com.

The Independent Review Committee of each of the Excel Capital Income Fund and Excel High Income Fund has reviewed the potential conflict of interest matters related to the proposed merger and has provided Excel Funds, the manager of the funds, with a positive recommendation for the merger after determining that the merger, if implemented, achieves a fair and reasonable result for the funds.

Excel Funds encourages securityholders to contact their financial advisor to determine the solution that best meets their individual investment needs and circumstances.

About Excel Funds Management Inc.

Established in 1998, Excel Funds is a pioneer in emerging markets investing in Canada, offering the widest selection of emerging markets funds to Canadian investors. Excel Funds is Canada’s only mutual fund company that is solely focused on investing in emerging markets.

Through its network of sub-advisors, Excel Funds has access to the knowledge base of over 200 local portfolio managers and analysts around the world. Excel Funds’ on-the ground sub-advisors, proprietary asset allocation model and best-in-class portfolio managers contribute to the firm being recognized as the “Authority in Emerging Markets” in Canada.

Media Contact: Kristina Tomasovic
905-813-7111
e-mail: kristina.tomasovic@excelfunds.com