DOMINION CITRUS INCOME FUND

AND

DOMINION CITRUS LIMITED

ANNUAL INFORMATION FORM

for the year ended December 31, 2011

MARCH 27 2012

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Unless otherwise indicated, the information contained in this Annual Information Form is current as of March 27, 2012. All amounts are in Canadian dollars unless otherwise indicated.

This Annual Information Form may contain forward-looking statements. A number of matters discussed herein relate to potential future circumstances and developments and may not specifically deal with historical or current facts. Forward-looking statements may include financial and other projections, as well as statements regarding future plans, objectives or performance, or our underlying assumptions. The words "estimate", "anticipate", "believe", "expect", "intend" or other similar expressions of future or conditional verbs, such as "will", "should", "would" and "could" are intended to identify forward-looking statements. Persons reading this Annual Information Form are cautioned that such statements are only expectations and that our actual results or performance may be materially different. Without limiting the generality of the foregoing, the following sections contain most of the forward-looking statements in this Annual Information Form: section 2.3 "Description of the Business – Future Outlook" and section 3.2 "Description of the Business by Division".

Forward-looking information involves certain risks, assumptions, uncertainties and other factors, which may cause actual future results to differ materially from those expressed or implied in any forward-looking statements.

Readers should not place undue reliance on these forward-looking statements when making decisions, and should consider the date on which the statements were made. Except as required by applicable continuous disclosure obligations (specifically section 5.8(2) of National Instrument 51-102 "Continuous Disclosure Obligations") management disclaims any intention or obligation to publicly update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

Item 1.1 Name, Address and Incorporation or Formation

Dominion Citrus Limited ("**Dominion**" or the "**Corporation**") was originally incorporated under the provisions of *The Companies Act* (Ontario) by Letters Patent dated May 15, 1953 as Dominion Citrus Company Limited. It amalgamated on January 2, 1969 to become The Dominion Citrus Company Limited. On June 14, 1971 it filed articles of amendment under the provisions of the *Business Corporations Act, 1970* (Ontario) to become Dominion Citrus & Drugs Ltd. The Corporation amalgamated on November 2, 1982, on October 13, 1990 and again on January 27, 1992 under the *Business Corporations Act, 1982* (Ontario). On April 22, 1998 the Corporation filed articles of amendment to change its name to its current name. On November 15, 2000, in preparation for a public distribution of its shares, the Corporation again filed articles of amendment. On November 22, 2002 the Corporation filed articles of amendment to fix the rights, privileges, restrictions and conditions attaching to its Series A preference shares (the "**Series A Preference Shares**"). On January 1, 2006 the wholly owned limited companies, The Apple Valley Juice Corporation, Les Aliments Dominion Citrus Limitee, 9110-4273 Quebec Inc., Delta Foods International Ltd. ("**Delta**"), Dominion Fine Foods Inc. and Meschino Banana Company Limited were amalgamated with the Corporation.

Dominion Citrus Income Fund (the "**Fund**") is an unincorporated, open-ended, limited purpose trust established under the laws of the Province of Ontario pursuant to a Declaration of Trust dated November 21, 2005. The Fund was created for the principal purpose of acquiring and holding investments in the Corporation. Effective January 1, 2006, pursuant to a Plan of Arrangement ("**Plan of Arrangement**") under the laws of the Province of Ontario, the Fund acquired all the issued and outstanding common shares of the Corporation (the "**Common Shares**") in exchange for units of the Fund (the "**Units**"), on a one-for-one basis. Readers are directed to the Management Information Circular dated November 23, 2005 that is available at www.sedar.com for further details of the Plan of Arrangement.

Upon completion of the Plan of Arrangement, the Fund became the direct owner of all of the Common Shares. The common shareholders of the Corporation became unitholders of the Fund ("**Unitholders**"). The transaction has been accounted for under the continuity-of-interest method as there has been no substantive change in the ultimate ownership interests in the Corporation. The assets and liabilities of the Corporation have been recorded at their carrying amount as at January 1, 2006 as if they were always held by the Fund.

The Units are listed on the Toronto Stock Exchange (the "**TSX**") under the symbol DOM.UN. The Series A Preference Shares continue to be listed on the TSX under the symbol DMN.PR.A.

The Fund and the Corporation (collectively, the "**Company**") are both reporting issuers in the Provinces of Ontario, Québec, Saskatchewan, Nova Scotia and Newfoundland.

The Company's registered and head office is located at 165 The Queensway, Suite 308, Toronto, Ontario M8Y 1H8. The Company's web site is: www.dominioncitrus.com.

Item 1.2 Intercorporate Relationships

The Fund's only direct subsidiary is the Corporation. The material subsidiaries of the Corporation for the 2011 fiscal year are the following:

NAME	FORMATION JURISDICTION AND STATUTE (% OWNED)	NATURE OF BUSINESS
Dominion Citrus Juice LP[1, 2]	*Limited Partnerships Act (Ontario)* Ontario (100%)	Discontinued operation formerly producing fresh, chilled apple juices and other chilled beverages of other fruits
Les Aliments Dominion Citrus LP[3]	*An Act respecting the Legal Publicity of Sole Proprietorships, Partnerships and Legal Persons (Québec)* and *Civile Code (Québec)* Québec (100%)	Distributor and wholesaler of fresh produce

[1] Effective September 29, 1997, the Corporation acquired all of the issued and outstanding shares of The Apple Valley Juice Corporation ("**AVJ**"). As part of the Plan of Arrangement, all of the assets and liabilities of AVJ were transferred to Apple Valley Juice LP, ("**Apple Valley Juice**") (a limited partnership created under the laws of the Province of Ontario) in exchange for Apple Valley Juice units.

[2] On March 24, 2009, Apple Valley Juice LP and the Corporation entered into an asset purchase agreement with A. Lassonde Inc. to sell substantially all of the assets, property, and undertaking relating to the business of Apple Valley Juice LP for approximately $1,350,000 plus the value of inventory at closing. The name was changed to Dominion Citrus Juice LP ("**Dominion Citrus Juice**") as a condition of the sale. The sale closed on June 22, 2009. Readers are directed to the press releases dated March 24, 2009 and June 22, 2009 that are available on SEDAR at www.sedar.com for further details.

[3] Les Aliments Dominion Citrus Limitée was acquired on February 24, 2004 under the name Distribution Bo-Fruits Inc. As part of the Plan of Arrangement, all of the assets and liabilities of Les Aliments Dominion Citrus Limitée were transferred to Les Aliments Dominion Citrus LP, ("**Bo-Fruits LP**") (a limited partnership created under the laws of the Province of Québec) in exchange for Bo-Fruits LP units.

Another wholly-owned subsidiary, Dominion Fine Foods Inc. ("**Fine Foods**") was incorporated on March 4, 2003. On January 1, 2006, as part of the Plan of Arrangement, all of the assets and liabilities of Fine Foods were transferred to Fine Foods LP ("**Fine LP**") in exchange for Fine LP units. Fine LP is currently dormant.

As part of the Plan of Arrangement, all of the assets and liabilities of 9110-4273 Québec Inc. were transferred to Citrus Québec LP, ("**Québec LP**") (a limited partnership created under the laws of the Province of Québec) in exchange for Québec LP units.

As part of the Plan of Arrangement, the Meschino Banana Company Limited ("**Meschino Banana**") and Delta were amalgamated with the Corporation on January 1, 2006 to become divisions of the Corporation.

The general partner for the limited partnerships is OPCO GP Limited, incorporated under the laws of Ontario on November 21, 2005. It owns 0.01% of the partnership units of the limited partnerships; the Corporation is the limited partner of each and owns 99.99% of the partnership units of each.

Item 2.1 Business of Dominion

Dominion is engaged in fresh produce wholesaling and food processing through Dominion and Dominion's operating divisions, Dominion Farm Produce, Country Fresh Packaging, Meschino Banana, and its wholly-owned limited partnerships, Bo-Fruits LP and Québec LP. Dominion provides procurement, processing, repacking, warehousing and distribution of fresh produce for a wide variety of customers in retail, foodservice and food distribution businesses with its major markets being Ontario and Québec.

Item 2.2 Business of the Fund

The Fund is a limited purpose trust and, as such, the business of the Fund is limited to primarily investing in securities and notes of the Corporation, making distributions to Unitholders and matters incidental thereto. The Fund owns 100% of the issued and outstanding common shares of the Corporation and 100% of the issued and outstanding secured subordinated participating notes of the Corporation (the "**Participating Notes**"). The Fund does not own securities of any other entity. The Fund's revenue is based on collecting interest on the Participating Notes. To the maximum extent possible, the Fund makes cash distributions to the Unitholders from amounts received by the Fund from interest paid on the Participating Notes, less estimated amounts required for the payment of expenses to operate the Fund. The Fund is administered by the Corporation pursuant to an administration agreement between the Fund and the Corporation dated January 1, 2006 as amended.

As part of the Plan of Arrangement, Participating Notes in the amount of $19,258,000 were issued equal to the existing value of the common shares as at January 1, 2006. The Participating Notes, held by the Fund, which mature on January 1, 2016 bear interest at a Base Interest rate plus Additional Interest (each as defined in the Participating Notes). The original Base Interest rate of 13% was amended on December 16, 2009 to 5% as denoted below. The Additional Interest rate is equal to the least of:

(a) 5.5% of the indebtedness represented by the Participating Notes (being an amount intended to increase the effective interest rate on the Participating Notes to the prevailing market rate of interest for comparable debt);

(b) an amount equal to the taxable income of the Corporation for the year for purposes of the *Income Tax Act* (Canada) (the "**ITA**") minus an amount equal to the Base Interest; or

(c) an amount equal to Distributable Cash (as defined in the Participating Notes) for the year, minus an amount equal to the Base Interest.

Interest payments are due on or about but not later than the 25th day of each calendar month. Interest on interest in arrears accrues at 10% per annum. Interest expense for the Corporation for 2011 was $881,000 (see below) as compared to nil for 2010.

The Participating Notes were restructured on December 15, 2009 to better reflect the operating profile of the Fund's operating companies going forward. The restructuring included a reduction to 5% in the Base Interest rate on the Notes and an interest holiday period for 2010. Interest on the Participating Notes was paid to the Fund by Dominion during 2011 and resulted in the Fund making a special distribution of $0.0275 per Unit, which was paid by a "distribution in kind" of Units, to holders of record on December 30, 2011. In addition, the Fund and the Corporation agreed to a further interest holiday period from December 1, 2011 to March 31, 2012, which was subsequently extended to December 31, 2012.

Item 2.3 Summary of Three Year History of the Business

The following is a summary of the significant developments during the preceding three completed financial years of the Company.

2009 Developments

On January 16th, 2009 the Corporation amended the banking agreement for its demand credit facility to reduce the available revolving credit line to $3,000,000 from $6,500,000 and to terminate the additional credit facility of $4,500,000 for seasonal requirements. A higher limit was no longer required following the sale of the Delta assets. Interest became payable at the bank's prime interest rate plus 1.50%.

On March 24, 2009, the former Apple Valley Juice LP and the Corporation entered into an asset purchase agreement with A. Lassonde Inc. to sell substantially all of the assets, property, and undertaking relating to the business of Apple Valley Juice LP for approximately $1,350,000 plus the value of inventory at closing. The sale closed on June 22, 2009 for gross proceeds of $1,536,000, including cash of $1,386,000 and a short-term promissory note of $150,000, which was successfully collected during the year, subject to certain post-closing adjustments. As a term of the agreement, the name of Apple Valley Juice LP was changed post-closing to Dominion Citrus Juice LP.

On March 26, 2009, the Company announced the appointment of Winston R. Ash as President and Chief Operating Officer, replacing Jacques L. Lavergne. After the annual general meeting on May 21, 2009 Winston Ash was appointed Chief Executive Officer. On April 30, 2009, Jason A. Fielden was appointed Vice-President of Finance, Chief Financial Officer and Secretary of the Company by the board of directors of Dominion (the "**Board of Director**s") and the board of trustees of the Fund (the "**Board of Trustees**").

On April 2, 2009, the Fund announced the approval of its intention to make a normal course issuer bid (the "**2009 Bid**") through the facilities of the TSX. The Fund was entitled, under the 2009 Bid, to acquire for cancellation up to 1,582,302 Units of the Fund from April 6th, 2009 through April 5th, 2010. The purchases were made in accordance with the policies and rules of the TSX. The price payable for any Unit was the market price of such Unit at the time of acquisition. The Fund purchased 648,241 Units for an aggregate purchase cost of $220,000 under the 2009 Bid from April 6, 2009 to December 31, 2009 (See also section entitled "*2010 Developments*").

On June 24, 2009, the Corporation accepted an offer to sell renewable leases for two type A selling unit stalls located at the Ontario Food Terminal in Toronto, Ontario for an aggregate purchase price of $3.5 million. The transaction closed on September 8, 2009. The transaction was undertaken to enable Dominion to focus its wholesale business on fewer but more profitable product lines in its remaining two units while reducing its operating costs and strengthening its balance sheet.

On December 4, 2009, the Corporation completed the sale of one of the two buildings formerly used by Delta in Brockville, Ontario. The 24,150 square foot facility had been used to store and produce maple syrup products prior to the 2008 sale of the Delta assets. The sale was completed for gross proceeds of $460,000. The Corporation continued to market the second building.

On December 16, 2009, the Company completed a restructuring of the $19,258,000 principal amount of Participating Notes due on January 1, 2016 owed by the Corporation to the Fund. The Participating Note Indenture was amended and restated to reflect the restructuring, inclusive of a reduction to 5% in the Base Interest rate on the Notes, an interest holiday period for 2010, and the undertaking of a secured position by the Participating Note holder (the Fund) over certain assets of the Corporation subordinate to the Corporation's senior lender.

On December 30, 2009, the Fund paid a "one-time" distribution on the Units of $0.05 per Unit and the Corporation paid two outstanding dividends on the Series A Preference Shares.

2010 Developments

On March 5, 2010 the Company received a Statement of Claim against it in the amount of $1,491,717 plus costs for the alleged wrongful dismissal of a former employee. The Company will continue to vigorously contest this claim and the Company believes that it has a strong defence.

On April 5, 2010 the Fund terminated purchases under the 2009 Bid. The Fund purchased 70,916 Units for an aggregate purchase cost of $26,000 under the 2009 Bid from January 1, 2010 to April 5, 2010. The Fund purchased 719,157 Units in total at an average market price of $0.3236 per Unit for a total aggregate purchase cost of $246,000 under this bid from April 6, 2009 to April 5, 2010.

On April 5, 2010, the Fund announced its intention to purchase up to 10% of the public float of its Units for cancellation by way of a renewed normal course issuer bid (the "**2010 Bid**") through the facilities of the TSX. The purchases could have commenced on April 6th, 2010 and must have concluded by April 5th, 2011. No purchases were made under the 2010 Bid.

On July 12, 2010, the Corporation entered into a Food Storage Agreement for use of space at its 51 Kelfield Street facility in Toronto, Ontario. The agreement was with an Ontario-based food company for an initial term of 1 year. The customer had a further 1 year extension option.

Food storage agreements were entered into during the year with several additional companies as the Corporation continued to seek more optimal use of its 51 Kelfield Street facility.

On July 7, 2010, the Corporation received an extension of its banking facility and a waiver of covenant breaches existing on December 31, 2009, March 27, 2010 and June 26, 2010. The demand credit facility was reduced to $1.5 million from $3.0 million and the tangible net worth ("**TNW**") covenant was revised to reflect the current size of the Corporation's business. The TNW covenant was altered to vary by quarter to reflect the seasonal nature of the Corporation's business. A quarterly "clean down" was required on the facility whereby the balance had to be brought to zero each quarter. Interest was to be charged at the Bank's prime rate of interest plus 1.50%.

On November 4, 2010, the Company announced the appointment of Jason Fielden as President and Chief Executive Officer of the Corporation, replacing Winston Ash, effective December 31, 2010. Jason Fielden would continue his duties as Vice President of Finance, Chief Financial Officer and Secretary of the Corporation until a replacement was named.

The Fund did not pay any distributions on its Units and dividends were not paid on the Corporation's Series A Preference Shares in 2010.

2011 Developments

On January 12, 2011, the Fund announced changes to its Board of Trustees that were intended to create independence between the Board of Trustees of the Fund and the Corporation's Board of Directors. Each board was reduced to five board members.

On January 21, 2011, the Fund announced the completion of the sale of the remaining Brockville, Ontario building for gross proceeds of $390,000 less transactional costs. The 20,000 square foot facility had been used to store and produce maple syrup products by Delta in Brockville prior to the sale of the division in 2008. This completed the closing of all operations related to Delta.

On February 18, 2011, the Fund and its operating company, Dominion, announced the finalization of changes in the composition of the Board Directors of Dominion, the Board of Trustees of the Fund and the Audit Committee of Dominion. Paul Scarafile was appointed to the Board of Directors of Dominion. The number of trustees of the Fund was reduced to four members from the five members previously announced on January 11, 2011. The Audit Committee of Dominion was finalized as Barry Cracower, R. Peter McLaughlin and Paul Scarafile. The Audit Committee of the Fund would continue to be composed of Michael Blair, R. Peter McLaughlin and Rae Wallin.

On March 16, 2011, the Fund announced the execution of a Lease Surrender Agreement (the "**Lease Surrender**") with the landlord of Dominion's former 51 Kelfield Street warehousing facility. The lease surrender required (i) a $650,000 payment from Dominion to the landlord in six payments between closing date of March 16, 2011 and August 15, 2011; and (ii) the sale to the landlord (at no expense to the landlord) of all existing racking and refrigeration equipment at the facility. Dominion's existing lease to 2020 was substantially amended. The Corporation would lease back certain processing and storage space on a 3-year lease but would be subject to a termination clause should the landlord find a more suitable tenant(s).

On May 10, 2011, the Fund announced that the landlord of Dominion's former 51 Kelfield Street warehousing facility had, in accordance with the Lease Surrender, given notice that they would be requiring Dominion to vacate the premises as of August 8, 2011.

On June 6, 2011, the Fund announced that Dominion had acquired space at 77 Akron Road, Toronto, Ontario to transition its production operations from the former 51 Kelfield Street warehousing facility.

On June 16, 2011, the Fund announced an agreement with one of its main insurers for payment to the Corporation of $712,107 in insurance proceeds. In January 2011 the Corporation identified a long trail of suspicious transactions over the period from 2003 to 2010, originated by a former finance employee. The Corporation subsequently conducted a formal investigation which culminated in a proof of loss being submitted to its insurer under its crime insurance bond. After review and investigation by the insurer, it was determined that the events qualified for the payment of a claim in favour of the Corporation. The insurance proceeds were received by the Corporation on July 4, 2011.

On June 16, 2011, the Fund reached an agreement with Dominion's principal bank to amend the Company's credit facility by reducing the limit to the amounts of the two letters of credit then outstanding of $482,000. This limit was further reduced as and when the letters of credit expired and the facility was cancelled in its entirety on October 1, 2011.

In light of Dominion's receipt of the aforementioned insurance proceeds and operating improvements at Dominion, on June 17, 2011 the Fund notified the securities regulatory authorities that it was terminating its previously announced rights offering and that the Fund's request for regulatory approval of the rights offering was withdrawn.

On September 1, 2011, the Corporation signed a warehousing agreement with a Toronto, Ontario landlord to augment its wholesale operation. This marked the completion of the Corporation's transition from 51 Kelfield Street, Toronto, Ontario to 77 Akron Road, Toronto, Ontario.

On December 1, 2011, the Corporation announced that Ernie Collinson, Certified General Accountant, had been appointed as Director of Finance and an officer of the Corporation. Ernie Collinson had worked for the Corporation for ten years in finance and as Corporate Controller for the Corporation for the previous five years.

On December 8, 2011, the Fund announced the resignation of Michael Blair as Chairman of the Board of Trustees and as a trustee.

On December 19, 2011, the Fund approved a special distribution of $0.0275 per Unit, in the form of a "distribution in kind" of Units of the Fund, calculated with reference to the closing price of the Units on the TSX on January 13, 2012. The distribution was paid on January 16, 2012 to Unitholders of record at the close of business on December 30, 2011.

On December 19, 2011, the Fund announced that it had completed changes to its Board of Trustees including the addition of Paul Scarafile as a trustee and the appointment of R. Peter McLaughlin as Chairman of the Board of Trustees.

Other than as previously noted, the Fund did not pay any distributions on its Units and the Corporation did not pay any dividends on its Series A Preference Shares. Until further notice, neither the Fund nor the Corporation will be reinstating regular distributions or dividends.

Future Outlook

The year 2012 will see the continuation of management's focus on improving the culture at Dominion. The way Dominion engages in its business has to benefit all stakeholders, including employees, suppliers, customers and shareholders. The Corporation will look to live out its mission through its core values of integrity, excellence, team, innovation, agility and determination.

Operationally the Corporation will continue with a philosophy characterized as follows:

- Obsessive about cost control and operational efficiency – always seeking ways to deliver at lower cost;
- Efficient allocation of resources;
- A focus on increasing the integration of its business units; and
- An ardent belief that Dominion must continually seek growth and lead change through integrity, quality, service, and entrepreneurialism.

Management made progress in maximizing operational efficiencies within the business during 2011. The assets of Dominion are now appropriately sized for the business and are used at increasingly higher rates. 2012 will present further opportunities to maximize the assets and resources of Dominion.

Operating leverage is a key outcome of improving operational efficiencies. As the assets of the Corporation are employed more efficiently and are used at or near capacity, there is greater gross profit achieved for each dollar of overhead expense. This creates the conditions necessary for greater net profits.

Business development will once again be a focus for Dominion in 2012. Management believes that continual development of new and existing business is crucial to the Corporation's success. Dominion will seek new customers and new supply channels as well as the augmentation of existing customers and supply channels. Dominion will also continue to exploit cross-divisional synergies amongst its various business units.

The Company's real estate footprint was realigned in 2011 with the lease surrender of the 51 Kelfield Street facility and the sale of the remaining Brockville building. The only remaining real estate overhang is the Dominion Citrus Juice lease that expires in September 2012. The Fund will be required to remediate the effluent ponds at this facility prior to lease expiry. Management will plan this work in the first half of 2012 and complete it prior to September. The Dominion Citrus Juice facility represents the last piece of discontinued operations for the Company.

Several ongoing risks and uncertainties exist in the Dominion's core businesses including, amongst others, the highly competitive nature of the segments of the food industry in which Dominion participates, the resulting volume and margin pressures, the lack of supplier and customer contracts in the industry, structural changes in world food demand affecting product availability and pricing, continuing fluctuation and volatility of the Canadian dollar as against the US dollar which impact revenue and product margin, and ongoing weather anomalies that affect produce availability and quality.

As previously announced, neither the Fund nor the Corporation will be reinstating regular distributions or dividends until further notice.

Item 2.4 Subsequent Events

A distribution of $0.0275 per outstanding Unit was declared on December 19, 2011 as a one time distribution of Units in kind. On January 16, 2012 the Fund distributed 1,429,724 Units with a total value of $543,295 to Unitholders of record on December 30, 2011. The number of Units distributed was calculated with reference to the "closing market price" of the Units on the TSX on January 13, 2012.

On March 22, 2012 the Fund and Dominion Citrus Limited agreed to extend the interest holiday period under the Participating Notes until December 31, 2012.

Item 2.5 Trends

The main trend and risk in the produce industry has been the consolidation of retailers and foodservice providers including the impact of the entry of non-traditional retailers into food retailing. This reduces market share for independent grocers and foodservice providers which have traditionally been a significant base of customers for the Corporation. The retailers are focusing on suppliers who offer a broad range of products. Management is aware of the need for consolidation at the wholesale level and is seeking out accretive opportunities to solidify its position in the produce industry. A growth orientation is critical and this is reflected in management's business development plans. The Company must also seek new supply chains to appeal to larger customers.

A continuing consumer shift to healthier lifestyles should bode well for the industry in general due to greater consumption of fresh produce. Management believes that the trend toward packaged produce for health and food safety reasons should create revenue-generating opportunities for the Company.

Changing trends in world food demand is another factor that will impact the Company's performance. Several geographical areas in the world outside of Canada are experiencing substantial population growth. Fruit and vegetable demand from these areas is likely to increase as diets become more diverse. This creates a changing balance in world supply and demand for fruits and vegetables. The Company must continually upgrade and monitor its supplier base while using more local produce.

Immigration and resulting changes in produce preference is another trend of particular importance in the Company's Ontario market. The Company must incorporate both product and service components that appeal to new Canadians.

Weather conditions seem to be trending towards greater volatility. This affects key growing regions and is completely unpredictable. This trend necessitates a diverse supply chain and commodity base.

Other trends and risks include rising operating costs and low growth in the existing produce distribution business. The long term trend in Canadian Dollar appreciation also has an impact on revenue and dollar margin as the cost of product passed through to customers is lower.

Item 2.6 Facilities

The following chart lists all facilities leased and owned by the Company as of March 27, 2012.

Leased Premises:

77 Akron Rd.
Toronto, Ontario
M8W 1T3

1613 St. Clair Ave. West
Toronto, Ontario
M6E 1C9

827501 Grey Road 40
P.O. Box 280
Clarksburg, Ontario
N0H 1J0

165 The Queensway,
Suite 304, 308, 313
Toronto, Ontario
M8Y 1H8

Owned Premises:

1767 Rte de l'Aéroport
L'Ancienne-Lorette
Québec G2G 2P5

215 Dissette Street
Bradford, Ontario
L3Z 2B3

135, 22 ème rue Ouest
Saint-Georges de Beauce
Québec, G5Y 4N9

Item 3.1 General Description of the Business

The business presently carried on by the Corporation commenced in 1935 upon the establishment of a partnership under the name Dominion Fruit Company. Dominion Fruit Company continued until 1953, when the Corporation was incorporated to acquire and carry on part of the business formerly carried on by the partnership. Since incorporation, the Corporation has carried on business as a distributor of fresh fruits and vegetables.

Dominion is one of Ontario's most well known wholesale produce distributors. Dominion imports fresh fruit and vegetables from around the world and distributes them, together with locally grown fresh fruit and vegetables, to grocery and produce retailers and foodservice distributors throughout Ontario and Québec. As at December 31, 2011 the Corporation's activities were organized as follows:

- *Dominion Citrus Distribution*, wholesale operation located at the Ontario Food Terminal in Toronto, Ontario imports fresh fruit and vegetables from around the world primarily for Ontario and Québec customers.

- *Dominion Farm Produce*, located in Bradford, Ontario, is involved in the growing, packaging, marketing and distribution of onions, carrots and other produce that is mainly grown in the Holland Marsh area immediately north of Toronto, Ontario. Dominion Farm Produce supplies these items to a wide range of retail and foodservice customers.

- *Country Fresh Packaging*, located in Toronto, Ontario in the Akron facility, provides value-added services including packaging, rolling and grading, storage and repacking of certain produce items for its retail and foodservice customers.

- *Meschino Banana*, located in Toronto, Ontario, imports, ripens, monitors and controls the maturation of bananas and plantains for retail and foodservice customers in Ontario. The company also imports and distributes other tropical produce items including pineapples, avocados, mangos, limes and papayas.

- *Bo-Fruits LP,* located in Québec City, Québec, distributes and wholesales fresh fruit and vegetables primarily to retail customers in the surrounding geographic area.

- *Dominion Juice LP,* following the discontinuation of operations in 2009, the sole business now consists of leased land and buildings in Clarksburg, Ontario until September 2012.

- *Delta Foods International,* operations were discontinued in 2008 and the last remaining asset consisting of a building in Brockville, Ontario was disposed of in 2011.

Item 3.2 Description of the Business by Division

As at the date hereof, the active businesses of the Corporation are comprised of the businesses of Dominion Citrus Distribution, Dominion Farm Produce, Country Fresh Packaging, Meschino Banana and Bo-Fruits LP. The Corporation also has two discontinued operations formerly carried on by Dominion Citrus Juice LP and the Delta division. As of the date hereof, the Corporation had no reportable segments. In fiscal 2011, no one customer accounted for more than 10% of the Corporation's consolidated revenues (in fiscal 2010, no one customer accounted for more than 10% of the Corporation's consolidated revenues). The following is a discussion of the business of each division in turn.

Dominion Citrus Distribution Division

Dominion Citrus Distribution division operates one of Ontario's largest fruit and vegetable distribution businesses, servicing fresh produce requirements of major supermarket chains, independent retailers and other food distributors throughout Ontario and Québec.

While the core trading business is mature, future growth is expected to come from: (1) management's success in developing exclusive supplier relationships with key producers and shippers of produce from other continents; (2) the pursuit of consistent growth in the size and diversity of the division's customer base; and (3) the intense management of gross margins and minimization of costs. The Dominion Citrus Distribution division is focused on developing and expanding its offshore supplier base, broadening its distribution network and introducing new product lines. Offshore import programs from Morocco, Spain, South Africa, Italy, New Zealand, Argentina, Chile and Peru have been developed and are expected to grow.

Dominion Citrus Distribution – Products and Services

Through its experienced produce trading specialists, each specializing in particular commodities, and an international network of suppliers built up over a period of more than 75 years, the Dominion Citrus Distribution division imports a large variety of fresh fruits and vegetables from every corner of the world, providing reliable, high quality, year-round sources of supply for its broad customer base. Dominion Citrus Distribution division's trading business is marked by high turnover of perishable fruits and vegetables with prices a function of supply and demand for each size and variety of fruit and vegetable at any given point in time. Dominion Citrus Distribution also has a transportation fleet that hauls fruit and vegetable product.

Dominion Citrus Distribution – Ontario Food Terminal

Dominion was one of the original tenants when the Ontario Food Terminal in Toronto, Ontario was established in 1954 under provincial legislation. The Corporation owns renewable leases covering two units of the total forty principal wholesaling units included in that facility. The leases expire in 2014 and are renewable at the Corporation's option for successive terms of thirty years each. The Ontario Food Terminal is the largest wholesale produce distribution centre in Canada and ranks in the top five wholesale produce distribution centers in North America.

On March 16, 2011, the Fund announced the execution of the Lease Surrender with the landlord of Dominion's 51 Kelfield Street warehousing facility. The Lease Surrender required (i) a $650,000 payment to the landlord in two payments between March 16, 2011 closing and August 15, 2011; and (ii) the sale to the landlord (at no expense to the landlord) of all existing racking and refrigeration equipment at the facility. The existing lease to 2020 was substantially amended and has been terminated. On May 10, 2011, the Fund announced that the landlord had given notice to vacate the Kelfield facility under the terms of the agreement. On June 6, 2011, the Fund announced it acquired space at 77 Akron Road, Toronto, Ontario for its production operations. On September 1, 2011, the Fund signed a warehousing agreement with a Toronto landlord to augment its wholesale operation. This marked the completion of the Fund's transition from 51 Kelfield Street, Toronto, Ontario to 77 Akron Road, Toronto, Ontario.

Dominion Citrus Distribution - Competition

Dominion Citrus' distribution division faces competition in three areas: (a) competition from other fresh produce wholesalers at the Ontario Food Terminal; (b) competition from suppliers who are focusing on becoming more directly connected with the end customer; and (c) competition from larger independent retailers and foodservice providers who may elect to carry out direct import procurement activity internally, rather than rely on their traditional suppliers.

Industry competition is increasingly becoming more severe as four major Canadian-based supermarket chains consolidated in 1999 to form two very large national food conglomerates. Similarly, in August 2005, the acquisition by Metro Inc. of the Canadian division of the Great Atlantic & Pacific Tea Company formed a third large food-retailing conglomerate. In 2006, Wal-mart introduced into its stores in Canada a program to offer fresh foods including fruit and produce at its super centres. These consolidations combined with the entry of non-traditional retailers into food retailing has given the large supermarket chains additional strength over suppliers which have resulted in more aggressive and more direct buying practices by all retailers. Retailers and distributors alike are competing to maintain their market share.

In addition, independent retailers whose grocery market share continues to be threatened by the supermarket chains are responding by altering their traditional market buying methods and price negotiation strategies with wholesalers at the Ontario Food Terminal.

Dominion Citrus Distribution - Management

The individuals comprising the management and produce-trading specialist team of the Dominion Citrus Distribution division are experienced in the produce industry including in sales, buying, trading, importing, operations, produce-retailing and financial management.

Dominion Citrus Distribution - Employee Relations

At December 31, 2011, Dominion Citrus Distribution division employed approximately twenty-one full-time and nine part-time employees, of whom twenty-one are members of Teamsters Local Union No. 419. The collective agreement for these employees was renewed on July 1, 2008 and will expire on June 30, 2013. The current agreement provides the Corporation with greater operating flexibility than the predecessor agreement and is one basis for achieving competitive costs. Dominion Citrus Distribution believes it has a good working relationship with its employees.

Dominion Farm Produce Division

Dominion Farm Produce Limited was incorporated under the *Corporations Act* (Ontario) by Letters Patent dated January 12, 1956. On August 22, 1968, the Corporation acquired all of the issued and outstanding shares of Dominion Farm Produce Limited. On January 27, 1992, Dominion Farm Produce Limited was amalgamated with the Corporation.

Dominion Farm Produce - Products and Process

Dominion Farm Produce is a supplier of high quality local produce, sold directly under its popular "Country Fresh™" brand as well as under private labels, to most national supermarket chains, as well as to independent food retailers and foodservice companies. Its product line mainly consists of carrots and onions, and to a lesser extent parsnips and beets. When local storage crops of onions and carrots have been exhausted, Dominion Farm Produce imports these from growers located primarily in California enabling it to supply its customers year round.

Dominion Farm Produce is continually striving to maintain its market reputation for being one of the highest quality producers by carefully selecting the product for use with very rigid incoming product inspection practices. Once the product from the field has been properly washed and brushed, further inspections at the line are performed to eliminate any product not conforming to Dominion Farm Produce's high quality specifications. The product is then graded and packed in consumer pack sizes under the Corporation's brand name "Country Fresh™" for distribution primarily to retail customers in Ontario as well as to customers in other parts of Canada, the USA and the Caribbean.

Dominion Farm Produce – Facility and Equipment

Since incorporation in 1956, this division has conducted the packing component of its fresh vegetable business in its plant of approximately 40,000 square feet located in Bradford, Ontario.

Dominion Farm Produce has continued to upgrade its packing facilities by installing new state-of-the-art processing equipment to ensure high quality standards are maintained, to increase capacity to meet customer requirements and to ensure cost-competitiveness in the marketplace. Dominion Farm Produce has added new carrot and onion storage rooms at its Bradford, Ontario facility that provide improved production flexibility and capacity to take better advantage of market opportunities. In July 2006 the carrot packing line was replaced with modern cost effective, efficient equipment. Since November 2006, the division achieved and maintained a gold standard with an overall score of 98.2% from an annual 3rd party food safety audit (Good Agricultural Practices Audit for Packinghouse Operations). In November of 2009, a new onion clipper was added and Dominion Farm Produce will continue to revamp certain parts of its onion packaging equipment to increase efficiency and throughput.

Dominion Farm Produce - Competition

Dominion Farm Produce competes with other growers/packers/shippers in Ontario and against a grower co-operative and other individual carrot and onion growers, also located in the Holland Marsh area surrounding Bradford, Ontario. Major competitors include Bradford & District Produce Ltd., Nature's Finest, Hillside, Pier 27 and ATV. It also competes against Bolthouse during the US carrot season.

Dominion Farm Produce – Employee Relations and Management

At December 31, 2011, Dominion Farm Produce employed forty-eight full-time employees. In addition, the division employs an average of approximately eight part-time persons to support peaks in business activity. Management believes it has a good working relationship with its employees. The management team at Dominion Farm Produce is well established and individually is reputed to be among the most knowledgeable and experienced produce specialists in the "Holland Marsh" area. Collectively, they possess approximately one hundred years of experience in the processing, distribution and marketing of locally grown produce.

Country Fresh Packaging Division

Country Fresh Packaging Company Ltd. was incorporated in 1976. On January 27, 1992, Country Fresh Packaging Company Ltd. was amalgamated with Dominion. Country Fresh Packaging commenced operations as a contract packer to a large regional supermarket chain and has evolved into a full service packager and re-packer of fresh produce. Prior to 1990, contract packing was the principal focus of the business. Since 1990, Country Fresh Packaging has evolved and presently offers a wider range of value-added services including the procurement, importing, marketing, packaging and distribution of the products that it formerly packaged on a contract basis.

Country Fresh Packaging - Products and Services

Country Fresh Packaging performs the following value-added functions for its retail and foodservice customers.

1. packing or bagging, in both vexar and poly bags, of primarily citrus fruits such as oranges, grapefruit, lemons, tangerines and clementines; in addition to citrus, but on a smaller scale, apples, pears, peppers and other fresh fruit and vegetables are also packaged;
2. procurement, grading, colour sorting and repacking of mature green tomatoes and other commodities for retail and foodservice accounts; and
3. grading and repacking of produce that does not meet either the Canadian Food Inspection Agency standards or those of the importer's condition/quality specifications for produce being marketed in Canada.

Country Fresh Packaging is customer-oriented and provides a full assortment of packaging materials, product sizes and packaging variations to meet the demands of an ever-changing market environment.

Country Fresh Packaging – Facility

Country Fresh Packaging conducts its operation from the leased Akron facility located at 77 Akron Road, Toronto, Ontario.

Country Fresh Packaging updates and consolidates its equipment regularly to maintain its capabilities and cost effectiveness. Its tomato line is state of the art and enables Country Fresh Packaging to be an industry leader in tomato sortation.

Country Fresh Packaging - Competition

The market in Ontario and Québec for the value-added services provided by Country Fresh Packaging is competitive and consists of competitors varying in size and in scope of products and services being offered from both provinces. In addition, certain growers also ship packaged product to major markets in Canada. Country Fresh Packaging believes its success is due to offering its customer's responsive high quality service and high quality products at competitive prices.

Country Fresh Packaging - Customers

The Country Fresh Packaging customer base for products and services comprises national retail supermarket chains, major quick service restaurant chains, foodservice distributors, a membership warehouse as well as large importers of offshore product and major produce wholesalers. The division's two biggest external customers account for 75.9% of revenue.

The market for Country Fresh Packaging services is increasingly competitive. Country Fresh is responding by consolidating its equipment base, becoming a cost leader, finding new innovative packaging and repacking concepts, aggressively marketing its services, and leveraging its key core competencies.

Country Fresh Packaging - Employee Relations

As at December 31, 2011, Country Fresh Packaging employed four full-time employees, of whom two were members of Teamsters Local Union No. 419. The collective agreement for these employees was renewed effective July 1, 2009 and will expire June 30, 2012. Management believes it has a good working relationship with its employees. As the packaging and repacking business is highly seasonal and often unpredictable, this division utilizes the services of independent contractors who are in a constant ready-to-serve state to support peaks in business activity. On average, the use of these services to deal with the unpredictable business peaks can equate to as many as 50 additional personnel.

Country Fresh Packaging - Management

Country Fresh Packaging continues to build long-term relationships with customers as well as suppliers. The management team is comprised of highly experienced food industry personnel with sales and category management experience.

Meschino Banana Division

The business presently carried on by Meschino Banana commenced in 1920 upon the establishment of a sole proprietorship by its founder. This sole proprietorship continued until it became a partnership in 1965. In February 1974, Meschino Banana was incorporated to acquire and carry on the business formerly carried on by the partnership and the sole proprietorship. On November 30, 1993, Dominion acquired all of the issued and outstanding shares of Meschino Banana. As part of the Plan of Arrangement, the subsidiary was amalgamated into the Corporation and is now a division of the Corporation.

Meschino Banana – Products

Since incorporation, Meschino Banana has carried on business as a ripener, wholesaler and distributor of fresh bananas and plantains. In recent years it has expanded its product line to include pineapples, mangos, avocados, limes and papayas and it continues to look for complementary products, pack sizes and formats. In 2011 Meschino Banana increased the number of sizes and pack formats it offers in certain commodities, thus expanding its volume.

Meschino Banana - Facility

Meschino Banana leases an 8,000 square foot facility situated on approximately one (1) acre of commercially zoned land on St. Clair Avenue West in Toronto, Ontario. The facility includes office and warehousing space in addition to ten banana-ripening rooms and a new cooling room constructed in 2009. The lease is for a term of five (5) years to November 29, 2013 and can be extended for a further five (5) years to November 29, 2018.

Since the acquisition of Meschino Banana by Dominion, significant changes and investments have been made to the current Meschino Banana warehouse facility. The consolidation of a second ripening facility into the current facility was accommodated by making modifications to the existing building and through the construction of new pressurized ripening rooms with temperature and humidity controls. These pressurized rooms ensure better integrity of the ripening process and improved quality of the bananas, as bananas imported from many different countries of origin require differing maturation times and conditions. Bananas are distributed to retail customers directly from the ripening facility and to other retail and foodservice customers in Ontario through Meschino Banana's sales personnel located at the Ontario Food Terminal.

Meschino Banana - Competition

Meschino Banana faces competition from its main competitor, Chiovitti Banana Co. Ltd., which is located at the Ontario Food Terminal in Toronto, Ontario and a growing number of wholesalers at the Ontario Food Terminal who have entered and expanded their banana business over the last several years. It also faces competition from U.S. based banana importers and ripeners who may sell their bananas directly to Meschino Banana customers or to other wholesalers at the Ontario Food Terminal who then compete with Meschino Banana.

Meschino Banana - Employees

At December 31, 2011 Meschino Banana employed nine full-time and four part-time employees. The management and key personnel of Meschino Banana consists of individuals with significant experience in the banana industry including expertise in the art of ripening, quality control and sales.

Bo-Fruits LP

On February 24, 2004, Dominion acquired all of the issued and outstanding shares of Bo-Fruits from the three founding shareholders, two of whom continue to manage the day-to-day activities of Bo-Fruits LP. As part of the Plan of Arrangement, all of the assets and liabilities of Bo-Fruits were transferred to Bo-Fruits LP in exchange for Bo-Fruit LP units.

Bo-Fruits LP – Products, Services and Markets

Bo-Fruits distributes and wholesales fresh fruits and vegetables to major supermarket chains and independent retailers and some foodservice customers located in Québec City, Québec and the surrounding area.

Bo-Fruits LP – Competition

Bo-Fruits competes against other fresh produce distributors and wholesalers located throughout the Province of Québec. Retail consolidation is causing Bo-Fruits to expand its customer geography, product offerings and increase its direct buying volumes. The large supermarket chains are continuing to seek opportunities for direct buying thus threatening the distribution business.

Bo-Fruits LP – Facility and Equipment

Bo-Fruits operates from an owned 8,100 square foot refrigerated facility in Québec City, Québec.

Bo-Fruits LP – Employee Relations and Management

At December 31, 2011, Bo-Fruits employed twenty-one full-time employees and four part-time employees. Management believes it has a good working relationship with its employees. The on-site management team consisting of the two co-founders along with recent additions in operations and sales management that collectively has a total of more than eighty years of experience in the produce industry.

Dominion Citrus Juice LP

In September 2008 the Board of Directors recommended that the Apple Valley Juice LP operation be sold. The operation consisted of the production of fresh, chilled apple juices and other chilled fruit beverages. In November 2008, management began actively marketing the assets for sale. The sale of substantially all of the assets, property and undertaking relating to the business of Apple Valley Juice was completed on June 22, 2009. (See "*2009 Developments*" above for further details.) As a condition of sale, the name of the limited partnership was changed to Dominion Citrus Juice LP. The facilities leased by Dominion Citrus Juice in Clarksburg, Ontario are being partially subleased to the purchaser of the assets and other local businesses until the end of the current lease in September 2012. Dominion Citrus Juice has an asset retirement obligation for the remediation of the effluent ponds used in the former operations.

Delta Foods International Division

On April 8th, 2008, the Corporation completed the sale of certain assets of Delta, its maple syrup processing operation. The Corporation retained the land and buildings comprised of two buildings in Brockville, Ontario.

On December 4, 2009, the sale of one of the two buildings was completed for gross proceeds of $460,000 less transactional costs. The 24,150 square foot facility had been used to store and produce maple syrup products prior to the 2008 sale of Delta.

On January 21, 2011 the Company announced the closing of the sale of the remaining Brockville building for gross proceeds of $390,000 less transactional costs. This transaction completed the disposition of all of the operations and assets related to the former Delta division.

Item 4. Risk Factors

Risks and Risk Management

Management has a clear understanding of the risks inherent in the produce industry and monitors these risks and uncertainties. The material risks relating to the Corporation and the Fund are as follows:

1. Industry

   The consolidation of existing retailers and food service providers plus the entry of non-traditional grocery retailers reduces market share for independent grocers and food service providers and is a significant risk. The business thus operates in a highly competitive environment. The business is also exposed to seasonality in revenue, expenses and product availability and operates in a high inventory turnover environment driven largely by the perishable nature of its products. Commodity pricing sensitivity and commodity market fluctuations also have significant impact on the business. Local market pricing and profitability of key commodities can be affected by changes in global weather conditions, disease, level of agricultural production, or quality control at the grower level that could result in lower volumes available for sale and/or reduced product marketability, thereby reducing profit potential. These effects are usually short term in duration and their impact on consolidated earnings are as likely to be favourable as unfavourable. To reduce this exposure and mitigate supply margin pressures, Dominion is continually expanding its global supply network and maintains a diversified commodity base. The Corporation also tries to limit its exposure to any one customer.

2. Foreign Currency Risk

   Dominion has operating divisions and a subsidiary that purchase a significant portion of US dollar denominated produce commodities. These commodities are then sold primarily to Canadian customers in Canadian dollars. Fresh produce pricing is relatively volatile and incorporates foreign exchange rates in the prices charged to customers. The Corporation's divisions and its subsidiary are nonetheless exposed to foreign exchange fluctuations, and associated gains and losses, between the time when a commodity is purchased, translated on the balance sheet at a period end, and ultimately paid. Given the relatively short time exposure and the ability to pass fluctuations through to customers, the Corporation's foreign exchange purchasing program is set to buy frequent, consistent amounts of US dollars at spot rates. Forward contracts are used periodically to lock in supply costs when necessitated by customer requests. Dominion does not use derivatives for trading purposes. Fluctuations in the Canadian versus US dollar also affect the revenue and dollar margin achieved in import commodities. The appreciation of the Canadian dollar has generally reduced the Canadian dollar cost of Dominion's product, which could potentially reduce revenue and dollar margin if due attention is not paid to margin management. To effectively manage this risk, Dominion has developed a strict margin management program.

3. Product Risk

   Dominion operates in the perishable food business where there is risk of spoilage and food contamination. To improve its level of food safety Dominion continues to focus on capital and operating expenditures as well as improved operating practices to maintain and improve its food safety standards and overall quality while minimizing waste. Dominion has yearly food safety audits that are key to its ongoing program for quality and safety. Dominion also attempts to contractually allocate a greater portion of this risk to suppliers whenever feasible. Weather anomalies are also a growing area of product risk. The frequency of such incidents has increased over the past few years. These occurrences are unpredictable and can have significant negative outcomes for key growing regions. Dominion maintains a diverse supplier and commodity base to help minimize these risks.

4. Personnel Risk

The loss of one or more senior managers or procurement specialists could have a material adverse effect on Dominion's business. Dominion's contracts with its two bargaining units expire on June 30, 2012 and June 30, 2013. Dominion believes that it has positive labour relations with its employees and is unlikely to be faced with labour interruptions that could result in loss of sales, reduced profitability or loss of customer accounts.

5. Expansion Risk

Dominion believes that the produce industry will continue to consolidate and that its long-term growth will be principally achieved via a shift of emphasis to its product and service offerings coupled with acquisitions and/or mergers. Continual growth is a key focus going forward. As such, Dominion will be subject to the risks associated with the integration and rationalization of operating activities and risks inherent in the establishment of new products and services, including lack of customer demand, inadequate sources of supply, changes in customers' tastes or preferences, and unforeseen complications, delays and cost increases, including integration risks. Growth efforts also present additional risks as the Corporation buys more products and tries new offerings.

6. Interest Rate Risk

The interest rates for the Series A Preference Share dividends are tied directly to the Canadian prime rate. Management does not believe that an increase in interest rates on this portion of its debt will have a material impact on its consolidated financial statements. Dominion has the ability to enter into interest rate swaps if deemed appropriate. Also, the dividends on the Series A Preference Shares are cumulative although they do not have to be declared.

7. Credit Risk

Dominion believes that its exposure to credit risk on trade accounts receivable is minimal given that a significant portion of its sales in the distribution business are transacted in cash and that a large portion of accounts receivable is indemnified through the Toronto Wholesale Produce Association. The balances of its trade accounts receivable are from a diverse group of small to medium sized companies located mainly in the Greater Toronto Area. Management has adopted credit policies to minimize potential credit risks from this latter group and other trade customers, such that in the period of 2008-2011, Dominion's bad debt losses have been minimal. Management also believes that Dominion does not have a significant credit exposure to any individual customer.

8. Leverage

The degree to which the Fund is leveraged could have a significant impact on the amount of income to be generated and the amount of distributable cash flow and the funds available to fund distributions. The Corporation wound down its demand credit facility in October 2011. As at December 31, 2011, the Fund had external debt of $2,491,000 which is composed of the Series A Preference Shares along with mortgage debt and capital lease obligations. The Corporation owes $17,028,000 in Participating Notes to the Fund as of December 31, 2011. There are no assurances that the Corporation can meet its obligations to the Fund on these Participating Notes going forward.

9. Tax Related Risk

On June 22, 2007, the significant changes to the income tax rules applicable to publicly traded income trusts that had been announced on October 31, 2006 were passed into law, effective January 1, 2011. In particular, income earned by an income trust will be taxed in a manner similar to income earned and distributed by a corporation. These changes may have an adverse impact on the marketability of the Units and the distributable cash of the Fund may be significantly reduced going forward.

10. Liquidity Risk

The Fund maintains cash management processes to ensure it has sufficient available funds to meet current and foreseeable financial requirements, also when considering the seasonality of its business units. The Fund had experienced an extended period of operating losses prior to 2011. During 2011 and beyond, management is putting initiatives in place intended to improve on these losses. As at December 31, 2011, the Fund had a level of liquidity that it believes is appropriate to execute its business plan. However, there can be no assurances that management's plans or forecasts will be met. See the section entitled "*Liquidity and Capital Resources*" in the Fund's annual financial statements for further information.

Item 5. Dividends/Distributions

Cash dividends declared per share for the Corporation for the Series A Preference Shares for each of the last three completed financial years are as follows:

Year	Common Shares	Series A Preference Shares
2011	-	$0.00
2010	-	$0.00
2009	-	$0.17

The holders of the Series A Preference Shares are entitled to receive cumulative floating-rate, cash dividends calculated and payable semi-annually. The Series A Preference Share dividend rate is set as at the first day of January and July in each calendar year and is equal to the annual bank prime rate plus 2% per annum, subject to a minimum dividend rate of 4% per annum and a maximum dividend rate of 8% per annum. Two dividends originally declared in 2008 for a total of $0.1659375 per Series A Preference Share were not paid until December 30, 2009 and are shown above as having been paid in 2009. In 2011 no dividends were paid.

Distributions for the Fund in 2011 were $0.0275 per Unit as a one time unit-in-kind distribution to Unitholders of record as of December 30, 2011, and in 2010 distributions were nil. Distributions for the Fund in 2009 were $0.05 per Unit via a one-time distribution on December 30, 2009.

Year	Distribution to Units of the Fund
2011	0.0275 (in kind)
2010	$0.0000
2009	$0.0500

The declaration and payment of distributions on the Units are at the discretion of the Board of Trustees. The trustees suspended regular distributions of the Fund in December 2007. The Fund and the Corporation reconfirmed in December 2011 that they will not be reinstating regular distributions on the Units or declaring dividends on the Series A Preference Shares of the Corporation until further notice.

Item 6. Capital Structure

The Fund

The Fund's capital structure consists of the following:

Units: an unlimited number of Units have been authorized for issuance by the Fund. Each Unit entitles the holder to one vote at all meetings of Unitholders.

The Corporation

Dominion's capital structure consists of the following:

Common shares: an unlimited number of Common Shares have been authorized for issue by the Corporation. Each Common Share entitles the holder to one vote at all meetings of shareholders. 100% of the issued Common Shares are held by the Fund.

Preference shares: an unlimited number of preference shares have been authorized for issue by the Corporation in series, of which only the Series A Preference Shares are issued and outstanding. The Series A Preference Shares have a stated value of $2.25 per share and entitle the holder to a cumulative floating rate cash dividend calculated using the bank prime rate on January 1st and July 1st in each year plus 2%, subject to a minimum rate of 4% per annum and a maximum rate of 8% per annum, payable semi-annually on January 20th and July 20th. The Series A Preference Shares are redeemable at the option of the Corporation at any time pro rata from the holders at $2.25 per share plus any accrued unpaid dividends (the "**Redemption Price**"). The Corporation can elect to pay the Redemption Price in cash or in Common Shares. The number of Common Shares payable shall be calculated using a price equal to 95% of the average of the closing prices for the Common Shares for the 20 trading days immediately prior to April 1, 2013.

The Series A Preference Shares are redeemable at the option of the Corporation at any time pro rata from the holders at the Redemption Price. The Series A Preference Shares are retractable at the option of the holders effective April 1, 2013 for payment on April 15, 2013 with the notice period effective from January 1, 2013 to March 31, 2013. The Corporation can elect to pay in cash or in shares at the Redemption Price with the shares' retraction price being 95% of the average of the closing prices for the twenty trading days immediately prior to April 1, 2013. As of December 31, 2011 and December 31, 2010 there were 1,021,150 Series A Preference Shares issued and outstanding.

The dividends on the Series A Preference Shares are cumulative. If four consecutive dividends have not been paid the Series A Preference Shares become voting shares of the Corporation. This occurred in 2011 and the Series A Preferred Shares continue to be voting shares of the Corporation as at the date of this Annual Information Form.

Participating Notes: As part of the Plan of Arrangement, Participating Notes in the amount of $19,258,000 were issued by the Corporation to the Fund on the basis of one Unit for each one issued Common Share as at January 1, 2006. The Participating Notes mature on January 1, 2016 and bear interest at a Base Interest rate plus Additional Interest. The original Base Interest rate of 13% was amended on December 15, 2009 to 5% as denoted below. The Additional Interest rate is equal to the least of:

(a) 5.5% of the Indebtedness represented by the Participating Notes (being an amount intended to increase the effective interest rate on the Participating Notes to the prevailing market rate of interest for comparable debt);

(b) an amount equal to the taxable income of the Corporation for the year for purposes of the ITA minus an amount equal to the Base Interest; or

(c) an amount equal to Distributable Cash for the year, minus an amount equal to the Base Interest.

Interest payments on the Participating Notes are due on or about but not later than the 25th day of each calendar month. There are no assurances that the Corporation can meet its obligations on these notes going forward.

The Participating Notes were restructured on December 15, 2009 to better reflect the operating profile of the Fund's operating companies going forward. The restructuring included a reduction to 5% in the base interest rate on the Notes and an interest holiday period for 2010. Interest on the Participating Notes was paid to the Fund by the Corporation during 2011 and resulted in the Fund making a special distribution of $0.0275 per Unit, which was paid by a "distribution in kind" of Units to Unitholders of record on December 30, 2011. In addition, the Fund and the Corporation agreed to a further interest holiday period from December 1, 2011 to March 31, 2012 which was subsequently extended until December 31, 2012.

Item 7. Market for Securities

As of January 1, 2006, the Common Shares of Dominion were de-listed and the Units were listed on the TSX. The Units of the Fund are listed on the TSX under the symbol "DOM.UN".

The Series A Preference Shares of the Corporation are listed on the TSX under the symbol "DMN.PR.A". Neither Dominion nor the Fund is aware of any rating of its securities from any approved rating organization.

The authorized capital of the Fund consists of an unlimited number of Units without nominal or par value; the authorized capital of the Corporation consists of an unlimited number of Common Shares without nominal or par value and an unlimited number of preference shares issuable in series. As at December 31, 2011, there were 21,186,412 Units in the capital of the Fund issued and outstanding and 20,475,845 Common Shares and 1,021,150 Series A Preference Shares in the capital of the Corporation issued and outstanding. The market capitalization of the Units of the Fund as at December 31, 2011 was $6,356,000. The market capitalization of the Series A Preference Shares of the Corporation as at December 31, 2010 was $1,174,000.

The table below shows the monthly trading range per Unit and/or share and the trading volumes of the Units of the Fund on the TSX and the Series A Preference Shares of the Corporation on the TSX for the year ended December 31, 2011:

	Units of the Fund		**Series A Preference Shares of the Corporation**	
Month	**Price Range**	**Volume**	**Price Range**	**Volume**
January 2011	$0.140 - $0.195	110,703	$1.16 - $1.50	5,200
February 2011	$0.145 - $0.170	65,235	$1.25 - $1.35	1,918
March 2011	$0.120 - $0.150	406,844	$1.29 - $1.40	2,974
April 2011	$0.160 - $0.250	533,275	$1.25 - $1.29	643
May 2011	$0.210 - $0.280	109,847	$1.31 - $1.31	352
June 2011	$0.205 - $0.270	129,621	$1.40 - $1.60	1,476
July 2011	$0.250 - $0.290	53,525	$1.40 - $1.40	181
August 2011	$0.210 - $0.305	293,850	$1.40 - $1.40	250
September 2011	$0.240 - $0.320	254,098	$1.35 - $1.63	10,125
October 2011	$0.230 - $0.290	116,500	$1.30 - $1.30	3,262
November 2011	$0.205 - $0.350	376,462	$1.15 - $1.15	125
December 2011	$0.270 - $0.340	148,841	$1.15 - $1.15	81

On April 2, 2009 the Fund commenced a one year normal course issuer bid on the TSX for its Units. The Fund was permitted to acquire for cancellation up to 1,582,302 Units representing approximately 10% of the public float as at April 2, 2009. The daily repurchase restriction during the course of the bid was 2,651 Units. The bid commenced April 6, 2009 and expired on April 5th, 2010. All purchases were effected through the facilities of the TSX. Payments were made in cash in accordance with the requirements of the TSX and the price paid for any Units acquired was the market price of the Units at the time of the acquisition. The trustees of the Fund believed at that time that such purchases were in the best interest of the Fund and that such purchases constituted an attractive investment opportunity and a desirable use of funds that would enhance the value of the remaining Units. Upon expiry of the bid, the Fund had repurchased an aggregate of 719,157 Units for cancellation for an aggregate purchase price of $233,000 or $0.3236 per unit, leaving 19,756,688 Units outstanding.

On April 5, 2010, the Fund announced that it intended to purchase up to 10% of the public float of its Units by extending its normal course issuer bid on the TSX. The extended bid commenced on April 6th, 2010 and terminated on April 5th, 2011. No purchases were made under this normal course issuer bid.

A distribution of $0.0275 per outstanding Unit was declared on December 19, 2011. On January 16, 2012 the Fund distributed 1,429,724 Units with a total value of $543,295 to Unitholders of record on December 30, 2011. The number of Units distributed was calculated with reference to the closing market price of the Units on the TSX on January 13, 2012.

Item 8. Escrowed Securities

To the knowledge of the Fund and the Corporation, none of the Units, Common Shares or Series A Preference Shares are held in escrow (including securities subject to a pooling agreement) or are subject to a contractual restriction on transfer (excluding restrictions on transfer as a result of pledges made to lenders).

Item 9. Trustees, Directors and Officers

Item 9.1 Name, Occupation and Group Security Holdings

Since the Plan of Arrangement which was effective January 1, 2006 until the restructuring of the Board of Directors of the Corporation and Board of Trustees of the Fund in 2011, the composition of the Board of Directors and of the Board of Trustees had been identical.

In 2011, the composition of both the Board of Directors and Board of Trustees was restructured. The changes are in accordance with the by-laws of each entity. The number of trustees has been fixed at five and the number of directors of the Corporation has been fixed at five. In addition, effective December 7, 2011, Michael F. Blair resigned as Chairman of the Board of Trustees and as a trustee of the Fund, Paul Scarafile was named to the Board of Trustees and R. Peter McLaughlin was appointed as the new Chairman of the Board of Trustees.

Members of the Board of Directors and Board of Trustees hold office until the next annual meeting of shareholders or Unitholders, as the case may be, or until their successors are elected or appointed.

The following table sets out, for each of the trustees, directors and executive officers, the person's name, province and country of residence, position with the Fund or the Corporation, as the case may be, principal occupation during the five preceding years and the date on which the person became a trustee, director or officer.

As at March 27, 2012, as a group, the directors, trustees and executive officers of the Company beneficially owned, or controlled or directed, directly or indirectly, 4,216,695 Units of the Fund representing approximately 19.9% of the issued and outstanding Units of the Fund. As at March 27, 2012, as a group, the trustees, directors and executive officers beneficially owned, or controlled or directed, directly or indirectly, 152,132 Series A Preference Shares of the Corporation representing approximately 14.9% of the issued and outstanding Series A Preference Shares of the Corporation.

Trustees of the Fund/Directors of the Corporation (as at March 27, 2012)

Name and Province and Country of Residence	Director of the Corporation Since	Trustee of the Fund Since	Principal office with Dominion, its significant affiliates and/or principal occupation during the 5 preceding years
The Fund			
Peter M. Kozicz	N/A	2005	President, Arlea Corporation

Name and Province and Country of Residence	Director of the Corporation Since	Trustee of the Fund Since	Principal office with Dominion, its significant affiliates and/or principal occupation during the 5 preceding years
Ontario, Canada			(consulting and investment company); Chief Financial Officer and Executive Vice President of Strata Minerals Inc.
R. Peter McLaughlin Ontario, Canada	2001	2005	Chairman of the Fund; President, Greenbriar Holdings Limited (private holding company)
Paul Scarafile Ontario, Canada	2011	2012	Principal, Scarafile Produce Vice President, Queensbury Securities Inc.
Eric I. Skillins Ontario, Canada	N/A	2011	Investment Banker, Corporate and Public Sector; Independent Business Consultant
Rae E. Wallin Ontario, Canada	N/A	2005	President, N-Viro Systems Canada Inc. (environmental technology company) – now retired
The Corporation			
Winston Ash Ontario, Canada	2009	N/A	Chairman of the Corporation; President and Chief Executive Officer of the Company until December 31, 2010; from May, 2008 to April 2009, Vice-President Finance and Chief Financial Officer of the Company. Prior to 2008, retired businessman.
Barry Cracower Ontario, Canada	2001	N/A	Independent business consultant
Jason Fielden Ontario, Canada	2011	N/A	President and Chief Executive Officer of the Company from December 31, 2010; Vice President - Finance, Chief Financial Officer & Corporate Secretary of the Corporation from April 30, 2009; Prior to April 2009, Corporate Consultant; Corporate/Investment Banker

Name and Province and Country of Residence	Director of the Corporation Since	Trustee of the Fund Since	Principal office with Dominion, its significant affiliates and/or principal occupation during the 5 preceding years
R. Peter McLaughlin Ontario, Canada	2001	2005	President, Greenbriar Holdings Limited (private holding company)
Paul Scarafile Ontario, Canada	2011	2012	Principal, Scarafile Produce Vice President, Queensbury Securities Inc.

Each of the Fund and the Corporation is required to have an Audit Committee. As of February 9, 2012 the Audit Committee of the Fund consisted of R. Peter McLaughlin (Chairman), Paul Scarafile, and Rae E. Wallin. The Audit Committee of the Corporation consists of Barry Cracower, R. Peter McLaughlin and Paul Scarafile. All of the members of the Audit Committees are independent and financially literate. All members of the Board of Directors and the Board of Trustees acting as a committee of the whole perform the governance and compensation functions for the Corporation and for the Fund, respectively, as required.

OFFICERS (who are not Trustees or Directors)

Name and Province and Country of Residence	Principal Office with the Corporation, its significant affiliates and/or principal occupation during the 5 preceding years
Susan Bricks, Ontario, Canada	Vice President of the Corporation
Ernie Collinson, Ontario, Canada	Director of Finance of the Corporation

Item 9.2 Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of the Company, no trustee, director or executive officer of the Fund or the Corporation is, or has been within the ten years prior to the date hereof, a director or chief executive officer or chief financial officer of any company that (a) was the subject of an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or (b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer, except as disclosed below.

For the purposes hereof, an "order" means (a) a cease trade order; (b) an order similar to a cease trade order; or (c) an order that denied the relevant company access to any exemption under securities legislation, that, in each such case, was in effect for a period of more than 30 consecutive days.

To the knowledge of the Company, no trustee, director or executive officer of the Fund or the Corporation is, and no Unitholder of the Fund or shareholder of the Corporation holding a sufficient number of securities of the Fund or the Corporation to affect materially the control of the Fund or the Corporation, is, or has been within ten years before the date hereof, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, except as disclosed below.

Barry Cracower, a director of the Corporation at December 31, 2011, was a director of American Eco Corp. American Eco Corp. had filed for Chapter 11 on August 8, 2000. On June 26, 2002 the voluntary petition of American Eco Corp. for reorganization under Chapter 11 was converted to Chapter 7. It went bankrupt approximately eight months after Mr. Cracower resigned as a director on April 11, 2003.

R. Peter McLaughlin, a director of the Corporation and a trustee of the Fund at December 31, 2011, is a director of two private companies, Alliance Surface Finishing Inc. ("**Alliance**") and its 70% subsidiary ASF Ontario Production Inc. ("**ASF**"). He has served as a director of each such company since shortly after their respective incorporations: Alliance since January 2004 and ASF since May 2004. On December 12, 2006, both Alliance and ASF filed a Notice of Intention to make a Proposal to Creditors under the provisions of the *Bankruptcy and Insolvency Act* (Canada). Both companies filed their respective Proposals to Creditors on June 11, 2007, had the Proposals approved by the Creditors on June 28, 2007 and received Court approval for same on July 30, 2007. ASF put itself into receivership on December 4, 2007 and had a trustee in bankruptcy appointed on December 7, 2007.

Peter Kozicz, a trustee of the Fund, was a director of Allen-Vanguard Corporation ("Allen-Vanguard") until December 18, 2009. On December 18, 2009, Allen-Vanguard completed a recapitalization and reorganization transaction under the *Companies' Creditors Arrangement Act*, following which Allen-Vanguard continued as a wholly-owned private enterprise.

To the knowledge of the Company, no trustee, director, executive officer, unitholder of the Fund or shareholder of the Corporation holding a sufficient number securities to materially affect the control of the Fund or the Corporation has, within ten years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

To the knowledge of the Company, no trustee, director, executive officer, Unitholder or shareholder of the Company (a) has been subject to any penalties or sanctions imposed by a court relating to securities legislation, or by a securities regulatory authority; or (b) since December 31, 2001, has entered into a settlement agreement with a securities regulatory authority or, before January 1, 2002, entered into a settlement agreement with a securities regulatory authority which would likely be important to a reasonable Unitholder or securityholder in making an investment decision; or (c) been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable Unitholder or securityholder in making an investment decision.

Item 9.3 Conflicts of Interest

To the knowledge of the Company, there are no existing or potential conflicts of interest between the Fund, Dominion or any of its limited partnerships and any trustee or director or officer of the Fund, Dominion or any of its limited partnerships.

Item 10. Legal Proceedings

The Company is not, and was not during 2011, party to, and its property is not subject to, and was not subject to during 2011, any material proceedings, except as follows:

On February 13, 2007, the Corporation initiated a claim in the Ontario Superior Court of Justice, in the city of Toronto, Ontario against the former owners of Delta in the amount of $10 million. The claim alleges breach of certain articles in a purchase agreement and fraudulent misrepresentation, plus costs, interest and such other relief as may be granted by the Court. The claim is being contested by the former owners of Delta and a mediation date has been set.

On March 5, 2010, the Company received a Statement of Claim against it filed in the Ontario Superior Court of Justice in the city of Toronto, Ontario in the amount of $1,492,000 plus costs for the alleged wrongful dismissal of a former employee. The Company will vigorously contest this claim and the Company believes that it has a strong defense.

Item 11. Interest of Management and Others in Material Contracts

During the three most recently completed financial years or during the current financial year of the Corporation and during the three most recently completed financial years or during the current financial year of the Fund, to the knowledge of the Fund and of the Corporation, no trustee or executive officer of the Fund or no director or executive officer of the Corporation, no Unitholder or shareholder that beneficially owns or controls or directs, directly or indirectly, more than 10% of the securities of the Corporation or the Fund, and no associate or affiliate of any of them has or had any material interest, direct or indirect, in any transaction that has materially affected or is reasonably expected to materially affect either the Corporation or the Fund.

Item 12. Transfer Agent and Registrar

The Transfer Agent and Registrar for the Units of the Fund and the Series A Preference Shares of the Corporation is Computershare Investor Services Inc. ("**Computershare**"), 100 University Avenue, 9th floor, Toronto, Ontario M5J 2Y1.

Item 13. Material Contracts

Neither the Fund nor the Corporation entered into any material contracts in 2011 outside the ordinary course of business or into any material contract within the ordinary course of business required to be filed in accordance with section 12.2 of National Instrument 51-102 - *Continuous Disclosure Obligations* ("**NI 51-102**") except as noted below. The Fund has not entered into any material contract since January 1, 2002 outside the ordinary course of business or within the ordinary course of business and required to be filed in accordance with section 12.2 of NI 51-102, which is still in effect, except for the following:

Administration Agreement. Effective January 1, 2006 the Fund and the Corporation entered into an administration agreement (the "**Administration Agreement**"). Under the terms of the

Administration Agreement, the Corporation provides administrative and support services necessary for the operation of the Fund, including, without limitation, those necessary to: (i) ensure compliance by the Fund with continuous disclosure obligations under applicable securities legislation; (ii) provide investor relations services; (iii) provide or cause to be provided to Unitholders all information to which Unitholders are entitled under the Declaration of Trust, including relevant information with respect to financial reporting; (iv) call and hold meetings of Unitholders and distribute required materials, including notices of meetings and information circulars, in respect of all such meetings; (v) assist the trustees in calculating distributions; (vi) attend to all administrative and other matters arising in connection with any redemption of Units; (vii) ensure compliance with the Fund's limitations on ownership of Units by non-residents and ownership of foreign property; and (viii) generally provide all other services as may be necessary or as may otherwise be requested by the Board of Trustees.

The Administration Agreement has an initial term of ten years, and is renewable for two additional five year terms at the option of the Fund and the Corporation. The Administration Agreement may be terminated by either the Fund or the Corporation in the event of the insolvency or receivership of the other party or in the case of default by the other party in the performance of a material obligation under the Administration Agreement which, with certain exceptions, is not remedied within 30 days after written notice to such effect has been delivered to the defaulting party. The complete agreement can be found at www.sedar.com as amended.

Lease Surrender Agreement dated March 16, 2011. The Company negotiated a lease surrender agreement with the Landlord of 51 Kelfield Street, Toronto, Ontario. The Lease Surrender required a $650,000 payment from the Fund to the landlord along with the pass over of all existing racking and refrigeration equipment to the landlord. The existing lease to 2020 was substantially amended and has been terminated. On Septermber 1, 2011, the Company signed a warehousing agreement with a Toronto landlord to augment its wholesale operation. This marks the completion of the Company's transition from 51 Kelfield Street facility to the facility located at 77 Akron Road, Toronto, Ontario. The Lease Surrender reduced yearly lease expenses by approximately $760,000.

Item 14. Interests of Experts

Collins Barrow LLP, the external auditors of the Fund and the Corporation, reported on the 2011 financial statements. Collins Barrow LLP has no registered or beneficial interest, direct or indirect, in any securities or other property of the Fund or the Corporation.

Item 15. Audit Committee

The Audit Committee Charter is attached as Schedule "A" to this Annual Information Form. The Audit Committee Charter has been adopted by the Audit Committees of the Fund and the Corporation.

Item 15.1 Composition of the Audit Committees

Each of the Fund and the Corporation is required to have an Audit Committee. As of February 9, 2012, the Audit Committee of the Fund consisted of R. Peter McLaughlin (Chairman), Paul Scarafile and Rae E. Wallin. The Audit Committee of the Corporation consists of R. Peter McLaughlin, Barry Cracower and Paul Scarafile. All of the members of each Audit Committee are independent and financially literate.

Item 15.2 Relevant Education and Experience

All members of the Audit Committee are financially literate in that they understand internal controls and procedures, are able to understand the accounting principles used by the Fund and the Corporation to prepare its financial statements, can assess the application of those principles, and have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the issuer's financial statements.

Barry Cracower earned his Bachelor of Commerce from Concordia University in Montreal and his M.B.A. from Columbia University in New York. He began his career with General Electric (Canada) in 1961. After leaving General Electric, he held the following positions before retiring in 2002: Vice-President General Electric, Camco Corporation; senior executive, The T. Eaton Co; Executive Vice-President, The Strathearn House Group (division of Dylex Corp.) During the thirteen years before retiring in 2002, Barry founded and was CEO of Rexall Drug Stores. During this time, he was also a senior Vice-President of The Katz Group.

R. Peter McLaughlin has a Bachelor of Arts and a Law degree. While in law practice, R. Peter McLaughlin was involved primarily in the fields of corporate, commercial and securities law and was involved in many merger and acquisition transactions from the perspective of both the purchaser and vendor as well as numerous securities related transactions. He is President of Greenbriar Holdings Limited, a private family holding company that invests in new businesses in Ontario. As such he is responsible for review and investigation of business plans and proposals, as well as financial statement review, both prior to and following investment.

Rae Wallin is former President (retired) of N-Viro Systems Canada Inc., a bio-solids management company. Rae Wallin completed his CMA degree in 1970 and spent 25 years in financial management at General Electric (Canada). He was also Vice-President Finance as well as President of Black & Decker Canada. Rae Wallin has served on boards and audit committees for the past 20 years.

Paul Scarafile is the principal for Scarafile Produce Ltd., a family owned wholesale produce business located at the Ontario Food Terminal and in operation since 1964. Paul Scarafile is also Vice-President and Associate Portfolio Manager for Queensbury Securities Inc. He is also on the board of directors of Queensbury Securities and is on the management committee and chair of the new product assessment committee for the Queensbury Group. In this capacity, Paul Scarafile is responsible for the review of offering memorandums and prospectus offerings of structured products, flow through, mutual funds and a variety of other types of equity issues. Prior to joining Queensbury, Paul Scarafile was an investment advisor at CIBC Wood Gundy. Paul Scarafile has a BA in History from the University of Toronto. He also has the following designations from the Canadian Securities Institute: Canadian Investment Manager (CIM), Fellow of the Canadian Securities Institute (FCSI) and Chartered Strategic Wealth Professional (CSWP).

Item 15.3. External Auditor Service Fees (by Category)

Audit and audit related fees for the Company and its subsidiaries for 2010 and 2011 were as follows:

External Auditor Services	Fiscal 2011 Fees		Fiscal 2010 Fees	
Fund fees:				
Audit fees	$	25,000	$	25,750
Audit related fees		3,090		11,330
All other fees		1,000		5,150
Total	$	29,090	$	42,230
Corporation fees:				
Audit fees	$	125,000	$	154,500
Audit related fees		12,360		26,780
Tax fees		25,000		26,574
All other fees		4,000		3,270
Total	$	166,360	$	211,124

The audit-related fees were incurred for miscellaneous assurance services.

The tax fees were incurred for services consisting of tax compliance, including the preparation and review of tax returns, assistance regarding income, capital and sales tax audits and tax advisory services.

The other fees were for research, discussions, International Financial Reporting Standards compliance and general services as requested by management. All non-audit services are pre-approved by the audit committees of the Company.

Item 16. Additional Information

Additional information relating to the Fund and the Corporation may be found on SEDAR at www.sedar.com. Additional information relating to the Fund and the Corporation may be found in their respective management information circulars which are also available on SEDAR at www.sedar.com.

Additional financial information is provided in the comparative audited financial statements for both the Fund and the Corporation for the years ended December 31, 2011 and 2010 and the Fund's and the Corporation's management discussion and analyses for 2011 and 2010. Copies of these documents may be obtained upon request from the Administrator of the Fund/Secretary of the Corporation, 165 The Queensway, Suite 308, Toronto, Ontario, M8Y 1H8 or by accessing the SEDAR website at www.sedar.com.

Preamble to the Audit Committee Charter: the Board of Trustees of Dominion Citrus Income Fund (the "**Fund**") has adopted the Audit Committee Charter of Dominion Citrus Limited (the "**Corporation**"). The phrase the "Company" herein applies to both the Corporation and to the Fund. References to the "Board of Directors" and "directors" of the Corporation also refer to the Board of Trustees and trustees of the Fund.

Schedule "A"
Audit Committee Charter
Dominion Citrus Limited
(the "Company" or "Dominion")

Purpose of the Committee

The Audit Committee's purpose is to provide assistance to the Board of Directors in fulfilling its legal and fiduciary obligations with respect to matters involving the accounting, auditing, financial reporting, internal control and legal compliance functions of the Company and its subsidiaries.

It is the objective of the Audit Committee to maintain free and open communications among members of the Board, the committees of the Board, the external auditors and the financial management of the Company.

The Audit Committee shall have a written charter setting out its purpose and responsibilities.

Authority and Membership

The Audit Committee (the "Committee") of the Board of Directors (the "Board") is established pursuant to By-law 10, Article 4 and the Ontario Business Company Act, sec. 157 (the "Act"). The Committee shall be comprised of three (3) or more directors as determined from time to time by resolution of the Board. Every member must be independent and financially literate. Members of the Committee shall be elected by the Board at the annual meeting of the Board or at such other time as may be determined by the Board.

The Chairman of the Committee (the "Chairman") shall be designated by the Board, provided that if the Board does not so designate a Chairman, the members of the Committee, by majority vote, may designate a Chairman.

Each member of the Committee shall be an independent Director. All members of the Committee shall be financially literate.

The presence in person or by telephone or other similar means of a majority of the Committee's members shall constitute a quorum for any meeting of the Committee. All actions of the Committee will require the vote of a majority of its members present at a meeting of the Committee at which a quorum is present.

Audit Committee Responsibilities

1. The Committee is responsible for having a written charter setting out its mandate and responsibilities.

2. The Committee is responsible for recommending to the Board:
   (i) The external auditors to be nominated for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company; and
   (ii) The compensation of the external auditors.

3. The Committee is directly responsible for overseeing the work of the external auditors engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditors regarding financial reporting.

4. The Committee must pre-approve all non-audit services to be provided to the Company by its external auditors.

5. The Committee must review the financial statements and references to other financial information before the Company publicly discloses the information.

6. The Committee must be satisfied that adequate procedures are in place for the review of any disclosure of financial information extracted or derived from the financial statements, and must periodically assess the adequacy of those procedures.

7. The Committee is responsible for establishing procedures for:
   (i) The receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
   (ii) The confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

8. The Committee is responsible for reviewing and approving the Company's hiring policies regarding employees and former employees of the present and former external auditors.

Meetings of the Committee

The Committee shall meet with such frequency and at such intervals as it shall determine is necessary to carry out its duties and responsibilities. The proceedings of all meetings will have minutes recorded.

The Committee may invite such other persons to its meetings as it deems necessary.

The presence in person or by telephone or other similar means of a majority of the Committee's members shall constitute a quorum for any Committee meetings. All decisions of the Committee will require the vote of a majority of its members present at a meeting at which a quorum is present.

Roles and Responsibilities

1. Financial Reporting

(i) Gain an understanding of the current areas of greatest financial risk and how management is managing these effectively;

(ii) Consider with the external auditors any fraud, illegal acts, deficiencies in internal control or other similar issues;

(iii) Review significant accounting and reporting issues, including recent professional and regulatory pronouncements and understand their impact on the financial statements;

(iv) Ask management and the external auditors about significant risks and exposures and the plans to minimize such risks;

(v) Establish procedures for the receipt, retention and treatment of complaints received by the company regarding accounting, internal accounting controls or auditing matters.

(vi) Establish procedures for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

(vii) Review any legal matters, which could significantly impact the financial statements.

(viii) Review and recommend approval to the Board of:
Prospectus-type documents
Related news releases
Information and earnings guidance provided to analysts and rating agencies.

2. Annual Financial Statements

(i) Meet with management and the external auditors to review the financial statements and the results of the audit;

(ii) Review the annual audited financial statements prior to presentation to the Board and distribution to shareholders and determine whether they are complete and consistent with the information known to committee members; assess whether the financial statements reflect appropriate accounting principles;

(iii) Recommend that the annual financial statements and all related documents be received and approved by the Board.

(iv) Review the financial reports and statements of the Company that require the approval of the Board prior to being submitted to a regulatory body;

(v) Be satisfied that adequate procedures are in place for the review of any disclosure of financial information extracted or derived from these financial statements and periodically assess the adequacy of those procedures.

(vi) Review complex and/or unusual transactions and judgmental areas such as significant claims and contingencies that could materially impact the Company's financial position;

(vii) Review Management's Discussion and Analysis of financial information in the annual report and the Annual Information Circular.

(viii) Review all Related Party transactions.

3. Interim Financial Statements

Assess the fairness of the preliminary and interim statements and disclosures and obtain explanations from management and internal and external auditors on whether:

(i) Actual financial results for the interim period varied significantly from budgeted or forecasted results;

(ii) Changes in financial ratios and the relationships in the interim financial statements are consistent with changes in the Company's operations and financing practices;

(iii) Generally accepted accounting principles have been consistently applied;

(iv) There are any actual or proposed changes in accounting or financial reporting practices:

(v) There are any significant or unusual events or transactions;

(vi) The preliminary announcements and interim financial statements contain adequate and appropriate disclosures.

4. Risk and Uncertainty

The Board of Directors, in consultation with management, identifies the principal business risks, decides on an acceptable level, approves related risk management policies and assigns oversight responsibilities to Board committees and the Board as a whole.

The Audit Committee requests the external auditor's opinion of management's assessment of significant financial risks facing the company and how effectively they are being managed or controlled.

5. Internal Control

The Audit Committee reviews the plans of the internal and external auditors to ensure the combined evaluation and testing of control is comprehensive, well coordinated, cost effective and appropriate to risks, business activities, changing circumstances etc.

(i) Reviews appointments of key people involved in financial reporting.

(ii) Reviews fraud prevention programs and monitors their implementation.

(iii) Reviews annual budget and management control procedures.

(iv) Evaluate whether management is settling the appropriate "control culture" by communicating the importance of internal control and the management of risk and ensuring that all employees have an understanding of their roles and responsibilities.

(v) Consider how management is held to account for the security of computer systems and applications, and the contingency plans for processing financial information in the event of a systems breakdown.

(vi) Gain an understanding of whether internal control recommendations made by the external auditors have been implemented by management.

(vii) The process and procedures for Officer certification of financial information.

6. External Audit

The Committee is directly responsible for engaging and overseeing the work of the external auditors for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company. The external auditors shall report all material issues or potentially material issues to the Committee.

The Committee shall:

(i) Review the external auditor's proposed audit scope and approach and ensure no unjustified restrictions or limitations have been placed on the scope;

(ii) Review the performance of the external auditors;

(iii) Consider the independence of the external auditor, including reviewing the range of services provided in the context of all consulting services bought by the Company;

(iv) Review the annual audit plan and fees proposed by the external auditors;

(v) Review the nature and extent of the liaison between the Company's staff and the external auditors;

(vi) Ensure that significant findings and recommendations made by the external auditors are received and discussed on a timely basis;

(vii) Report to the Board any conflict between the external auditors and management that the Committee has been unable to resolve within a reasonable period of time;

(viii) Review the draft audit opinion on annual financial statements;

(ix) Review the management representation letter provided to the external auditors;

(x) Meet separately with the external auditors to discuss any matters that the Committee or auditors believe should be discussed privately;

(xi) Make recommendations to the Board regarding the external auditors to be nominated for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company and their compensation; and

(xii) The Audit Committee expects that, in discharging their responsibilities to the shareholders, the external auditors shall be accountable to the Board through the Audit Committee. The external auditors shall report all material issues or potentially material issues to the Committee.

7. Compliance with Laws and Regulations

The Committee shall:

(i) Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up of any fraudulent acts or non-compliance;

(ii) Obtain regular updates from management and others (e.g. internal and external auditors, legal counsel) concerning the company's compliance with financial related laws and regulations such as:
- Tax and financial reporting laws and regulations.
- Legal, tax and withholding remittances.
- Environmental protection laws.
- Occupational health and safety laws.
- Personal Information and Protection of Privacy laws.

(iii) Review insider stock trades for compliance with Dominion's Corporate Governance Policies.

(iv) Be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements;

(v) Review the findings of any examination by regulatory agencies.

8. Other Matters

a. Conflicts of Interest

The Committee shall:

(i) Review the Company's policies relating to the avoidance of conflicts of interest between the Company and members of management as well as procedures with respect to officers' expense accounts and perquisites, including the use of corporate assets;

(ii) Annually, review and approve the CEO's expense accounts for the year then ended.

b. Committee's Right to Seek Independent Advice

If the Committee deems it appropriate, it has the authority to seek independent expert advice, including the retaining of independent counsel, accountants or others, to assist the Committee in fulfilling its duties and responsibilities and has the authority to set and pay the compensation for any advisors employed.

c. Committee's Caveat

While the Committee has the duties and responsibilities as set out in the Charter, the Committee is not responsible for planning or conducting the audit or for determining whether the Company's financial statements are complete and accurate and are in accordance with generally accepted accounting principles.