



Citadel Income Fund Uncovers Undisclosed Group Activities by Dissidents; Cancels Requisitioned Unitholder Meeting, Offers Redemption Opportunity and Increases Monthly Distributions

TORONTO, August 24, 2023 – Citadel Income Fund (TSX – CTF.UN) (the “Fund”) announced today that the trustee and manager of the Fund, Artemis Investment Management Limited (“Artemis”), has learned through discussions with the Unitholders of the Fund (the “Unitholders”) that certain Unitholders have apparently acted jointly and in concert with certain other Unitholders (together the “Dissidents”) in connection with Saba Capital Management L.P.’s exploitative, short-sighted and self-serving proposal to, among other things, replace the trustee and manager of the Fund with the Dissidents’ preferred trustee and manager, approve payment of a \$100,000 management fee, and then windup and terminate the Fund (the “Dissident Proposals”).

Artemis is concerned that by acting jointly and in concert without making adequate disclosure, the Dissidents, who collectively own or control more than 20% of the Fund’s outstanding Units (the “Units”), may have contravened early warning disclosure requirements, takeover bid restrictions, and proxy solicitation requirements under applicable securities laws. The failure to disclose such conduct could impact the integrity of the voting process and have a direct impact on the outcome of the Unitholder meeting previously scheduled for October 13, 2023 (the “Requisitioned Meeting”).

Artemis is committed to protecting its minority Unitholders against abuses of capital markets and contraventions of securities laws. Accordingly, Artemis has determined that it is necessary to cancel the Requisitioned Meeting.

“Our intention is to protect the Fund’s minority Unitholders from the opportunistic and illegal actions of the Dissidents,” stated Trevor Maunder, CEO of Artemis. “We will be undertaking a full investigation to ensure that all appropriate measures are taken to redress any illegal conduct.”

In addition, in order to provide Unitholders with enhanced near-term liquidity, the Fund is pleased to announce that Unitholders will have the opportunity to redeem up to 4,109,572 Units, representing 40% of the outstanding Units, in two separate tranches for up to 2,054,786 Units, with each tranche representing 20% of the outstanding Units. Units will be redeemed for an amount per Unit equal to the net asset value less redemption costs (equal to five percent of net asset value per Unit as contemplated in the Fund’s declaration of trust which is available on the Fund’s SEDAR+ profile at <https://www.sedarplus.ca/>). If requests for redemptions under each tranche exceed 2,054,786 Units, Units will be redeemed on a *pro rata* basis.

The planned redemption date will be at the end of September, 2023 for the first tranche and the end of November, 2023 for the second tranche.

Notice about the Fund’s redemption will be provided to Unitholders next week in accordance with the Fund’s declaration of trust.



Finally, the Fund is also pleased to announce that the distributions per Unit, beginning with the August 31, 2023 record date, will be increased from \$0.01 per Unit to \$0.03 per Unit. The following distributions per Unit will be declared payable on each distribution payment date to Unitholders of record on the distribution record date indicated below.

Record Date	Payment Date	Amount (C\$ per Unit)
August 31, 2023	September 15, 2023	\$0.03
September 30, 2023	October 16, 2023	\$0.03
October 31, 2023	November 15, 2023	\$0.03
November 30, 2023	December 15, 2023	\$0.03
December 31, 2023	January 15, 2024	\$0.03

Unitholders who have any questions should contact Kingsdale Advisors at 1-800-395-7251 (toll-free in North America) or 416-623-2513 (collect outside North America) or by email at contactus@kingsdaleadvisors.com.

Advisors

Citadel has retained Kingsdale Advisors as its strategic Unitholder and communications advisor and Norton Rose Fulbright Canada LLP as its legal advisors.

Forward-Looking Statements

Certain statements in this press release are “forward-looking” within the meaning of applicable Canadian securities laws, including but not limited to statements about the redemption offer, the Dissidents, the Requisitioned Meeting, the increase in distributions per Unit, and matters relating thereto. Forward-looking statements are generally, but not always, identified by the words “expects”, “plans”, “anticipates”, “in the event”, “if”, “believes”, “asserts”, “position”, “intends”, “envisages”, “assumes”, “recommends”, “estimates”, “approximate”, “projects”, “potential”, “indicate” and similar expressions, or that events or conditions “will”, “would”, “may”, “could” or “should” occur. Forward-looking statements are necessarily based upon the current belief, opinions and expectations of the Fund that, while considered reasonable by the Fund, are inherently subject to significant risks and uncertainties that could cause the outcome to differ materially from current expectations. Such risks and uncertainties include, among others, litigation, business, economic, competitive, political and social uncertainties and other contingencies. Many factors could cause the Fund's actual results to differ materially from those expressed or implied in the forward-looking statements. These factors include, among others, uncertainties related to the outcome of the Fund's investigation, the redemption offer, the increase in distributions per Unit, as well as other risk factors set out under the heading “Risk” in the Fund's Annual Report for the year ended December 31, 2022, which is available on SEDAR+ at www.sedarplus.ca. Investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.