



Core Canadian Dividend Trust

Preliminary Prospectus Filed for Initial Public Offering

Toronto, September 28, 2006: Core Canadian Dividend Trust (the "Trust") announced today that it has filed a preliminary prospectus with the securities regulatory authorities in each of the provinces of Canada in connection with an initial public offering of units (the "Units") of the Trust. The Units will be offered on a best efforts basis by a syndicate of investment dealers led by RBC Dominion Securities Inc. and including CIBC World Markets Inc., Scotia Capital Inc., TD Securities Inc., BMO Nesbitt Burns Inc., National Bank Financial Inc., HSBC Securities (Canada) Inc., Blackmont Capital Inc., Desjardins Securities Inc., Dundee Securities Corporation, Canaccord Capital Corporation, Raymond James Ltd., Berkshire Securities Inc. and Wellington West Capital Inc.

The offering price for the Units will be \$10.00 per Unit. Closing of the offering is expected to occur in mid-November, 2006.

The Trust's investment objectives for the Units are (i) to provide unitholders of the Trust ("Unitholders") with monthly cash distributions in an amount targeted to be 6.5% per annum on the net asset value ("NAV") of the Trust; and (ii) to preserve and grow the NAV per Unit. The Trust will invest the net proceeds of the offering in a blue-chip portfolio consisting of high-quality, large capitalization, dividend-paying Canadian companies across multiple industry sectors that have an excellent long-term track record of dividend growth and share price appreciation (the "Core Canadian Dividend Portfolio").

The Trust will generally invest not less than 4% and not more than 10% of the Trust's NAV in each of the issuers in the Core Canadian Dividend Portfolio. In addition, up to 15% of the NAV of the Trust may be invested in equity securities of other issuers listed on the TSX which Mulvihill Capital Management Inc. believes are consistent with the Trust's investment objectives.

The Trust's investment portfolio is managed by its investment manager, Mulvihill Capital Management Inc. To generate additional returns above the dividend income earned on the Trust's investment portfolio, the Trust will, from time to time, write covered call options in respect of some or all of the securities in the investment portfolio.

Prospective purchasers may purchase Units either by: (a) cash payment; or (b) an exchange (the "Exchange Option") of freely tradeable securities of the issuers in the S&P/TSX 60 Index (the "Exchange Eligible Issuers"). A prospective purchaser of Units who elects to pay for Units by using the Exchange Option must have done so by depositing (in the form of a book-entry deposit) securities of Exchange Eligible Issuers with the Trust's agent for the Exchange Option, through The Canadian Depository for Securities Limited prior to 5:00 p.m. (Toronto time) on October 26, 2006.

For more information please contact:

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Press Release