



**CANADIAN UTILITIES & TELECOM INCOME FUND
ANNOUNCES INITIAL PUBLIC OFFERING**

Toronto, Ontario, October 27, 2010 – Mulvihill Capital Management Inc. (“MCM” or the “Manager”) is pleased to announce that Canadian Utilities & Telecom Income Fund (the “Fund”) has filed a preliminary prospectus for a public offering of units. Each unit is offered at a price of \$12.00.

The Fund’s investment objectives are (i) to pay holders of its Units (“Unitholders”) monthly distributions in an amount targeted to be 7.0% per annum on the NAV of the Fund; and (ii) to preserve and enhance the Fund’s NAV while reducing portfolio volatility.

The Fund will seek to achieve its investment objectives by investing in a portfolio consisting principally of equity securities of large capitalization (over \$1 billion) utility and, to a lesser degree, telecommunications issuers listed on the Toronto Stock Exchange (“TSX”). Issuers selected for inclusion in the portfolio must have a minimum distribution yield of 2.0% per annum.

MCM may also invest up to 20% of the Fund’s net asset value (“NAV”) in equity securities of other utilities and telecommunications issuers listed on a North American stock exchange, subject to a minimum market capitalization of \$250 million and a minimum distribution yield of 2.0% per annum. MCM intends generally to include between 15 and 20 issuers in the Fund’s portfolio.

MCM believes, based on its research and analysis, that a large capitalization portfolio of securities in the utilities and telecommunications sectors is an attractive long-term investment due to the more predictable cash flows generated from long-term tangible assets and high barriers to entry, combined with generally high and historically growing dividends from issuers in these two sectors which are generally viewed as being defensive investments.

The following table lists the current universe of issuers in which the Fund may invest (the “Portfolio Universe”):

TransCanada Corporation	TransAlta Corporation	Keyera Facilities Income Fund
BCE Inc.	Pembina Pipeline Corporation	Provident Energy Trust
Rogers Communications Inc.	Emera Incorporated	Just Energy Income Fund
Enbridge Inc.	Bell Aliant Regional	Capital Power Corporation
TELUS Corporation	Communications Income Fund	Manitoba Telecom Services Inc.
Shaw Communications Inc.	Inter Pipeline Fund	AltaGas Ltd.
Canadian Utilities Limited	Atco Ltd.	Fort Chicago Energy Partners L.P.
Fortis Inc.	Brookfield Renewable Power Fund	Northland Power Income Fund

A preliminary prospectus containing important information relating to the securities has been filed with the securities commissions or similar authorities in certain jurisdictions of Canada. The preliminary prospectus is still subject to completion or amendment. Copies of the preliminary prospectus may be obtained from the Manager at the address, telephone numbers, website and e-mail address set forth above. There will not be any sale or any acceptance of an offer to buy the securities until a receipt for the final prospectus has been issued.

The syndicate of agents for the offering is being co-led by RBC Capital Markets and CIBC World Markets Inc. and includes BMO Nesbitt Burns Inc., National Bank Financial Inc., Scotia Capital Inc., TD Securities Inc., HSBC Securities (Canada) Inc., Raymond James Ltd., Canaccord Genuity Corp., Dundee Securities Corporation, Mackie Research Capital Corporation and Manulife Securities Incorporated.

For further information, please contact your financial advisor, call our investor relations line at 416.681.3966, toll free at 1.800.725.7172 or visit www.mulvihill.com.

John Mulvihill, President and CEO
David Roode, President, Fund Services
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