

# DEANS KNIGHT

INCOME CORPORATION

## Quarterly Summary of Investment Portfolio

First Quarter 2012 - (Unaudited)

The following is a summary of the Company's top 25 holdings, the investment portfolio composition and sector breakdown as at March 31, 2012. This is a summary only and will change due to ongoing portfolio transactions of the Company. Additional information is available at [www.dkincomecorp.com](http://www.dkincomecorp.com).

<b>Top 25 Investments</b>				<b>% of Net Asset Value</b>	<b>Portfolio Composition</b>	<b>% of Net Asset Value</b>
PARAMOUNT RESOURCES	8.250%	13-Dec-17		6.6		
STONE ENERGY CORP	8.625%	1-Feb-17		6.4	<b>Fixed Income</b>	
WHITECAP RESOURCES	N/A	N/A		6.2	Canadian denominated in CAD	43.5
NORTH AMERICA ENERGY	9.125%	7-Apr-17		5.6	Canadian denominated in USD	19.7
CCS INC	11.000%	15-Nov-15		5.5	United States denominated in USD	16.4
MIRABELA NICKEL LTD	8.750%	15-Apr-18		4.6		79.6
CALFRAC HOLDINGS LP	7.500%	1-Dec-20		4.2	<b>Convertible Debentures</b>	
SOUTHERN PACIFIC RES	10.750%	7-Jan-16		4.1	Other Foreign denominated in USD	3.3
TEMBEC INDUSTRIES	11.250%	15-Dec-18		3.7	Other Foreign denominated in AUD	1.0
RAPIDEYE CANADA	5.000%	31-Aug-14		3.7		4.3
NORTHLAND RESOURCES	13.000%	6-Mar-17		3.3	<b>Equity and Warrants</b>	6.2
MERCATOR MINERALS	7.000%	3-Jan-13		3.1		
PERPETUAL ENERGY INC	8.750%	15-Mar-18		3.0	<b>Investment Portfolio</b>	90.2
SKYLINK AVIATION INC	12.250%	15-Mar-16		2.8	<b>Cash &amp; Short-term Deposits</b>	5.2
SHERRITT INTL CORP	8.000%	15-Nov-18		2.8	<b>Other Net Assets</b>	4.6
CARA OPERATIONS LTD	9.125%	1-Dec-15		2.5		100.0
GARDA WORLD SECURITY	9.750%	15-Mar-17		2.4		
CONIFEX TIMBER INC	10.000%	31-Dec-12		2.1	<b>Sector Breakdown</b>	
GATEWAY CASINOS	8.875%	15-Nov-17		2.0	Energy	49.0
BEAZER HOMES USA	9.125%	15-Jun-18		1.9	Materials & Metals	15.0
BLACK PRESS GROUP	100.000%	4-Feb-14		1.9	Consumer Discretionary	8.2
PACIFIC RUBIALES	7.250%	12-Dec-21		1.7	Forestry	6.9
SURE ENERGY	6.250%	21-Jan-14		1.7	Industrial/Manufacturing	3.9
WESTERN ENERGY SVS	7.785%	30-Jan-19		1.6	Technology	3.7
MCMORAN EXPLORATION	11.875%	15-Nov-14		1.5	Financial Services	-
					<b>Investment Portfolio</b>	90.2
					<b>Cash &amp; Short-term Deposits</b>	5.2
					<b>Other Net Assets</b>	4.6
						100.0