

DEANS KNIGHT

INCOME CORPORATION

Quarterly Summary of Investment Portfolio

Third Quarter 2012 - (Unaudited)

The following is a summary of the Company's top 25 holdings, the investment portfolio composition and sector breakdown as at September 30, 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.

Top 25 Investments			% of Net Asset Value	Portfolio Composition	% of Net Asset Value
PARAMOUNT RESOURCES	8.250%	13-Dec-17	6.9		
STONE ENERGY CORP	8.625%	1-Feb-17	6.4	Equity and Warrants	5.4
NORTH AMERICA ENERGY	9.125%	7-Apr-17	6.1		
CCS INC	11.0%	15-Nov-15	5.5	Fixed Income	
RAPID EYE CANADA	5.000%	26-Aug-14	5.5	Canadian denominated in CAD	43.1
WHITECAP RESOURCES	N/A	N/A	5.3	Canadian denominated in USD	25.5
MIRABELA NICKEL LTD	8.750%	15-Apr-18	4.6	United States denominated in USD	18.2
SOUTHERN PACIFIC RES	10.750%	7-Jan-16	4.5		86.8
CALFRAC HOLDINGS LP	7.500%	1-Dec-20	4.3	Convertible Debentures	
PERPETUAL ENERGY INC	8.750%	15-Mar-18	3.6	Canadian denominated in CAD	2.4
MERCATOR MINERALS	6.500%	3-Jan-13	3.4	Other Foreign denominated in AUD	1.1
SKYLINK AVIATION INC	12.250%	15-Mar-16	3.3		3.5
COTT BEVERAGES INC	8.375%	15-Nov-17	3.0	Investment Portfolio	95.7
NATIONAL MONEY MART	10.375%	15-Dec-16	3.0	Cash & Short-term Deposits	0.5
TRINIDAD DRILLING	7.875%	15-Jan-19	2.7	Other Net Assets	3.8
TEMBEC INDUSTRIES	11.250%	15-Dec-18	2.7		100.0
CARA OPERATIONS LTD	9.125%	1-Dec-15	2.6		
HARVEST ENERGY	7.250%	30-Sep-13	2.4	Sector Breakdown	
GATEWAY CASINOS	8.875%	15-Nov-17	2.1	Energy	55.8
BLACK PRESS GROUP	100.000%	4-Feb-14	2.0	Materials & Metals	9.7
GARDA WORLD SECURITY	9.750%	15-Mar-17	1.9	Consumer Discretionary	9.6
SURE ENERGY	6.250%	21-Jan-14	1.9	Technology	5.5
PACIFIC RUBIALES	8.750%	10-Nov-16	1.7	Services	4.5
MCMORAN EXPLORATION	11.875%	15-Nov-14	1.6	Forestry	4.0
BEAZER HOMES USA	9.125%	15-Jun-18	1.6	Industrial/Manufacturing	3.6
ABI ESCROW CORP	10.250%	15-Oct-18	1.3	Financial Services	3.0
				Investment Portfolio	95.7
				Cash & Short-term Deposits	0.5
				Other Net Assets	3.8
					100.0

