

NEWS RELEASE

For Immediate Release

Harvest Banks & Buildings Income Fund successfully closes its \$24,000,000 million Initial Public Offering

TORONTO, October 23, 2009 – Harvest Portfolios Group Inc. is pleased to announce that the Harvest Banks & Buildings Income Fund (the “Fund”) has completed today its initial public offering (the “Offering”) of 2,000,000 Units at a price of \$12.00 per Unit for aggregate gross proceeds of \$24,000,000 million. The Fund has granted the agents an over-allotment option to acquire up to an additional 198,383 Units.

The Fund is an investment trust governed by the laws of the Province of Ontario. Each Unit consists of one transferable trust unit (“Trust Unit”) and one warrant (“Warrant”). The Units will separate into Trust Units and Warrants upon the earlier of the closing of the Over-Allotment Option and the 30th day following the closing of the Offering. Each Warrant entitles the holder to purchase one Trust Unit at a subscription price of \$12.00 on or before 5:00 p.m. (Toronto time) on, and only on, April 15, 2011 (the “Warrant Expiry Time”). Warrants not exercised by the Warrant Expiry Time will be void and of no value. The Units are now trading on the Toronto Stock Exchange under the symbol HBB.a. Once separated, the Trust Units and the Warrants will trade on the Toronto Stock Exchange independently under the symbols: HBB.un and HBB.wt.

The Fund’s investment objectives are:

- (i) to provide Unitholders with monthly distributions (initially targeted to be \$0.07 per Trust Unit (\$0.84 per annum) representing an annual cash distribution of 7.0% based on the \$12.00 per Trust Unit issue price); and
- (ii) to maximize total return for Unitholders.

The net proceeds of the Offering will be invested in an actively managed portfolio that will consist primarily of securities of publicly-traded Canadian banking, other financial and real estate issuers.

Avenue Investment Management Inc. will be responsible for the execution of the Fund’s overall investment strategy, including managing the composition of the portfolio of the Fund.

The syndicate of agents is being co-led by BMO Capital Markets and CIBC World Markets Inc. and includes Scotia Capital Inc., HSBC Securities (Canada) Inc., Canaccord Capital Corporation, Raymond James Ltd., Blackmont Capital Inc., Dundee Securities Corporation, Wellington West Capital Markets Inc., Desjardins Securities Inc., GMP Securities L.P. and Industrial Alliance Securities Inc. (collectively, the “Agents”).

Certain statements included in this news release constitute forward-looking statements, including, but not limited to, those identified by the expressions "expect", "intend", "will" and similar expressions to the extent they relate to the Fund, the Manager and/or the Investment Manager. The forward-looking statements are not historical facts but reflect the Fund's, the Manager and/or Investment Manager's current expectations regarding future results or events. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. Although the Fund, the Manager and/or the Investment Manager believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and, accordingly, readers are cautioned not to place undue reliance on such statements due to the inherent uncertainty therein. The Fund, the Manager and/or the Investment Manager undertakes no obligation to update publicly or otherwise revise any forward-looking statement or information whether as a result of new information, future events or other such factors which affect this information, except as required by law.

All capitalized terms noted herein but not defined are as per the prospectus dated October 2, 2009.

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