

Crown Hill Capital Applies for OSC Review of Staff Decision

TORONTO, ON. – May 30, 2011 Crown Hill Capital Corporation (the “Company”) the Manager of Citadel Income Fund (the “Fund”), announced today that the Staff of the Ontario Securities Commission (“Staff”) has chosen not to issue a receipt for a preliminary prospectus filed on March 4, 2011 for an offering of warrants by the Fund (the “Warrant Offering”).

The Company and the Fund have applied for a hearing and review of the decision of the acting Director of Investment Funds before the Ontario Securities Commission (the “Commission”).

The Director accepted the recommendation of Staff against the receipting of the prospectus based on Staff’s comments regarding the widely publicized acquisition by Crown Hill Fund of the administration contracts of the Citadel Group of Funds in June 2009 (the “Acquisition”) and the subsequent merger of some of those funds with Crown Hill Fund, forming the Citadel Income Fund. At the time, Staff expressed their concerns with the Acquisition and the disclosure made in the June 3, 2009 information circular. After the Company made changes to the proposed reorganization to address Staff’s concerns, a new information circular was issued, was approved by unitholders and the reorganization was partially completed to create Citadel Income Fund.

Despite the Company’s response, Staff continue to raise the same concerns with the Acquisition nearly two years later, and are using those arguments to deny the receipting of the prospectus in relation to the Warrant Offering.

On April 14, 2011 the Company and the Fund availed themselves of the Opportunity to be Heard (the “OTBH”) before the Director of Investment Funds. The OTBH meeting was adjourned and reconvened on May 11, 2011 with another (acting) Director. In the meantime, on May 6, 2011, Staff served the Company and its president with an enforcement notice, relating to the Acquisition. The second (acting) Director has now notified the Company and the Fund that she upholds Staff’s recommendation.

The Company believes the Director’s decision is incorrect and is based on faulty Staff analysis that has overlooked the benefits of the reorganization to unitholders of the Fund and the Company’s due diligence process. The Company regrets that Staff has chosen to once again interfere with the management of the Fund, including the right to raise capital for the benefit of unitholders.

The Company looks forward to addressing this matter before the Commission and continuing to oversee the positive performance enjoyed by unitholders over the past 18 months.

For further information please contact the Investor Relations department at 416.361.9673 or toll-free at 1.877.261.9674.

Certain statements contained in this news release constitute forward-looking information within the meaning of Canadian securities laws. Forward-looking information may relate to matters disclosed in this press release and to other matters identified in public filings relating to the Fund, to the future outlook of the Fund and anticipated events or results and may include statements regarding the future financial performance of the Fund. In some cases, forward-looking information can be identified by terms such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "intend", "estimate", "predict", "potential", "continue" or other similar expressions concerning matters that are not historical facts. Actual results may vary from such forward-looking information.