

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

### Part I Reporting Issuer

1 Issuer's name  <b>PICTON MAHONEY INCOME OPPORTUNITIES FUND</b>		2 Issuer's employer identification number (EIN)  <b>FOREIGNUS</b>	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
<b>ARTHUR GALLOWAY</b>	<b>(416) 955-4108</b>	<b>agalloway@pictonmahoney.com</b>	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and Zip code of contact	
<b>33 YONGE STREET, STE. 830</b>		<b>TORONTO, ONTARIO M5E 1G4</b>	
8 Date of action		9 Classification and description	
<b>SEE BELOW</b>		<b>PAID A "RETURN OF CAPITAL" DISTRIBUTION</b>	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

### Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

**14** Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶  
**RETURN OF CAPITAL AS PART OF DISTRIBUTIONS THAT OCCURED THROUGHOUT THE 2016 TAXABLE YEAR**

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**15** Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶  
**THE ADJUSTMENT TO A UNITHOLDER'S COST BASIS AS FOLLOWS**

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**16** Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ **N/A**

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**Part II Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ►  
IRC SECTION 301(c)(2), 312 and 316

18 Can any resulting loss be recognized? ► N/A

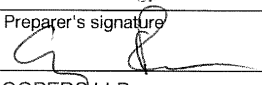
19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► N/A

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ► \_\_\_\_\_ Date ► \_\_\_\_\_

Print your name ► ARTHUR GALLOWAY Title ► CHIEF OPERATING OFFICER

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input checked="" type="checkbox"/> if self-employed	PTIN
	GREGORY J. PAPINKO		3/30/17		P01452981
	Firm's name ► PRICEWATERHOUSECOOPERS,LLP	Firm's EIN ► 98-0189320		Phone no. (416) 863-1133	
Firm's address ► 18 YORK STREET, SUITE 2600, TORONTO, ON CANADA, M6J 0B2					