

Government Strip Bond Trust

GOVERNMENT STRIP BOND TRUST ANNOUNCES TERMINATION PAYMENT

Toronto, Ontario, December 18, 2012 – (TSX: GSB.UN) – Government Strip Bond Trust announced today that the final redemption of its outstanding units is scheduled to occur on December 31, 2012 and the trust will be paying out the net asset value of such units to unitholders. In accordance with its investment objective, by converting the portfolio into zero coupon bonds, the Fund is able to deliver \$26.06 at termination, an amount in excess of the original \$25 purchase price. Since its inception in March 2001, the Fund has achieved an annualized total return of **3.23%**, compared to 6.83% for the S&P/TSX Composite Index and negative 0.30% for the S&P 500 in Canadian dollar terms over the same period. Unitholders received \$5.54 per unit in distributions over the term of the Fund.

We anticipate making the final payment on or about January 15, 2013. As we are redeeming out the units, we would like to extend our thanks to you as an investor over the years.

For further information, please contact Investor Relations at 416.681.3966, toll free at 1.800.725.7172 or visit www.strathbridge.com

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Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.