

CONNOR, CLARK & LUNN NATURAL RESOURCES FUND FACT SHEET — DECEMBER 2009

INVESTMENT APPROACH

Connor, Clark & Lunn Natural Resources Fund Inc. (the “Fund”) seeks to generate long-term growth by providing investors with exposure to Canadian natural resource companies. The principal business of the companies that we can invest in include: (1) oil and gas exploration, development and production; (2) mineral exploration, development and production; (3) forestry-related industries; (4) alternative energy development and production; and (5) resource-related services such as service and infrastructure providers for natural resource companies.

INVESTMENT MANAGER

Connor, Clark & Lunn Investment Management Ltd. (“CC&L” or the “Investment Manager”) is responsible for managing the Fund’s portfolio. CC&L currently manages approximately \$3.7 billion in energy and materials investments and over \$19 billion in total assets on behalf of institutional investors. CC&L is part of Connor, Clark & Lunn Financial Group, a Canadian multi-boutique asset management firm responsible for approximately \$35 billion in financial assets through its affiliated investment managers.

INVESTMENT STRATEGY

The Investment Manager utilizes an active fundamentals-based approach which involves disciplined monitoring of the sector. Before an initial investment is made, a management interview is conducted to determine the important future drivers for shareholder value creation. In addition to the issuer’s strategic corporate plan, the strength and weakness of the issuer’s management, board and technical teams are assessed. The willingness of the management team to take on different levels of risk to achieve their long-term goals and the ability of the issuer to meet its stated goals and key financial metrics are also examined. If an issuer’s securities are added to the Fund, regular visits are made with its management team to monitor whether it is meeting the milestones set at the initial meeting. Target prices are set for the stocks based on the expectation for growth and value creation potential and are used to assess relative opportunity amongst the universe of investments. In support of the bottom-up stock selection process, an understanding of the macro environment is developed using a wide range of industry contacts.

When assessing a business there are a number of key characteristics that the Investment Manager looks for. These include:

- strong and experienced management team,
- demonstrated ability to create shareholder value,
- well-defined strategic plan with visibility,
- quality assets that provide organic growth potential,
- strong board and corporate governance,
- strong balance sheet and funding ability,
- diversified risk exposures, and
- defined financial metric goals.

Fundserv Code: CCL100

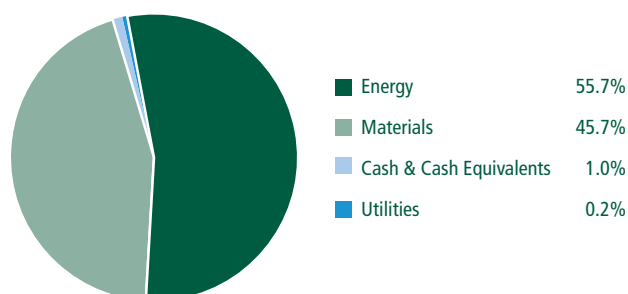
Summary (as at December 31, 2009)

Inception Date:	October 16, 2009
Net Asset Value at Inception:	\$10.00
Net Asset Value:	\$9.98
Assets Under Management:	\$8 million

TOP TEN HOLDINGS (DECEMBER 31, 2009)

Holdings	Portfolio (%)
Artek Exploration Ltd.	6.0%
Progress Energy Resources Corp.	5.6%
Calfrac Well Services Ltd.	4.3%
Athabasca Oil Sands Corp.	4.2%
Centic Exploration Ltd.	4.1%
Metanor Resources Inc.	3.9%
Storm Exploration	3.7%
Detour Gold Corp.	3.7%
Niko Resources Ltd.	3.6%
Major Drilling Group Intl	3.6%
Total	42.7%

PORTFOLIO ASSET MIX (DECEMBER 31, 2009)




TAX ADVANTAGES

Investors who received Class A Shares of the Fund as a result of the rollover of the CC&L 2007 Flow-Through Limited Partnership can continue to defer the capital gains tax liability that results from the disposition of their investment by maintaining their investment in the Fund. The Fund uses a corporate structure that enables us to create additional funds

under the same structure that investors can switch between without triggering a taxable disposition. We currently plan to establish a balanced fund class managed by CC&L by mid-2010 to provide taxable investors in the Fund with the financial flexibility and freedom to re-adjust their portfolio to suit their needs without realizing a capital gain.

CC&L'S NATURAL RESOURCES TEAM

Mark Bridges

Mark is a member of CC&L's equity team responsible for energy research. Prior to joining CC&L, Mark was a top-ranked analyst covering junior oil & gas companies and energy trusts at CIBC World Markets for eight years. Prior to CIBC, Mark worked in investment banking at energy boutique Peters & Co.


John P. Novak

John is a Portfolio Manager responsible for fundamental Canadian equities research and analysis in the metals and materials sectors. Prior to joining CC&L, John was a top-ranked equity research analyst on the sell side for 13 years at TD Securities, Westwind Partners and CIBC World Markets.


Gary Baker

Gary is the leader of the fundamental Canadian equity team, responsible for overall portfolio strategy and fundamental research. Gary has more than 20 years of investment experience, and was previously a petroleum engineer at Gulf Canada.


Samba Chunduri

Samba is a member of CC&L's equity team responsible for fundamental Canadian equities research and analysis in the metals and materials sectors. Prior to joining CC&L, Samba was an equity analyst at Raymond James and Orion Securities.

TWO "TOPGUN" PORTFOLIO MANAGERS
Gary Baker • John Novak

Recognized as "TopGun" Portfolio Managers by Brendan Wood International.

"The prestigious award reflects those with the best grasp of the industries in which they invest and those with the most influence in the Canadian market."

– Brendan Wood International, September 2009