

**MARRET HIGH YIELD STRATEGIES FUND**

**FORM 51-102F3  
MATERIAL CHANGE REPORT**

**Item 1 Name and Address of Company**

Marret High Yield Strategies Fund  
200 King Street West, Suite 1902  
Toronto, Ontario M5H 3T4

**Item 2 Date of Material Change**

June 12, 2012

**Item 3 News Release**

A news release was issued on behalf of Marret High Yield Strategies Fund (TSX Symbol: MHY.UN) (the “Fund”) on June 12, 2012, through the newswire services of CNW Group.

**Item 4 Summary of Material Change**

Marret Asset Management Inc. (“Marret”), as manager of the Fund, announced that it is reducing the monthly distribution for the Fund for the quarter ended September 30, 2012 to \$0.05 per unit (or \$0.60 per unit per annum) from the historical monthly distribution rate of \$0.067 per unit (or \$0.804 per unit per annum) effective as at the June 30, 2012 distribution date.

**Item 5 Full Description of Material Change**

Marret announced that it is reducing the monthly distribution for the quarter ended September 30, 2012 to \$0.05 per unit (or \$0.60 per unit per annum, assuming no further changes) from the historical monthly distribution rate of \$0.067 per unit (or \$0.804 per unit per annum). The revised monthly distribution rate will be effective as at the July 31, 2012 distribution date. The revised monthly distribution rate represents a current yield of 6.19% per annum based on the closing price of the units on the TSX on June 11, 2012.

The revised distribution rate will apply for the monthly payment dates in the quarter ended September 30, 2012. In accordance with past practice, the monthly distribution rates applicable in subsequent quarters will be announced by Marret prior to the beginning of the relevant quarter.

Marret decided to reduce the distribution rate based on its outlook for the high yield market and for markets generally. Marret has lowered its return expectations for the near term as a result of the continued risks associated with high levels of sovereign debt and the anticipated effects of deleveraging on world economies. In addition, the current high yield environment is not conducive to meeting a higher distribution rate. As of June 11, 2012, the credit spread on the Merrill Lynch High Yield Master II Index was 690 basis points, translating into a yield of 7.77%. By comparison, when the Fund was launched in June 2009, the credit spread was 1,136 basis points and yield was 13.81%.

**Item 6**                      **Reliance on subsection 7.1(2) of National Instrument 51-102**

Not applicable.

**Item 7**                      **Omitted Information**

None.

**Item 8**                      **Executive Officer**

Peter Rizakos, Vice President, General Counsel and Corporate Secretary of Marret, is an executive officer knowledgeable about this matter and may be reached at 416-214-5800.

**Item 9**                      **Date of Report**

June 13, 2012.