



Australian REIT Income Fund

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FOR IMMEDIATE RELEASE

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Australian REIT Income Fund Announces Distribution Reinvestment Plan

Toronto, January 16, 2015 - Harvest Portfolios Group Inc. (“Harvest”) is pleased to announce the adoption of a Distribution Reinvestment Plan (the “**DRIP**”) for Australian REIT Income Fund (the “Fund”) for its Canadian resident holders of Class A Units and Class F Units (“**Eligible Unitholders**”) of the Australian REIT Income Fund. The DRIP will commence with the February 2015 distribution.

The Fund invests in an actively managed portfolio comprised primarily of equity securities listed on the Australian Securities Exchange issued by Australian real estate investment trusts and to a lesser extent, issuers principally engaged in the real estate industry in Australia. The investment objectives of the Fund are to provide unitholders with: (i) stable monthly cash distributions; and (ii) the opportunity for capital appreciation.

The DRIP will allow Eligible Unitholders to compound returns through the reinvestment of the cash distributions paid on all or a portion of their units of the Fund into additional units. The Plan Agent will purchase the Class A Units on the Toronto Stock Exchange if the market price on the relevant distribution payment date plus estimated brokerage fees and commissions is below the net asset value on the business day immediately prior to the distribution payment date. In circumstances where the market price is above the NAV, the Class A Units will be issued from the Fund’s treasury. Class A Units purchased from the Fund’s treasury will be at a price equal to the greater of (A) the net asset value per Class A Unit on the relevant distribution payment date, or (B) 95% of the closing market price on the distribution payment date and will be credited to the participant’s account. Class F Units shall be purchased from the Fund’s treasury at a price equal to the net asset value per Class F Unit as at the distribution payment date.

Beneficial Eligible Unitholders (owners of Class A Units or Class F Units that are held through a nominee) who wish to participate in the DRIP should contact their financial advisor, investment dealer, financial institution or other nominee who holds their Units to inquire about the applicable enrolment deadline and to request enrolment in the DRIP.

No commissions, service charges or brokerage fees will be payable by DRIP participants in connection with their purchase of Class A Units or Class F Units from treasury. Applicable brokerage fees and commissions incurred in connection with purchases of Class A Units made in the market pursuant to the DRIP will be paid and deducted from the distributions due to the plan participants.

Participation in the DRIP will not relieve DRIP participants of any liability for taxes that may be payable on distributions. Eligible Unitholders should consult their own tax advisors concerning the tax implications of their participation in the DRIP having regard to their own particular circumstances.

This press release summarizes certain terms of the DRIP but for further details please contact your financial advisor.

The units and the units to be issued pursuant to the DRIP are not, and will not be, registered under the United States Securities Act of 1933, as amended, and accordingly, the units issued pursuant to the DRIP are not being publicly offered for sale in the United States or in any of the territories or possessions thereof or any other jurisdictions or to or for the benefit of “U.S. Persons” (as such term is defined in Regulation S under the United States Securities Act of 1933, as amended). Participation in the DRIP will not be accepted from any person or person’s agent who is not an Eligible Unitholder.

This press release does not constitute an offer to sell or the solicitation of an offer to buy the securities of the Fund in any province or territory of Canada or in any other jurisdiction. There shall be no sale of the securities in any jurisdiction in which an offer to sell, a solicitation of an offer to buy or a sale would be unlawful.

For further information:

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This news release contains certain “forward-looking statements” within the meaning of such statements under applicable securities law. Forward-looking statements are frequently characterized by words such as “plan”, “continue”, “expect”, “project”, “intend”, “believe”, “anticipate”, “estimate”, “may”, “will”, “potential”, “proposed” and other similar words, or statements that certain events or conditions “may” or “will” occur. These statements are only predictions. Various assumptions were used in drawing the conclusions or making the projections contained in the forward-looking statements throughout this news release. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements.