

*Attention: Business Editors*

**CONNOR, CLARK & LUNN FINANCIAL GROUP ANNOUNCES FORMATION OF INFRASTRUCTURE BUSINESS WITH INITIAL INVESTMENT IN \$500 MILLION BC-BASED HYDRO PROJECT**

**TORONTO – October 24, 2007**

***New business to be a leading provider of risk capital to infrastructure industry***

Connor, Clark & Lunn Financial Group (CC&L Financial Group) announced today the formation of Connor, Clark & Lunn Infrastructure Ltd. (CC&L Infrastructure), a business that will invest in North American middle market infrastructure assets and companies. CC&L Infrastructure will focus on traditional projects (such as roads and bridges) as well as energy projects (such as power generation facilities) ranging in size from \$25 million to \$750 million. CC&L Infrastructure is the newest addition to CC&L Financial Group's unique "multi-boutique" structure through which it manages over \$37 billion in assets on behalf of institutional, private and retail clients.

"We expect to become a leading source of risk capital to the Canadian infrastructure industry," said Matt O'Brien, President, CC&L Infrastructure. "Most independent power developers are long on industry expertise and entrepreneurial spirit, but are often short on capital", said O'Brien. "We will partner with them to provide the equity capital that enables sound projects to get developed and built."

CC&L Infrastructure recently closed its first investment in an approximately \$500 million construction-stage, run-of-river hydro project in British Columbia. Harrison Hydro is a 150 MW project that will be among the largest of its kind in Canada. The project will connect six individual hydro facilities together into a new substation at the north end of Harrison Lake, located approximately 95 kms east of Vancouver. CC&L Infrastructure and the project developers are together providing all of the equity capital required for construction of the project, which is expected to begin operations by the end of 2010.

CC&L Infrastructure has a partnership-based, no-strings attached approach to infrastructure investment. "Our investment approach sets us apart," noted O'Brien. "We partner with the highest quality developers and provide them with the autonomy to develop and build their projects. We don't tie our capital to the provision of other engineering, construction, investment banking or debt financing services."

The creation of CC&L Infrastructure comes at a time when the demand for power, and in particular the demand for renewable sources of power, is at an all-time high in Canada and the supply of new power is not keeping pace.

"Provincial governments are increasingly turning to the private sector to help bridge the emerging gap between the supply and demand for power," noted O'Brien. "Our focus on providing capital to independent power developers will continue to grow a network of small entrepreneurial firms who are actively developing renewable power sources and, in turn, address the emerging power gap."

***CC&L Infrastructure establishes Advisory Committee***

To provide counsel and guidance for the business, CC&L Infrastructure has established an advisory committee whose members are Patrick Madigan and Roger Dall'Antonia. Mr. Madigan, who is currently the president of Terra Capital has over 20 years of infrastructure industry experience, including senior management positions in the infrastructure groups of Macquarie North America and RBC Capital Markets. Mr. Dall'Antonia, who is currently Vice President of Treasury and Investor Relations at Versacold, has over a decade of experience in senior finance roles within the energy industry.

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***About Connor, Clark & Lunn Financial Group***

The Connor, Clark & Lunn Financial Group is a multi boutique asset management company that provides professional investment management for institutional, high net worth and retail clients.

The structure of the Connor, Clark & Lunn Financial Group is designed to create the conditions for success for its clients, partners and employees. A broad range of investment management services are delivered to pension funds, capital accumulation plans, foundations and endowments, mutual funds and individual investors through offices in Vancouver, Edmonton, Calgary, Regina, Toronto, Ottawa and Montreal. Total assets under management within the Connor, Clark & Lunn Financial Group exceed \$37 billion.

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