# FOXBY CORP.

## ANNUAL REPORT
## December 31, 2008

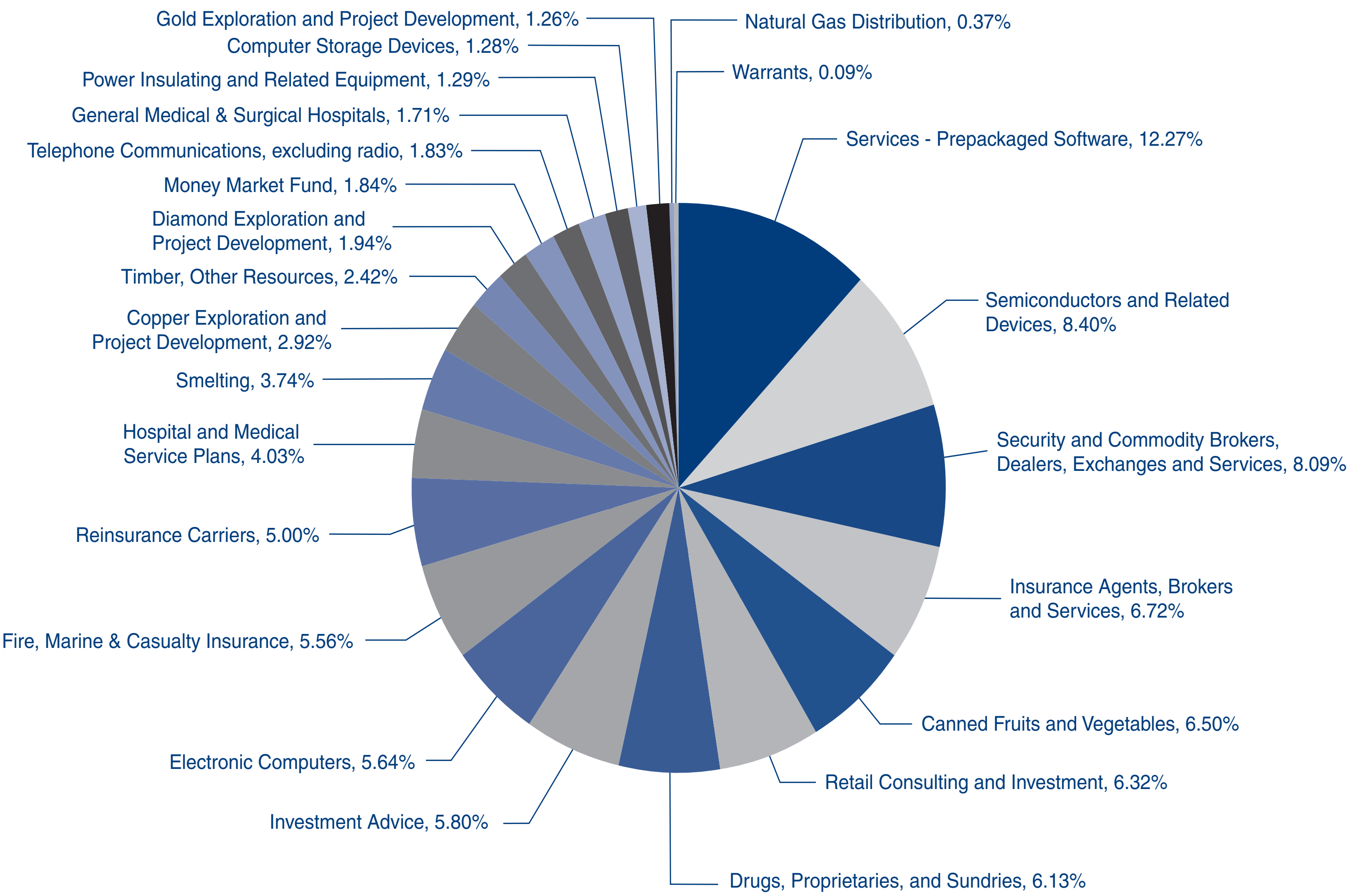
Ticker Symbol:

**FXBY**

11 Hanover Square
New York, NY 10005

www.foxbycorp.com

## INVESTMENTS BY INDUSTRY*




## PORTFOLIO ANALYSIS*

| | |
|---|---|
| U.S. Equities | 73% |
| Foreign Equities | 28% |
| | 101% |

* Investments by industry and portfolio analysis use approximate percentages of total net assets, and may not add up to 100% due to leverage or other assets, rounding, and other factors.

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**11 Hanover Square, New York, NY 10005**
**www.foxbycorp.com**

January 15, 2009

Fellow Shareholders:

We are pleased to submit this 2008 Annual Report for Foxby Corp. and to welcome our new shareholders who find the Fund's flexible total return investment approach attractive. As a closed end fund seeking total return, the Fund uses a flexible strategy in the selection of securities and is not limited by the issuer's location, industry, or market capitalization. The Fund may invest in equity and fixed income securities of both new and seasoned U.S. and foreign issuers, including securities convertible into common stock and debt securities, closed end funds, and mutual funds. The Fund may employ aggressive and speculative investment techniques, such as selling securities short, employing futures and options, derivatives, and borrowing money for investment purposes, an approach known as "leverage." The Fund may also invest defensively in high grade money market instruments. A benefit of its closed end structure, the Fund may invest without limit in illiquid investments such as private placements and private companies.

## Foxby Corp. Now Trading Over the Counter With A New Ticker Symbol: FXBY

On October 24, 2008, Foxby Corp. announced it had taken steps to delist its common stock from the American Stock Exchange. Immediately upon delisting, the common stock began trading over the counter and is currently quoted under the symbol FXBY on the OTC Bulletin Board ("OTCBB") and on the Pink OTC Markets Inc. ("Pink Sheets"). The Fund expects that delisting will allow management to focus its resources on pursuing the Fund's investment objectives and position the Fund to enhance long term stockholder value.

## Market Report

2008 saw the global economy under enormous pressure. According to the U.S. Commerce Department U.S. factory orders dropped 5.1% in October, the largest decrease since 2000. Governments intervened worldwide to shore up businesses and boost markets, often becoming the lender of last resort. As many businesses continued to stumble, however, U.S. employers cut 533,000 jobs in November, the most in 34 years, taking the unemployment rate to a 15 year high of 6.7%, according to the U.S. Labor Department. The Labor Department also reported that claims for unemployment benefits recently climbed over 4 million, the highest level since 1982. Reflecting the worsening employment situation, the Mortgage Bankers Association claimed that a record of one in ten American homeowners with a mortgage were either at least a month behind on their payments or in foreclosure at the end of the third quarter. One bright spot was the retreat in commodity and energy prices in the second half of the year, dampening prior concerns of growing near term inflation. Consumer prices in November dropped 1.7% – the largest amount since 1947.

To combat the appearance of what could be a prolonged and severe recession in the United States, the Federal Reserve Open Market Committee (FOMC) lowered the key federal funds interest rate repeatedly over the 2008 year, culminating in the unprecedented December 16 decision to lower the rate to a range of between 0% and 0.25%. The FOMC cited deteriorating labor market conditions and declining consumer spending, business investment, and industrial production, as well as strained financial markets and tight credit conditions, with the outlook for weak economic activity.

Europe is in a severe recession, as demonstrated by a industrial production decline of 7.7% in the 12 months ending November 2008, according to a report by Eurostat, the Statistical Office of the European Communities. Japan, the world's second largest economy, is also back in recession. During its prior recession in the 1990's, the Japanese government intervened with a stimulus policy that incurred enormous debt to build roads, bridges, and other large infrastructure. According to *The Wall Street Journal*, Japan spent approximately 150 trillion yen since 1998 on this failed policy – which is what the United States, China, and several other nations are currently pursuing to reinvigorate their economies. Japan is now considering tax cuts, toll reductions, and tax rebates. China's growth, estimated at 13% in 2007 by its National Bureau of Statistic, is now forecasted to grow at only about 8% in 2009.

Looking ahead, we note that stocks appear to be "pricing in" much of the current dismal economic scene already and may represent good value should conditions stabilize. Indeed, better times may be in the offing now. For example, since peaking at over $145 a barrel, crude oil prices have now fallen over $100, providing substantial energy savings for many American consumers and businesses. We expect, however, inflation in the United States to resurface in the medium term. Also suggestive of future inflation is the Treasury Department's $700 billion Troubled Asset Relief Plan and President-elect Obama's massive economic stimulus measure combining federal spending with tax cuts, believed to potentially reach $1 trillion in size. We note that the U.S. federal budget deficit is expected to reach at least $1.2 trillion in 2009.

## Total Return Allocation

In view of these challenging market conditions, the Fund's overall strategy in 2008 was to increase its diversification of industries, reducing both exposure to resource companies and leverage. The Fund's portfolio was realigned to emphasize companies with announced stock buybacks. During the period, portfolio companies involved with technology and mergers outperformed, while resource and financial company investments underperformed. The Fund's short selling of certain stocks helped returns, although transactions in futures on stock indexes reduced Fund returns. Valuation of the Fund's holdings of private companies were revised downward in line with the reduction of market multiples and their own weakening prospects. For the 2008 year, the Fund had a market total return of (81.42)% and a net asset value total return of (63.27)%. In the same period, the Standard & Poor's 500 returned (37.00)%, according to Morningstar. Our current view of financial conditions suggests that the Fund may benefit during 2009 from its flexible portfolio approach, investing opportunistically in a variety of markets, and employing aggressive and speculative investment techniques as deemed appropriate.

At December 31, 2008, the Fund's top ten holdings comprised approximately 59% of its net assets. As a percent of net assets, investments in U.S. equities accounted for about 73% and foreign equities about 28%. As the Fund pursues its total return objective through this flexible approach, these holdings and allocations are subject to substantial change at any time. By way of illustration, at December 31, 2007, as a percent of net assets, investments in U.S. equities accounted for about 58% and foreign equities about 57%, reflecting approximately 15% leverage.

We thank you for investing with Foxby and share your enthusiasm for the Fund, as evidenced by the fact that affiliates of CEF Advisers, Inc., the Fund's Investment Manager, own approximately 24.5% of the Fund's shares. We look forward to serving your investment needs over the years ahead.

Sincerely,

Thomas B. Winmill
President and Portfolio Manager

## TOP TEN HOLDINGS
(at December 31, 2008)

| | | | |
|---|---|---|---|
| 1. | Trend Micro, Inc. | 6. | Franklin Resources, Inc. |
| 2. | Brown & Brown, Inc. | 7. | Berkshire Hathaway, Inc. Cl. B |
| 3. | T. Rowe Price Group, Inc. | 8. | Aspen Insurance Holdings Ltd. |
| 4. | Del Monte Foods Company | 9. | Intel Corp. |
| 5. | Amerivon Holdings | 10. | UnitedHealth Group, Inc. |

Top ten holdings comprise approximately 59% of total net assets. Portfolio holdings are subject to change. This portfolio information should not be considered as a recommendation to purchase or sell a particular security.

## SCHEDULE OF PORTFOLIO INVESTMENTS - DECEMBER 31, 2008

| Shares | | Value |
|---|---|---|
| | **COMMON STOCKS (89.49%)** | |
| | **Canned Fruits and Vegetables (6.50%)** | |
| 30,000 | Del Monte Foods Company [3] | $ 214,200 |
| | **Computer Storage Devices (1.28%)** | |
| 9,500 | Seagate Technology | 42,085 |
| | **Copper Exploration and Project Development (2.92%)** | |
| 438,000 | Nord Resources Corp. [1] | 96,360 |
| | **Diamond Exploration and Project Development (1.94%)** | |
| 185,937 | Etruscan Diamonds Ltd. [1] [2] | 64,018 |
| | **Drugs, Proprietaries, and Sundries (6.13%)** | |
| 2,000 | AmerisourceBergen Corp. | 71,320 |
| 3,000 | Herbalife Ltd. | 65,040 |
| 1,700 | McKesson Corp. | 65,841 |
| | | 202,201 |
| | **Electronic Computers (5.64%)** | |
| 12,500 | Dell, Inc. [1][3] | 128,000 |
| 1,600 | Hewlett-Packard Company | 58,064 |
| | | 186,064 |
| | **Fire, Marine & Casualty Insurance (5.56%)** | |
| 57 | Berkshire Hathaway, Inc., Class B [1] [3] | 183,198 |
| | **General Medical & Surgical Hospitals (1.71%)** | |
| 1,500 | Universal Health Services, Inc. | 56,355 |
| | **Gold Exploration and Project Development (1.26%)** | |
| 99,000 | Etruscan Resources Inc. [1] | 41,701 |
| 17,166 | Q2 Gold Resources, Inc. [1] [2] | – |
| | | 41,701 |
| | **Hospital and Medical Service Plans (4.03%)** | |
| 5,000 | UnitedHealth Group Inc. [3] | 133,000 |
| | **Insurance Agents, Brokers and Services (6.72%)** | |
| 10,600 | Brown & Brown, Inc. | 221,540 |
| 75,000 | Safety Intelligence Systems Corp. [1] [2] | – |
| | | 221,540 |
| | **Investment Advice (5.80%)** | |
| 3,000 | Franklin Resources Inc. | 191,340 |
| | **Natural Gas Distribution (.37%)** | |
| 12,713 | MetroGAS S.A. ADR [1] | 12,077 |
| | **Power Insulating and Related Equipment (1.29%)** | |
| 4,000 | NGK Insulators, Ltd.[3] | 42,600 |

| Shares | | Value |
|---|---|---|
| | **COMMON STOCKS - continued** | |
| | **Reinsurance Carriers (5.00%)** | |
| 6,800 | Aspen Insurance Holdings Ltd.[3] | $ 164,900 |
| | **Security and Commodity Brokers, Dealers, Exchanges and Services (8.09%)** | |
| 17,000 | BGC Partners, Inc. | 46,920 |
| 6,200 | T. Rowe Price Group, Inc | 219,728 |
| | | 266,648 |
| | **Semiconductors and Related Devices (8.40%)** | |
| 9,900 | Intel Corporation [3] | 145,134 |
| 8,500 | Texas Instruments Inc. [3] | 131,920 |
| | | 277,054 |
| | **Services - Prepackaged Software (12.27%)** | |
| 1,600 | DST Systems, Inc. [1] | 60,768 |
| 13,000 | TIBCO Software Inc. [1] | 67,470 |
| 8,100 | Trend Micro Incorporated ADR [1] [3] | 276,106 |
| | | 404,344 |
| | **Smelting (0.33%)** | |
| 9,093 | China Silicon Corp. [1] [2] | 10,821 |
| | **Telephone Communications, Excluding Radio (1.83%)** | |
| 9,000 | Telecom Corporation of New Zealand Ltd | 60,300 |
| | **Timber, Other Resources (2.42%)** | |
| 371,530 | MagIndustries Corp. [1] | 79,753 |
| | Total common stocks (cost: $5,267,494) | 2,950,559 |
| | **PREFERRED STOCKS (3.41%)** | |
| | **Smelting** | |
| 945 | China Silicon Corp. [1] [2] (cost: $224,910) | 112,455 |

| Principal Amount | | |
|---|---|---|
| | **CORPORATE BONDS AND NOTES (6.32%)** | |
| | **Retail Consulting and Investment** | |
| 416,558 | Amerivon Holdings LLC 4%, due 2010 (cost: $416,558) [2] | 208,279 |

## SCHEDULE OF PORTFOLIO INVESTMENTS – DECEMBER 31, 2008

| Units | | Value |
|---|---|---|
| | **WARRANTS (0.09%)** [1] | |
| 4 | Amerivon Holdings LLC, expiring 5/31/10 [2] | $ – |
| 23,626 | China Silicon Corp., expiring 7/18/10 [2] | – |
| 111,110 | Davie Yards Inc., expiring 2/20/10 | 2,925 |
| 219,000 | Nord Resources Corp., expiring 6/05/12 [2] | – |
| 70,000 | Victoria Gold Corp., expiring 5/07/09 [2] | – |
| | Total warrants (cost: $0) | 2,925 |
| **Shares** | | |
| | **MONEY MARKET FUND (1.84%)** | |
| 60,534 | SSgA Money Market Fund, 1.23% [4] (cost: $60,534) | 60,534 |
| | Total investments (cost: $5,969,496) (101.15%) | 3,334,752 |
| | Liabilities in excess of other assets (-1.15%) | (38,001) |
| | Net assets (100.00%) | $3,296,751 |

(1) Non-income producing.
(2) Illiquid and/or restricted security that has been fair valued.
(3) Fully or partially pledged as collateral on bank credit facility.
(4) Rate represents the 7 day annualized yield at December 31, 2008.
ADR means "American Depositary Receipt."

## STATEMENT OF ASSETS AND LIABILITIES

December 31, 2008

| | |
|---|---|
| **ASSETS** | |
| Investments at value (cost: $5,969,496) | $3,334,752 |
| Dividends receivable | 6,548 |
| Interest receivable | 4,189 |
| Other assets | 1,399 |
| Total assets | 3,346,888 |
| **LIABILITIES** | |
| Accrued expenses | 47,341 |
| Administrative services payable | 1,485 |
| Investment management fee payable | 1,311 |
| Total liabilities | 50,137 |
| **NET ASSETS** | $3,296,751 |
| **NET ASSET VALUE PER SHARE** (applicable to 2,610,050 shares outstanding: 500,000,000 shares of $.01 par value authorized) | $1.26 |
| **NET ASSETS CONSIST OF** | |
| Paid in capital | $15,621,502 |
| Accumulated investment loss | (6,948) |
| Accumulated net realized loss on investments | (9,683,059) |
| Net unrealized depreciation on investments and foreign currencies | (2,634,744) |
| | $3,296,751 |

## STATEMENT OF OPERATIONS

Year Ended December 31, 2008

| | |
|---|---|
| **INVESTMENT INCOME** | |
| Dividends (net of $1,033 of foreign tax expense) | $110,371 |
| Interest | 23,241 |
| Securities lending income | 3,267 |
| Dividends from affiliate | 35 |
| Total investment income | 136,914 |
| **EXPENSES** | |
| Legal | 62,200 |
| Investment management | 33,499 |
| Shareholder communications | 32,222 |
| Interest and fees on bank credit facility | 27,139 |
| Bookkeeping and pricing | 25,220 |
| Administrative services | 22,343 |
| Auditing | 20,130 |
| Transfer agent | 8,221 |
| Custodian | 7,068 |
| Directors | 6,320 |
| Membership dues | 3,457 |
| Insurance | 2,196 |
| Other | 1,575 |
| Total expenses | 251,590 |
| Expense reductions | (76) |
| Net expenses | 251,514 |
| Net investment loss | (114,600) |
| **REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:** | |
| Net realized gain (loss): | |
| Investments | (1,593,356) |
| Futures contracts | (276,190) |
| Short sales | 101,711 |
| Foreign currencies | (15,317) |
| Unrealized depreciation on: | |
| Investments | (3,471,200) |
| Translation of assets and liabilities in foreign currencies | (281,017) |
| Net realized and unrealized loss on investments | (5,535,369) |
| Net decrease in net assets resulting from operations | $(5,649,969) |

## STATEMENTS OF CHANGES IN NET ASSETS

Years Ended December 31, 2008 and 2007

| | 2008 | 2007 |
|---|---|---|
| **OPERATIONS** | | |
| Net investment loss | $ (114,600) | $ (151,782) |
| Net realized gain (loss) | (1,783,152) | 981,589 |
| Unrealized appreciation (depreciation) | (3,752,217) | 587,825 |
| Net increase (decrease) in net assets resulting from operations | (5,649,969) | 1,417,632 |
| **DISTRIBUTIONS TO SHAREHOLDERS** | | |
| Distributions from ordinary income | – | (52,057) |
| **CAPITAL SHARE TRANSACTIONS** | | |
| Reinvestment of distributions to shareholders (0 and 7,203 shares, respectively) | – | 20,816 |
| Total change in net assets | (5,649,969) | 1,386,391 |
| **NET ASSETS** | | |
| Beginning of year | 8,946,720 | 7,560,329 |
| End of year | $3,269,751 | $8,946,720 |
| End of year net assets include undistributed net investment loss | $ (6,948) | $ (113,296) |

## STATEMENT OF CASH FLOWS

Year Ended December 31, 2008

| | |
|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | |
| Net decrease in net assets resulting from operations | $(5,649,969) |
| Adjustments to reconcile change in net assets resulting from operations to net cash provided by (used in) operating activities: | |
| Proceeds from sales of investments securities | 7,243,240 |
| Purchase of investment securities | (5,810,562) |
| Net unrealized depreciation of investments and foreign currencies | 3,752,217 |
| Net realized loss on investments, short sales, futures, and foreign currencies | 1,783,152 |
| Decrease in receivable for securities sold | 667,370 |
| Net purchases of short term securities | (352,019) |
| Proceeds from short sale of investments | 231,988 |
| Buy to cover investments held short | (130,277) |
| Decrease in accrued expenses | (12,148) |
| Increase in dividends receivable | (2,180) |
| Decrease in other assets | 3,227 |
| Decrease in management fee payable | (2,457) |
| Decrease in administrative services payable | (689) |
| Increase in interest receivable | (187) |
| Net cash provided by operating activities | 1,720,706 |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | |
| Repayment on bank line of credit | (1,720,706) |
| Net cash used in financing activities | (1,720,706) |
| Net increase (decrease) in cash | – |
| **CASH** | |
| Beginning of year | – |
| End of year | $ – |
| **SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION** | |
| Cash paid for interest | $33,016 |

# NOTES TO FINANCIAL STATEMENTS - DECEMBER 31, 2008

## 1. Organization and Significant Accounting Policies

Foxby Corp., a Maryland corporation registered under the Investment Company Act of 1940, as amended (the "Act"), is a non-diversified, closed end management investment company whose shares are quoted over the counter under the ticker symbol FXBY. Prior to October 24, 2008, the Fund's shares were listed on the American Stock Exchange. The Fund's non fundamental investment objective is total return which it may seek from growth of capital and from income in any security type and in any industry sector. The Fund retains CEF Advisers, Inc. as its Investment Manager.

The following is a summary of the Fund's significant accounting policies.

**Security Valuation** – Securities traded on a U.S. national securities exchange ("USNSE") are valued at the last reported sale price on the day the valuations are made. Securities traded primarily on the Nasdaq Stock Market ("Nasdaq") are normally valued by the Fund at the Nasdaq Official Closing Price ("NOCP") provided by Nasdaq each business day. The NOCP is the most recently reported price as of 4:00:02 p.m., ET, unless that price is outside the range of the "inside" bid and asked prices (i.e., the bid and asked prices that dealers quote to each other when trading for their own accounts); in that case, Nasdaq will adjust the price to equal the inside bid or asked price, whichever is closer. Because of delays in reporting trades, the NOCP may not be based on the price of the last trade to occur before the market closes. Securities that are not traded on a particular day and securities traded in foreign and over the counter markets that are not also traded on a USNSE or Nasdaq are generally valued at the mean between the last bid and asked prices. Certain of the securities in which the Fund invests are priced through pricing services that may utilize a matrix pricing system which takes into consideration factors such as yields, prices, maturities, call features, and ratings on comparable securities. Bonds may be valued according to prices quoted by a bond dealer that offers pricing services. Open end investment companies are valued at their net asset value. Foreign securities markets may be open on days when the U.S. markets are closed. For this reason, the value of any foreign securities owned by the Fund could change on a day when stockholders cannot buy or sell shares of the Fund. Securities for which quotations are not readily available or reliable and other assets may be valued as determined in good faith by the Investment Manager under the direction of or pursuant to procedures established by the Fund's Board of Directors. Due to the inherent uncertainty of valuation, these values may differ from the values that would have been used had a readily available market for the securities existed. These differences in valuation could be material. A security's valuation may differ depending on the method used for determining value. The use of fair value pricing by the Fund may cause the net asset value of its shares to differ from the net asset value that would be calculated using market prices.

**Foreign Currency Translation** – Securities denominated in foreign currencies are translated into U.S. dollars at prevailing exchange rates. Realized gain or loss on sales of such investments in local currency terms is reported separately from gain or loss attributable to the change in foreign exchange rates for those investments.

**Short Sales** – The Fund may sell a security it does not own in anticipation of a decline in the market value of the security. When the Fund sells a security short, it must borrow the security sold short and deliver it to the broker/dealer through which it made the short sale. The Fund is liable for any dividends or interest paid on securities sold short. A gain, limited to the price at which the Fund sold the security short, or a loss, unlimited in size, will be recognized upon the termination of a short sale.

**Futures Contracts** – The Fund may engage in transactions in futures contracts. Upon entering into a futures contract, the Fund provides the broker/dealer an amount of cash or cash equivalents equal to a certain percentage of the contract amount. This is known as the "initial margin." Subsequent payments ("variation margin") are made or received by the Fund each day, depending on the daily fluctuation of the value of the contract. The daily change in the contract is included in unrealized appreciation or depreciation on investments and futures contracts. The Fund recognizes a realized gain or loss when the contract is closed. Futures transactions sometimes may reduce returns or increase volatility. In addition, futures can be illiquid and highly sensitive to changes in their underlying security, interest rate, or index, and as a result can be highly volatile. A small investment in certain futures could have a large impact on the Fund's performance.

**Investments in Other Investment Companies** – The Fund may invest in shares of other investment companies (or entities that would be considered investment companies but are excluded from the definition pursuant to certain exceptions under the Act) (the "Acquired Funds") in accordance with the Act and related rules. Shareholders in the Fund bear the pro rata portion of the fees and expenses of the Acquired Funds in addition to the Fund's expenses. Expenses incurred by the Fund that are disclosed in the Statement of Operations do not include fees and expenses incurred by the Acquired Funds. The fees and expenses of the Acquired Funds are included in the Fund's total returns.

**Security Transactions** – Security transactions are accounted for on the trade date (the date the order to buy or sell is executed).

**Investment Income** – Dividend income is recorded on the ex-dividend date, or in the case of certain foreign securities, as soon as the Fund is notified, and interest income is recorded on the accrual basis. Taxes withheld on foreign dividends have been provided for in accordance with the Fund's understanding of the applicable country's tax rules and rates. Net realized gain or loss is determined on the identified cost basis.

**Expenses** – Estimated expenses are accrued daily. Expenses directly attributable to the Fund are charged to the Fund. Expenses borne by the complex of related investment companies, which includes open end and closed end investment companies for which the Investment Manager and its affiliates serve as investment manager, that are not directly attributed to the Fund, are allocated among the Fund and the other investment companies in the complex on the basis of relative net assets, except where a more appropriate allocation of expenses among the investment companies in the complex can otherwise be made fairly.

**Expense Reduction Arrangement** – Through arrangements with the Fund's custodian and cash management bank, credits realized as a result of uninvested cash balances were used to reduce custodian expenses by $76 during the period.

**Distributions to Shareholders** – Distributions to shareholders, which are determined in accordance with income tax regulations, are recorded on the ex-dividend date.

**Income Taxes** – No provision has been made for U.S. income taxes because the Fund's current intention is to continue to qualify as a regulated investment company under the Internal Revenue Code and to distribute to its shareholders substantially all of its taxable income and net realized gains. Foreign securities held by the Fund may be subject to foreign taxation. Foreign taxes, if any, are recorded based on the tax regulations and rates that exist in the foreign markets in which the Fund invests.

The Fund has reviewed its tax positions taken on federal, state, and local income tax returns for all open tax years (tax years ended December 31, 2005 - 2008) and has concluded that no provision for income taxes is required in the Fund's financial statements.

**Use of Estimates** – In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management makes estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Indemnifications** – The Fund indemnifies its officers and directors for certain liabilities that might arise from their performance of their duties for the Fund. Additionally, in the normal course of business, the Fund enters into contracts that contain a variety of representations and warranties and which may provide general indemnifications. The Fund's maximum exposure under these arrangements is unknown as it involves future claims that may be made against the Fund under circumstances that have not occurred.

## 2. Fees and Transactions with Related Parties

The Fund retains the Investment Manager pursuant to an Investment Management Agreement ("IMA"). Under the terms of the IMA, the Investment Manager receives a management fee, payable monthly, based on the average daily net assets of the Fund at the annual rate of 1/2 of 1%. Certain officers and directors of the Fund are officers and directors of the Investment Manager. Pursuant to the IMA, the Fund reimburses the Investment Manager for providing at cost certain administrative services comprised of compliance and accounting services. For the year ended December 31, 2008, the Fund incurred total administrative cost of $22,343, comprised of $14,248 and $8,095 for compliance and accounting services, respectively.

## 3. Distributions to Shareholders and Distributable Earnings

There was no distribution paid to shareholders for the year ended December 31, 2008. The tax character of the distribution paid to shareholders for the year ended December 31, 2007 of $52,057 was from ordinary income.

As of December 31, 2008, the components of distributable earnings on a tax basis were as follows:

| | |
|---|---|
| Capital loss carryover | $ (8,840,629) |
| Post-October losses | (849,378) |
| Unrealized depreciation | (2,634,744) |
| | $(12,324,751) |

Federal income tax regulations permit post-October net capital losses to be deferred and recognized on the tax return of the next succeeding taxable year. The difference between book basis and tax basis unrealized appreciation is attributable primarily to the income from passive foreign investment companies.

Accounting principles generally accepted in the United States of America require certain components of net assets to be reclassified between financial and tax reporting. These reclassifications have no effect on net assets or net asset value per share. For the year ended December 31, 2008, permanent differences between book and tax accounting have been reclassified by decreasing accumulated investment loss by $220,948, decreasing accumulated net realized loss on investments by $6,845,671 and decreasing paid in capital by $7,066,619.

At December 31, 2008, the Fund had a net capital loss carryover of $8,840,629, of which $6,343,522, $414,304, $837,334, $211,845, and $1,033,624 expires in 2009, 2010, 2011, 2013, and 2016, respectively, that may be used to offset future realized capital gains for federal income tax purposes.

## 4. Fair Value Measurements

The Fund adopted Financial Accounting Standards Board ("FASB") Statement of Financial Accounting Standards No. 157, "Fair Value Measurements" ("FAS 157"), on January 1, 2008. FAS 157 defines fair value as the price that the Fund would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date. FAS 157 establishes a framework for measuring fair value and a three level hierarchy for fair value measurements based on the transparency of inputs to the valuation of an asset or liability. Inputs may be observable or unobservable and refer broadly to the assumptions that market participants would use in pricing the asset or liability. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Fund. Unobservable inputs reflect the Fund's own assumptions about the assumptions that market participants would use in pricing the asset or liability developed based on the best information available under the circumstances. The Fund's investment in its entirety is assigned a level based upon the inputs which are significant to the overall valuation. The hierarchy of inputs is summarized below.

The inputs or methodology used for valuing investments are not an indication of the risk associated with investing in those securities.

Level 1 - quoted prices in active markets for identical investments.
Level 2 - other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.).
Level 3 - significant unobservable inputs (including the Fund's own assumptions in determining fair value of investments).

The following is a summary of the inputs used as of December 31, 2008 in valuing the Fund's investments:

| Valuation Inputs | Investments in Securities |
|---|---|
| Level 1 | $2,939,179 |
| Level 2 | - |
| Level 3 | 395,573 |
| Total | $3,334,752 |

The following is a reconciliation of Fund investments valued using Level 3 inputs for the period:

| | |
|---|---|
| Balance, December 31, 2007 | $799,385 |
| Net purchase (sales) | 59,542 |
| Change in unrealized appreciation (depreciation) | (300,854) |
| Realized gain (loss) | - |
| Transfers in and/or out of Level 3 | (162,500) |
| Balance, December 31, 2008 | $395,573 |

## 5. Securities Transactions

Purchases and sales of securities, excluding short term investments, aggregated $5,810,562 and $7,243,240, respectively, for the year ended December 31, 2008. At December 31, 2008, for federal income tax purposes the aggregate cost of securities was $5,969,496 and net unrealized depreciation was $2,634,744, comprised of gross unrealized appreciation of $42,132 and gross unrealized depreciation of $2,676,876.

## 6. Affiliated Issuer

During 2008, the Fund invested in Midas Perpetual Portfolio, Inc. ("MPERX") (formerly Midas Dollar Reserves, Inc.), an open end management investment company advised by Midas Management Corporation ("MMC") and distributed by Investor Service Center, Inc. ("ISC"), each an affiliate of the Investment Manager. As a shareholder, the Fund is subject to its proportional share of MPERX's expenses, including its management and distribution fees. MMC and ISC have each contractually agreed with MPERX to waive their fees from April 29, 2008 to April 29, 2009. Prior to April 29, 2008, MMC and ISC voluntarily waived their fees.

Transactions with affiliates for the year ended December 31, 2008 were as follows:

| | Number of Shares Held | | | | | | |
|---|---|---|---|---|---|---|---|
| Name of Issuer | December 31, 2007 | Gross Additions | Gross Reductions | December 31, 2008 | Value December 31, 2008 | Dividend Income | Realized Gains/ (Losses) |
| Midas Perpetual Portfolio, Inc. | – | 669,679 | 669,679 | – | $ – | $35 | $ – |

### *Illiquid and Restricted Securities*

The Fund owns securities which have a limited trading market and/or certain restrictions on trading and, therefore, may be considered illiquid and/or restricted. Such securities have been valued at fair value in accordance with the procedures described in Note 1. Due to the inherent uncertainty of valuation, these values may differ from the values that would have been used had a readily available market for the securities existed. These differences in valuation could be material. Illiquid and/or restricted securities owned at December 31, 2008, were as follows:

| Security | Acquisition Date | Cost | Value |
|---|---|---|---|
| China Silicon Corp. common shares | 1/01/08 | $ 21,641 | $ 10,821 |
| Victoria Resources Corp. warrants, expiring 5/7/09 | 10/17/07 | – | – |
| Amerivon Holdings LLC 4%, due 5/31/10 | 9/20/07 | 416,558 | 208,279 |
| Amerivon Holdings LLC warrants expiring 5/31/10 | 9/20/07 | – | – |
| China Silicon Corp. preferred shares | 7/18/07 | 224,910 | 112,455 |
| China Silicon Corp. warrants expiring 7/18/10 | 7/18/07 | – | – |
| Q2 Gold Resources, Inc. | 7/06/07 | 65 | – |
| Nord Resources Corp. warrants expiring 6/5/12 | 5/14/07 | – | – |
| Etruscan Diamonds Ltd. | 2/28/07 | 320,129 | 64,018 |
| Safety Intelligence Systems Corp. | 9/05/02 | 225,000 | – |
| | | $1,208,303 | $395,573 |
| Percent of net assets | | 36.7% | 12.0% |

### 7. Bank Credit Facility

The Fund, Global Income Fund, Inc., Midas Fund, Inc., and Midas Special Fund, Inc. (the "Borrowers") have entered into a committed secured line of credit facility with State Street Bank & Trust Company ("SSB"), the Fund's custodian. Global Income Fund, Inc. is a closed end investment company managed by the Investment Manager, and Midas Fund, Inc. and Midas Special Fund, Inc. are open end investment companies managed by MMC. The aggregate amount of the credit facility is $25,000,000. The borrowing of each Borrower is collateralized by the underlying investments of such Borrower. SSB will make revolving loans to a Borrower not to exceed in the aggregate outstanding at any time with respect to any one Borrower, the least of $25,000,000, the maximum amount permitted pursuant to each Borrower's investment policies, or as permitted under the Act. The commitment fee on this facility is 0.10% per annum on the unused portion of the commitment, based on a 360 day year. All loans under this facility will be available at the Borrower's option of (i) overnight Federal funds or (ii) LIBOR (30, 60, 90 days), each as in effect from time to time, plus 0.75% per annum, calculated on the basis of actual days elapsed for a 360 day year. For the year ended December 31, 2008, the Fund's weighted average interest rate under the credit facility was 3.37% based on its balances outstanding during the period and the Fund's weighted average amount outstanding during the period was $768,273. At December 31, 2008, there were investment securities pledged as collateral with a value of $1,419,058 and no outstanding borrowings under the credit facility.

### 8. Securities Lending

Through an agreement with SSB effective June 23, 2008, the Fund may lend its securities. In accordance with the Fund's security lending procedures, the loans are collateralized at all times with cash or securities or both with a value at least equal to the securities on loan. The value of the loaned securities is determined at the close of business of the Fund, in accordance with the Fund's valuation policies or, if applicable, by the valuation procedures established by the Fund's Board of Directors, and any additional required collateral is delivered to the Fund on the next business day. As with other extensions of credit, the Fund bears the risk of delay on recovery or loss of rights in the collateral should the borrower of the securities default. Both the Fund and

SSB receive compensation relating to the lending of the Fund's securities. The Fund had no securities on loan at December 31, 2008.

### 9. Foreign Securities Risk

Investing in securities of foreign issuers involves special risks which include changes in foreign exchange rates and the possibility of future adverse political and economic developments which could adversely affect the value of such securities. Moreover, securities in foreign issuers and markets may be less liquid and their prices more volatile than those of U.S. issuers and markets.

### 10. Capital Stock

At December 31, 2008, there were 2,610,050 shares of $.01 par value common stock outstanding and 500,000,000 shares authorized. There were no transactions in capital stock for the year ended December 31, 2008 and there were 7,203 shares issued and an increase in paid in capital of $20,816 in connection with reinvestment of distributions for the year ended December 31, 2007. At December 31, 2008, ISC owned approximately 24.5% of the Fund's outstanding common stock.

### 11. Share Repurchase Program

In accordance with Section 23(c) of the Act, the Fund may from time to time repurchase its shares in the open market at the discretion of the Board of Directors and upon such terms as the Directors shall determine. During the years ended December 31, 2008 and 2007, the Fund did not so repurchase any of its shares.

### 12. Other Information

The Fund may at times raise cash for investment by issuing shares through one or more offerings, including rights offerings. Proceeds from any such offerings will be invested in accordance with the investment objectives and policies of the Fund.

### 13. Recently Issued Accounting Standards

In March 2008, the FASB released Statement of Financial Accounting Standards No. 161, *Disclosures about Derivative Instruments and Hedging Activities, an amendment of FASB statement No. 133* ("FAS 161"). FAS 161 requires qualitative disclosures about objectives and strategies for using derivatives, quantitative disclosures about fair value amounts of and gains and losses on derivative instruments, and disclosures about credit risk related contingent features in derivative agreements. The application of FAS 161 is required for fiscal years beginning after November 15, 2008 and interim periods within those fiscal years. The Fund does not expect FAS 161 to have a material impact on its financial statements.

In September 2008, Statement of Financial Accounting Standards No. 133-1, *Disclosures about Credit Derivatives and Certain Guarantees* ("FAS 133-1") was issued and is effective for fiscal years ending after November 15, 2008. FAS 133-1 requires a seller of credit derivatives, including credit derivatives embedded in hybrid instruments, to provide certain disclosures for each credit derivative or group of credit derivatives presented on the Statement of Assets and Liabilities. The impact of FAS 133-1 on the Fund's financial statement disclosures, if any, is currently being assessed.

# FINANCIAL HIGHLIGHTS

| | Years Ended December 31, | | | | |
|---|---|---|---|---|---|
| | **2008** | **2007** | **2006** | **2005** | **2004** |
| **Per Share Operating Performance**<br>(for a share outstanding throughout each period) | | | | | |
| Net asset value, beginning of period | $3.43 | $2.90 | $2.50 | $2.57 | $2.75 |
| Income from investment operations: | | | | | |
| Net investment loss | (.04) | (.06) | (.04) | (.17) | (.11) |
| Net realized and unrealized gain (loss) on investments | (2.13) | .61 | .44 | .10 | (.07) |
| Total from investment operations | (2.17) | .55 | .40 | (.07) | (.18) |
| Less distributions: | | | | | |
| Dividends from net investment income | – | (.02) | – | – | – |
| Net asset value, end of period | $1.26 | $3.43 | $2.90 | $2.50 | $2.57 |
| Market value, end of period | $.55 | $2.96 | $2.41 | $2.05 | $2.40 |
| **Total Return** (a) | | | | | |
| Based on net asset value | (63.27)% | 19.09% | 16.00% | (2.72)% | (6.55)% |
| Based on market price | (81.42)% | 23.67% | 17.56% | (7.66)% | (7.50)% |
| **Ratios/Supplemental Data** | | | | | |
| Net assets, end of period (000's omitted) | $3,297 | $8,947 | $7,560 | $6,513 | $6,699 |
| Ratio of total expenses to average net assets | 3.76% | 2.77% | 2.34% | 7.76% | 5.27% |
| Ratio of net expenses to average net assets | 3.76% | 2.77% | 2.33% | 7.76% | 5.27% |
| Ratio of net expenses excluding loan interest and fees to average net assets | 3.35% | 2.18% | 1.90% | 7.54% | 5.19% |
| Ratio of net investment loss to average net assets | (1.71)% | (1.78)% | (1.44)% | (6.78)% | (4.31)% |
| Portfolio turnover rate | 78.13% | 69.86% | 110.67% | 26.92% | 164.08% |

(a) Total return on a market value basis is calculated assuming a purchase of common stock on the opening of the first day and a sale on the closing of the last day of each period reported. Dividends and distributions, if any, are assumed for purposes of this calculation to be reinvested at prices obtained under the Fund's Dividend Reinvestment Plan. Generally, total return on a net asset value basis will be higher than total return on a market value basis in periods where there is an increase in the discount or a decrease in the premium of the market value to the net asset value from the beginning to the end of such periods. Conversely, total return on a net asset value basis will be lower than total return on a market value basis in periods where there is a decrease in the discount or an increase in the premium of the market value to the net asset value from the beginning to the end of such periods. The calculation does not reflect brokerage commissions, if any.

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of Foxby Corp.:

We have audited the accompanying statement of assets and liabilities of Foxby Corp. (the "Fund"), including the schedule of investments as of December 31, 2008, the related statements of operations and of cash flows for the year then ended, the statement of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audit.

We conducted our audits in accordance with auditing standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. We were not engaged to perform an audit of the Fund's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2008 by correspondence with the custodian. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of Foxby Corp. as of December 31, 2008, the results of its operations and its cash flows for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for the five years presented, in conformity with accounting principles generally accepted in the United States of America.

TAIT, WELLER & BAKER LLP

Philadelphia, Pennsylvania
February 25, 2009

## PRIVACY POLICY

The Fund recognizes the importance of protecting the personal and financial information of its shareholders. We consider each shareholder's personal information to be private and confidential. This describes the practices followed by us to protect our shareholders' privacy. We may obtain information about you from the following sources: (1) information we receive from you on forms and other information you provide to us whether in writing, by telephone, electronically or by any other means; and (2) information regarding your transactions with us, our corporate affiliates, or others. We do not sell shareholder personal information to third parties. We will collect and use shareholder personal information only to service shareholder accounts. This information may be used by us in connection with providing services or financial products requested by shareholders. We will not disclose shareholder personal information to any non-affiliated third party except as permitted by law. We take steps to safeguard shareholder information. We restrict access to non-public personal information about you to those employees and service providers who need to know that information to provide products or services to you. Together with our service providers, we maintain physical, electronic, and procedural safeguards to guard your non-public personal information. Even if you are no longer a shareholder, our Privacy Policy will continue to apply to you. We reserve the right to modify, remove, or add portions of this Privacy Policy at any time.

## DIVIDEND REINVESTMENT PLAN
### Terms and Conditions of the
### 2008 Amended Dividend Reinvestment Plan

1. Each shareholder (the "Shareholder") holding shares of common stock (the "Shares") of Foxby Corp. (the "Fund") will automatically be a participant in the Dividend Reinvestment Plan (the "Plan"), unless the Shareholder specifically elects to receive all dividends and capital gains in cash paid by check mailed directly to the Shareholder by Illinois Stock Transfer Company, 209 West Jackson Boulevard, Suite 903, Chicago, IL 60606, 1-800-757-5755, as agent under the Plan (the "Agent"). The Agent will open an account for each Shareholder under the Plan in the same name in which such Shareholder's shares of Common Stock are registered.

2. Whenever the Fund declares a capital gain distribution or an income dividend payable in Shares or cash, participating Shareholders will take the distribution or dividend entirely in Shares and the Agent will automatically receive the Shares, including fractions, for the Shareholder's account in accordance with the following:

Whenever the Market Price (as defined in Section 3 below) per Share is equal to or exceeds the net asset value per Share at the time Shares are valued for the purpose of determining the number of Shares equivalent to the cash dividend or capital gain distribution (the "Valuation Date"), participants will be issued additional Shares equal to the amount of such dividend divided by the greater of the Fund's net asset value per Share or 95% of the Fund's Market Price per Share. Whenever the Market Price per Share is less than such net asset value on the Valuation Date, participants will be issued additional Shares equal to the amount of such dividend divided by the Market Price. The Valuation Date is the business day before the dividend or distribution payment date. If the Fund should declare a dividend or capital gain distribution payable only in cash, the Agent will, as purchasing agent for the participating Shareholders, buy Shares in the open market, or elsewhere, for such Shareholders' accounts after the payment date, except that the Agent will endeavor to terminate purchases in the open market and cause the Fund to issue the remaining Shares if, following the commencement of the purchases, the market value of the Shares exceeds the net asset value. These remaining Shares will be issued by the Fund at a price equal to the Market Price. In a case where the Agent has terminated open market purchases and caused the issuance of remaining Shares by the Fund, the number of Shares received by the participant in respect of the cash dividend or distribution will be based on the weighted average of prices paid for Shares purchased in the open market and the price at which the Fund issues remaining Shares. To the extent that the Agent is unable to terminate purchases in the open market before the Agent has completed its purchases, or remaining Shares cannot be issued by the Fund because the Fund declared a dividend or distribution payable only in cash, and the market price exceeds the net asset value of the Shares, the average Share purchase price paid by the Agent may exceed the net asset value of the Shares, resulting in the acquisition of fewer Shares than if the dividend or capital gain distribution had been paid in Shares issued by the Fund. The Agent will apply all cash received as a dividend or capital gain distribution to purchase shares of common stock on the open market as soon as practicable after the payment date of the dividend or capital gain distribution, but in no event later than 45 days after that date, except when necessary to comply with applicable provisions of the federal securities laws.

3. For all purposes of the Plan: (a) the Market Price of the Shares on a particular date shall be the average of the volume weighted average sale prices or, if no sale occurred then the mean between the closing bid and asked quotations, for the Shares as quoted on each of the five trading days the Shares traded ex-dividend immediately prior to such date, and (b) net asset value per share on a particular date shall be as determined by or on behalf of the Fund.

4. The open market purchases provided for herein may be made on any securities exchange on which the Shares are traded, in the over the counter market or in negotiated transactions, and may be on such terms as to price, delivery and otherwise as the Agent shall determine. Funds held by the Agent uninvested will not bear interest, and it is understood that, in any event, the Agent shall have no liability in connection with any inability to purchase Shares within 45 days after the initial date of such purchase as herein provided, or with the timing of any purchases effected. The Agent shall have no responsibility as to the value of the Shares acquired for the Shareholder's account.

5. The Agent will hold Shares acquired pursuant to the Plan in noncertificated form in the Agent's name or that of its nominee. At no additional cost, a Shareholder participating in the Plan may send to the Agent for deposit into its Plan account those certificate shares of the Fund in its possession. These Shares will be combined with those unissued full and fractional Shares acquired under the Plan and held by the Agent. Shortly thereafter, such Shareholder will receive a statement showing its combined holdings. The Agent will forward to the Shareholder any proxy solicitation material and will vote any Shares so held for the Shareholder only in accordance with the proxy returned by the Shareholder to the Fund. Upon the Shareholder's written request, the Agent will deliver to him or her, without charge, a certificate or certificates for the full Shares.

6. The Agent will confirm to the Shareholder each acquisition for the Shareholder’s account as soon as practicable but not later than 60 days after the date thereof. Although the Shareholder may from time to time have an individual fractional interest (computed to three decimal places) in a Share, no certificates for fractional Shares will be issued. However, dividends and distributions on fractional Shares will be credited to Shareholders' accounts. In the event of a termination of a Shareholder's account under the Plan, the Agent will adjust for any such undivided fractional interest in cash at the opening market value of the Shares at the time of termination.

7. Any stock dividends or split Shares distributed by the Fund on Shares held by the Agent for the Shareholder will be credited to the Shareholder's account. In the event that the Fund makes available to the Shareholder the right to purchase additional Shares or other securities, the Shares held for a Shareholder under the Plan will be added to other Shares held by the Shareholder in calculating the number of rights to be issued to such Shareholder. Transaction processing may either be curtailed or suspended until the completion of any stock dividend, stock split, or corporate action.

8. The Agent's service fee for handling capital gain distributions or income dividends will be paid by the Fund. The Shareholder will be charged a pro rata share of brokerage commissions on all open market purchases.

9. The Shareholder may terminate the account under the Plan by notifying the Agent. A termination will be effective immediately if notice is received by the Agent two days prior to any dividend or distribution payment date. If the request is received less than two days prior to the payment date, then that dividend will be invested, and all subsequent dividends will be paid in cash. Upon any termination the Agent will cause a certificate or certificates for the full Shares held for the Shareholder under the Plan and cash adjustment for any fraction to be delivered to the Shareholder.

10. These terms and conditions may be amended or supplemented by the Fund at any time or times but, except when necessary or appropriate to comply with applicable law or the rules or policies of the Securities and Exchange Commission or any other regulatory authority, only by mailing to the Shareholder appropriate written notice at least 30 days prior to the effective date thereof. The amendment or supplement shall be deemed to be accepted by the Shareholder unless, prior to the effective date thereof, the Agent receives written notice of the termination of such Shareholder's account under the Plan. Any such amendment may include an appointment by the Fund of a successor agent in its place and stead under these terms and conditions, with full power and authority to perform all or any of the acts to be performed by the Agent. Upon any such appointment of an Agent for the purpose of receiving dividends and distributions, the Fund will be authorized to pay to such successor Agent all dividends and distributions payable on Shares held in the Shareholder's name or under the Plan for retention or application by such successor Agent as provided in these terms and conditions.

11. In the case of Shareholders, such as banks, brokers or nominees, which hold Shares for others who are the beneficial owners, the Agent will administer the Plan on the basis of the number of Shares certified from time to time by the Shareholders as representing the total amount registered in the Shareholder's name and held for the account of beneficial owners who are to participate in the Plan.

12. The Agent shall at all times act in good faith and agree to use its best efforts within reasonable limits to insure the accuracy of all services performed under this agreement and to comply with applicable law, but assumes no responsibility and shall not be liable for loss or damage due to errors unless the errors are caused by its negligence, bad faith or willful misconduct or that of its employees.

13. Neither the Fund or the Agent will be liable for any act performed in good faith or for any good faith omission to act, including without limitation, any claim of liability arising out of (i) failure to terminate a Shareholder's account, sell shares or purchase shares, (ii) the prices which shares are purchased or sold for the Shareholder's account, and (iii) the time such purchases or sales are made, including price fluctuation in market value after such purchases or sales.

## PROXY VOTING

The Fund's Proxy Voting Guidelines, as well as its voting record for the most recent 12 months ended June 30, are available without charge by calling the Fund collect at 1-212-344-6310, on the SEC's website at www.sec.gov, and on the Fund's website at www.foxbycorp.com.

## QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS

The Fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's website at www.sec.gov. The Fund's Forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, DC, and information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330. The Fund makes the Forms N-Q available to shareholders on its website at www.foxbycorp.com.

## WWW.FOXBYCORP.COM

Visit us on the web at www.foxbycorp.com. The site provides information about the Fund including market performance, net asset value ("NAV"), dividends, press releases, and shareholder reports. For further information, please email us at info@foxbycorp.com. The Fund is a member of the Closed-End Fund Association ("CEFA"). Its website address is www.cefa.com. CEFA is solely responsible for the content of its website.

## FUND INFORMATION

**Investment Manager**
CEF Advisers, Inc.
11 Hanover Square
New York, NY 10005
www.cefadvisers.com
1-212-344-6310

**Stock Transfer Agent and Registrar**
Illinois Stock Transfer Company
209 West Jackson Blvd., Suite 903
Chicago, IL 60606
www.illinoisstocktransfer.com
1-800-757-5755

## RESULTS OF THE ANNUAL MEETING

The Fund's Annual Meeting was held on September 30, 2008 at the offices of the Fund at 11 Hanover Square, 12th Floor, New York, New York for the following purposes:

1. To elect to the Board of Directors the nominee James E. Hunt, as a Class I Director, and until his successor is duly elected and qualifies.

| Votes For | Votes Withheld |
|---|---|
| 1,830,493 | 538,864 |

Other directors whose term of office continued after the meeting are: Bassett S. Winmill (Class V), Bruce B. Huber (Class II), Peter K. Werner (Class III), and Thomas B. Winmill (Class IV).

2. To consider a non-binding stockholder proposal.

| Votes For | Votes Against | Abstain |
|---|---|---|
| 849,631 | 754,345 | 4,886 |

As provided by the Fund's Charter, the concurrence of a majority of the votes entitled to be cast at the Annual Meeting by the holders of the capital stock of the Fund was required to authorize the non-binding stockholder proposal. Accordingly, the non-binding stockholder did not receive an authorizing vote.

## DIRECTORS AND OFFICERS

The following table sets forth certain information concerning the Directors currently serving on the Board of the Fund. Unless otherwise noted, the address of record for the directors and officers is 11 Hanover Square, New York, New York 10005.

| Name, Position(s) Held with Fund, Term of Office[1], Principal Occupation for Past Five Years, and Age | Director Since | Number of Portfolios in Investment Company Complex Overseen by Director | Other Public Company Directorships Held by Director[2] |
|---|---|---|---|
| Class I: | | | |
| JAMES E. HUNT – He is a Limited Partner of Hunt Howe Partners LLC, executive recruiting consultants. He was born on December 14, 1930. | 2004 | 5 | 0 |
| Class II: | | | |
| BRUCE B. HUBER, CLU, ChFC, MSFS – Retired. He is a former Financial Representative with New England Financial, specializing in financial, estate, and insurance matters. He is a member of the Board, emeritus, of the Millbrook School and Chairman of the Endowment Board of the Community YMCA of Red Bank, NJ. He was born on February 7, 1930. | 2004 | 5 | 0 |
| Class III: | | | |
| PETER K. WERNER – Since 1996, he has been teaching, coaching, and directing a number of programs at The Governor's Academy of Byfield, MA. Currently, he serves as chair of the History Department. Previously, he held the position of Vice President in the Fixed Income Departments of Lehman Brothers and First Boston. His responsibilities included trading sovereign debt instruments, currency arbitrage, syndication, medium term note trading, and money market trading. He was born on August 16, 1959. | 2002 | 5 | 0 |
| Class IV: | | | |
| THOMAS B. WINMILL[3] – He is President, Chief Executive Officer, and General Counsel of the Fund, the Investment Manager, the other investment companies (collectively, the “Investment Company Complex”) advised by the Investment Manager and its affiliates, and of Winmill & Co. Incorporated and its affiliates (“WCI”). He is a member of the New York State Bar and the SEC Rules Committee of the Investment Company Institute. He is the son of Bassett S. Winmill. He was born on June 25, 1959. | 2002 | 5 | 0 |
| Class V: | | | |
| BASSETT S. WINMILL[3] – He is Chairman of the Board of the Fund, the other investment company advised by the Investment Manager, and WCI. He is Chief Investment Strategist of the Investment Manager. He is a member of the New York Society of Security Analysts, the Association for Investment Management and Research, and the International Society of Financial Analysts. He is the father of Thomas B. Winmill. He was born on February 10, 1930. | 2007 | 2 | 0 |

[1] Directors not elected annually shall be deemed to be continuing in office until after the time at which an annual meeting is required to be held under Maryland law or the Fund's Charter or Bylaws.

[2] Refers to directorships held by a director in any company with a class of securities registered pursuant to Section 12 of the Securities Exchange Act of 1934 or any company registered as an investment company under the Act.

[3] He is an "interested person" of the Fund as defined in the Act due to his affiliation with the Investment Manager.

Messrs. Huber, Hunt, and Werner also serve on the Audit and Nominating Committees of the Board. Mr. Thomas Winmill also serves on the Executive Committee of the Board.

The executive officers, other than those who serve as Directors, and their relevant biographical information are set forth below.

| Name and Age | Position(s) Held with Fund, Term of Office*, Principal Occupation for the Past 5 Years |
|---|---|
| Thomas O'Malley<br>Born on July 22, 1958 | Chief Accounting Officer, Chief Financial Officer, Treasurer and Vice President since 2005. He is also Chief Accounting Officer, Chief Financial Officer, and Vice President of the Investment Company Complex, the Investment Manager, and WCI. Previously, he served as Assistant Controller of Reich & Tang Asset Management, LLC, Reich & Tang Services, Inc., and Reich & Tang Distributors, Inc. He is a certified public accountant. |
| John F. Ramirez<br>Born on April 29, 1977 | Secretary, Chief Compliance Officer, and Vice President since 2005. He is also Secretary, Chief Compliance Officer, and Vice President of the Investment Company Complex, the Investment Manager, and WCI. He previously served as Compliance Administrator and Assistant Secretary of the Investment Company Complex, the Investment Manager, and WCI. He is a member of the Chief Compliance Officer Committee and the Compliance Advisory Committee of the Investment Company Institute. |

* Officers hold their positions with the Fund until a successor has been duly elected and qualifies. Officers are generally elected annually at the December meeting of the Board of Directors. The officers were last elected on December 10, 2008.

**FOXBY CORP.**

**11 Hanover Square**
**New York, NY 10005**

Printed on recycled paper

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