

**CONTRANS INCOME FUND ANNOUNCES
DISTRIBUTION
(NEWS RELEASE FOR IMMEDIATE RELEASE)**

JULY 16, 2003

Woodstock, Ontario – Contrans Income Fund

Contrans Income Fund (TSX. Symbol CSS.UN) today declared a cash distribution of \$0.1042 per unit, for the month of July 2003, to unitholders of record at the close of business on July 31, 2003. The distribution payment will be made on August 15, 2003

The Fund is an unincorporated, open-ended limited purpose trust created for the purpose of acquiring and holding certain investments.

Contrans has been operating in the transportation industry since 1985 as a provider of freight transportation services in the truckload market. With over 1,100 power units and 2,000 trailers under management, Contrans is one of the largest freight transportation companies in Canada. In March, 2002, Contrans entered the school bus transportation industry and currently operates approximately 600 buses servicing 18 school boards.

The Fund provides unitholders with monthly distributions. Trust units are listed on The Toronto Stock Exchange (under CSS.UN) and are eligible for registered retirement savings plans (RRSP's), registered retirement income funds (RRIF's) and deferred profit sharing plans (DPSP's). The Fund has also implemented a distribution reinvestment plan (DRIP) which will allow unitholders to receive distributions in the form of additional units in lieu of cash and will also enable participants to purchase additional units directly from the Fund.

For further information, please contact Stan Dunford or Greg Rumble at (519) 421-4600.