

CONTRANS INCOME FUND ANNOUNCES PROPOSED ACQUISITION OF ELGIN CARTAGE LIMITED

NEWS RELEASE FOR IMMEDIATE RELEASE

Contrans Income Fund (TSX: CSS.UN) (“Contrans”) today announced that it intends to acquire, through its direct operating entities, the business of Elgin Cartage Limited (“Elgin”). Contrans has executed a letter of intent and is finalizing due diligence reviews related to the purchase of the shares of Elgin (together with certain related companies and inactive holding companies). The purchase is expected to close on March 1, 2004.

The trucking business of Elgin recorded revenues of approximately \$21 million in its most recent fiscal year ended September 30, 2003. The business is headquartered in London Ontario and provides a range of truckload transportation services, principally focused on transportation of industrial dry waste. Elgin also transports other bulk commodities in dump and liquid trailers. The business operates mainly within Ontario and Michigan. It is the intent of Contrans to continue to operate the company as an independent operating unit with its existing complement of management and staff.

Stan Dunford, Chief Executive Officer of Contrans, stated that “Elgin is a great fit for Contrans on all accounts, and we’re particularly pleased with the addition of Elgin’s people and a new type of business. Peter Vanderwyst, Elgin’s current President, will continue to oversee and manage the existing team of staff and drivers at Elgin. Industrial dry waste transportation has been regarded as a non-cyclical business, and Elgin’s reputation for exceptional service firmly positions Elgin as a premium carrier in this market. The other bulk and liquid transportation services currently offered by Elgin will complement our existing businesses, and we expect some operating efficiencies will result. We’re excited about the opportunity to add Elgin to our group of trucking companies.”

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