

NEWS RELEASE

CONTRANS INCOME FUND ANNOUNCES ACQUISITION OF CORNERSTONE LOGISTICS INC.

Woodstock, Ontario, September 5, 2006. Contrans Income Fund (TSX: CSS.UN) (“Contrans”) is pleased to announce that it has completed the acquisition of Cornerstone Logistics Inc. (“Cornerstone”). Cornerstone is a third party logistics provider whose customers require various transportation services within North America. With locations in Oakville, Ontario and Buffalo, New York, Cornerstone is a service-oriented business that adds value by providing complete transportation solutions to its customers.

Cornerstone recorded revenues of approximately \$24.3 million in the twelve month period ended March 31, 2006.

Stan Dunford, Chairman and Chief Executive Officer of Contrans, stated that “Cornerstone has assembled a remarkable group of transportation professionals offering seamless, efficient transportation solutions to their customers. Their success is best demonstrated by the tremendous growth they have achieved every year. We look forward to having Cornerstone on our team and sharing in their future successes.”

It is the intent of Contrans to continue to operate Cornerstone as an independent operating unit from its current offices with its existing complement of management and staff.

For further information please contact:

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