
CONTRANS INCOME FUND ANNOUNCES DISTRIBUTION**(Woodstock, Ontario—October 5, 2009)****(TSX:CSS.UN)**

Contrans Income Fund today declared a cash distribution of CDN \$0.44 per unit to unitholders of record at the close of business on October 15, 2009. The distribution payment will be made on October 30, 2009. The amount of this distribution is based upon management's estimate of taxable income earned in 2009 through September 30, 2009 less \$0.2084 of distributions per unit that have been paid to date in 2009.

"The payment of a significant distribution in the current challenging economic circumstances confirms the ability of management to take the steps necessary to deliver strong operating results in a very difficult operating environment" stated Stan Dunford, Contrans' Chairman and Chief Executive Officer. Mr. Dunford continued "The Board of Trustees of Contrans remains fully committed to maintaining a strong balance sheet in order to be in a position to deal with any foreseeable adverse circumstances and to take advantage of opportunities which may create unitholder value. Accordingly, no distribution will be made if it would have a material adverse effect on the financial position of Contrans. In the view of the Board of Trustees of Contrans, the payment of the foregoing distribution is consistent with these principles."

In a news release dated August 5, 2009, Contrans announced its intention to convert from an income trust to a corporation. The conversion is subject to unitholder approval which will be requested at a special meeting of unitholders to be held on November 26, 2009. The effective date of the conversion, if approved, will be December 1, 2009. In anticipation of receiving unitholder approval for the conversion, the Board of Trustees will consider a final distribution for Contrans at a meeting scheduled for November 20, 2009. The Board of Trustees has indicated that the amount of the final distribution may be as much as the Fund's 2009 estimated taxable income through November 30, 2009 less distributions previously paid. The Board of Trustees will carefully consider Contrans' operating results, financial position and financing commitments, the economic environment in which Contrans operates before declaring this distribution. If declared, the distribution is expected to be paid in January of 2010 to unitholders of record on or about November 30, 2009. No additional distributions or dividends are expected to be declared in 2009 to unitholders or shareholders of Contrans.

Management will also be recommending a dividend policy for the public corporation conducting Contrans' business following the anticipated conversion. While no final decision can be made concerning this dividend policy, management believes that a payout of 30% of the free cash flow of the new public corporation, paid quarterly, would satisfy the goals of yield-seeking investors. The payment of dividends will always remain subject to the discretion of the Board of Directors following consideration of the operating results, financial position and financing commitments of Contrans, the economic environment in which Contrans operates and any other factors considered relevant by the Board.

Contrans is an unincorporated, open-ended limited purpose trust created for the purpose of acquiring and holding certain investments. Contrans has been providing freight transportation services since 1985. With approximately 1,300 power units and 2,300 trailers under management, Contrans is one of the largest freight transportation companies in Canada.

Trust units are listed on The Toronto Stock Exchange (under CSS.UN) and are eligible for registered retirement savings plans (RRSPs), registered retirement income funds (RRIFs) and deferred profit sharing plans (DPSPs).

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