
NOT FOR DISTRIBUTION IN THE UNITED STATES OR OVER UNITED STATES WIRE SERVICES

PARKLAND INCOME FUND ANNOUNCES \$50 MILLION BOUGHT DEAL EQUITY FINANCING

(Red Deer January 8th, 2007)

The Units have not been and will not be registered under the U.S. Securities Act of 1933 and may not be offered or sold in the United States.

Parkland Income Fund ("Parkland")(TSX: PKI.UN) has entered into an agreement to sell to the public on a bought deal basis, subject to regulatory approval, 1.36 million trust units ("Trust Units") at a price of Cdn\$36.75 per Trust Unit for aggregate gross proceeds of approximately Cdn\$50 million through a syndicate of underwriters led by RBC Capital Markets and including CIBC World Markets Inc., HSBC Securities (Canada) Inc., Raymond James Ltd. and Dundee Securities Corporation (collectively, the "Underwriters"). Parkland has also granted the Underwriters an Over-Allotment Option, exercisable in whole or in part for a period of 30 days following closing, to purchase up to an additional 204,000 Trust Units at the same offering price. If the Over-Allotment Option is fully exercised, the total gross proceeds to Parkland will be approximately Cdn\$57.5 million. The net proceeds from this offering will be used to fund a portion of the purchase price for the previously announced acquisition of Neufeld Petroleum and Propane Ltd. and Neufeld Holdings Ltd. (the "Neufeld Acquisition") and to repay outstanding indebtedness.

The subscribers to the Trust Units will be entitled to a regular monthly distribution of \$0.22 per trust unit, payable on February 15th, 2007 to unitholders of record on January 31st, 2007. Parkland has announced its intent to increase monthly distributions to \$0.24 per unit after closing of the Neufeld Acquisition.

Parkland will file a preliminary short form prospectus relating to the issuance of the Trust Units with securities commissions and other similar regulatory authorities in each of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Newfoundland, Prince Edward Island, Nova Scotia and New Brunswick. Closing of the offering is expected to take place on or about January 24, 2007, subject to satisfaction of customary conditions including receipt of all necessary regulatory approvals and closing of the Neufeld Acquisition concurrent with, or prior to, closing of the offering.

ABOUT PARKLAND INCOME FUND

Parkland Income Fund operates retail and wholesale fuels and convenience store businesses under its Fas Gas Plus, Fas Gas, Race Trac Fuels and Short Stop Food Stores brands and through independent branded dealers, and transports fuel through its Petrohaul division. With over 550 locations, Parkland has developed a strong market niche in western and northern Canadian non-urban markets. To maximize value for its unitholders, the Fund is focused on the continuous refinement of its retail portfolio, increased revenue diversification through growth in non-fuel revenues and active supply chain management. Parkland maintains ownership of the Bowden refinery near Red Deer, Alberta, and has re-activated the site for production of drilling fluids.

The Fund's units trade on the Toronto Stock Exchange (TSX) under the symbol PKI.UN. For more information, visit www.parkland.ca.

This news release does not constitute an offer to sell, or the solicitation of an offer to buy, the trust units of Parkland in any jurisdiction, including the United States, or to, or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption therefrom, nor shall there be any sale of the trust units in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state.

FORWARD-LOOKING STATEMENTS

Certain information included herein is forward-looking. Forward-looking statements include, without limitation, statements regarding the future financial position, business strategy, budgets, projected costs, capital expenditures, financial results, taxes and plans and objectives of or involving Parkland. Many of these statements can be identified by looking for words such as “believe”, “expects”, “expected”, “will”, “intends”, “projects”, “anticipates”, “estimates”, “continues”, or similar words. Parkland believes the expectations reflected in such forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. Forward-looking statements are not guarantees of future performance and involve a number of risks and uncertainties some of which are described in the Fund’s annual report, annual information form and other continuous disclosure documents. Such forward-looking statements necessarily involve known and unknown risks and uncertainties and other factors, which may cause the Fund’s actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. Such factors include, but are not limited to: general economic, market and business conditions; industry capacity; competitive action by other companies; refining and marketing margins; the ability of suppliers to meet commitments; actions by governmental authorities including increases in taxes; changes in environmental and other regulations; and other factors, many of which are beyond the control of Parkland. Any forward-looking statements are made as of the date hereof and the Fund does not undertake any obligation, except as required under applicable law, to publicly update or revise such statements to reflect new information, subsequent or otherwise.

If you prefer to receive Company news releases via e-mail, please request at corpinfo@parkland.ca.

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