Third Quarter Report

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2007

Parkland Reports Third Quarter and Announces Intention to Pay Year End Special Distribution

Performance Highlights

- Record nine month EBITDA
- Record fuel sales volumes
- Announced joint refinery feasibility study
- Special distribution to be paid after year end

Parkland Income Fund announced its business performance for the third quarter and for the nine months ended September 30, 2007. Volumes, revenue and EBITDA for the nine-month period were all at record levels.

For the third quarter, EBITDA was $26.6 million compared to $27.7 million in 2006. Although fuel volumes increased 40 percent for the quarter compared to 2006, fuel margins were 3 cents per litre lower. Net sales and operating revenue was $482.9 million compared to $359.3 million in the third quarter of 2006. Net earnings in the third quarter of 2007 were $32.2 million ($0.66 per unit) compared to $16.7 million ($0.44 per unit) in 2006.

"We are excited with the growth in the business this year as nine month EBITDA is up by more than one half over 2006 and we see the impact of the acquisitions and strong year to date margins," said Mike Chorlton, President and CEO.

CONSOLIDATED OPERATING AND FINANCIAL HIGHLIGHTS

($ MILLIONS EXCEPT VOLUME AND PER UNIT AMOUNTS)	FOR THE THREE MONTHS ENDED SEPTEMBER 30 **2007**	2006	2005	FOR THE NINE MONTHS ENDED SEPTEMBER 30 **2007**	2006	2005
Fuel volume (millions of litres)	**578**	412	322	**1,489**	1,115	880
Net sales and operating revenue	**$ 482.9**	$ 359.3	$ 258.9	**$ 1,241.5**	$ 921.0	$ 644.2
EBITDA	**$ 26.6**	$ 27.7	$ 12.5	**$ 93.3**	$ 60.2	$ 25.2
Net earnings	**$ 32.2**	$ 16.7	$ 9.6	**$ 66.6**	$ 44.2	$ 17.4
Per unit – basic	**$ 0.66**	$ 0.44	$ 0.26	**$ 1.38**	$ 1.18	$ 0.47
– diluted	**$ 0.66**	$ 0.44	$ 0.26	**$ 1.37**	$ 1.18	$ 0.47

After considering the strength of the financial performance and after due consideration of the sustainability of the regular monthly distributions, the Board of Directors has determined that Parkland will declare a special distribution for the 2007 fiscal year. The distribution will have a record date of December 31, 2007 and will be paid in January 2008. Prior to the year end the directors will determine the amount of the special distribution and whether a portion will be paid in units.

The amount of the special distribution will be guided by the estimate of taxable income at the year end with potential adjustments for unusual items or major acquisitions. As of September 30, 2007, the undistributed taxable income was approximately $37 million. The final amount will vary based on actual and anticipated earnings in the fourth quarter. It is anticipated that the details of the distribution will be announced in December. Current units outstanding total 48.5 million.

THIRD QUARTER RESULTS

Third quarter fuel sales volumes were 578 million litres, up significantly from 412 million litres in 2006. Higher volumes reflect the propane volume acquired through the acquisitions of Neufeld Petroleum and Propane Ltd. and Neufeld Holdings Ltd. ("Neufeld") and Joy Propane Ltd. ("Joy") earlier in 2007 as well as the wholesale, industrial and cardlock volumes of diesel and gasoline acquired through Neufeld and United Petroleum Products Inc. ("UPPI"). Fuel volumes sold under the Esso retail branded distributorship ("RBD") program also increased relative to the third quarter of 2006 with the addition of the new territory in British Columbia in the last quarter of 2006.

Average fuel margin per litre declined to 6.5 cents per litre in the third quarter of 2007 from 9.7 cents per litre in 2006 as the volumes added in 2007 were primarily commercial and RBD sales with product purchased at standard wholesale prices which yielded lower margins. With the increase in operating and direct costs and marketing, general and administrative costs, EBITDA was slightly lower than the prior year. For 2007, the peak in fuel margins occurred in the second quarter and the third quarter margins were lower, although strong by historical comparison. In 2006, the peak in fuel margins occurred in the third quarter.

During the quarter Parkland announced that it would participate as a 25 percent joint venturer in a study to determine the feasibility of building a $300 million processing facility to refine condensate into petroleum products and other products. Parkland's contribution to the feasibility study is $2.0 million. Parkland would exclusively market the gasoline and diesel output. If the study yields positive results, commercial production would be targeted for 2010.

The Commercial segment of Parkland's operations consists of sales of fertilizer, lubricants, other agriculture inputs and industrial products and services. Most of this business was added through the recent acquisitions. The $9.8 million of gross profit in the third quarter of 2007 was higher than previous quarters as Parkland did not have significant operations in this segment in 2006.

Parkland had recorded a provision for income taxes in the second quarter to reflect the fact that taxable income exceeded the amounts distributed to unitholders. With the decision to declare a special distribution for 2007, the provision for current income tax of $11.2 million was reversed in the third quarter.

OUTLOOK

Parkland maintains a positive outlook for the fourth quarter of 2007. Retail fuel volumes are expected to experience normal seasonal declines now that the busy summer driving season has ended, however, the commercial and propane segments are entering their traditionally more active fall and winter seasons.

We are concerned about the overall economic impact of weaker oilfield drilling activity from low natural gas prices and the uncertainty relating to potential royalty changes. With respect to fuel margins, management's policy is to give no guidance. Fuel margins are inherently volatile and are influenced by supply and demand factors within Parkland's regional market and the broader North American market. Gross profits on transportation fuels have exceeded historic norms for the year to date.

Management's Discussion and Analysis

The following discussion and analysis of the results of operations and financial condition of Parkland Income Fund (the "Fund" or "Parkland") should be read in conjunction with the unaudited interim financial statements for the nine month period ended September 30, 2007, Management's Discussion and Analysis and the audited financial statements for the year ended December 31, 2006 and the Fund's Annual Information Form dated March 16, 2007.

NON-GAAP FINANCIAL MEASURES

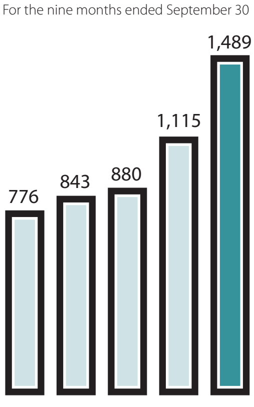
In this document there are references to non-GAAP financial measures such as EBITDA and Cash Available for Distribution. EBITDA refers to Earnings Before Interest Expense, Income Taxes, Depreciation and Amortization and (Gain)/Loss on Disposal of Capital Assets and can be calculated from the GAAP amounts included in the Fund's financial statements. Management believes that EBITDA is a relevant measure to users of its financial information as it provides an indication of pre-tax earnings available to distribute to debt and equity holders in the Fund. The Fund's definition of EBITDA may not be consistent with other providers of financial information and therefore may not be comparable.

Cash Available for Distribution is defined in the Fund's Deed of Trust and related documents and generally represents the cash available to be distributed to the Fund's Unitholders. Cash Available for Distribution is calculated as funds flow from operations adjusted for non cash unit incentive compensation and accretion expense, less maintenance capital expenditures. Maintenance capital represents capital expenditures made by the Fund to maintain its current business operations. This differs from growth capital, which represents capital used to expand the Fund's business operations.

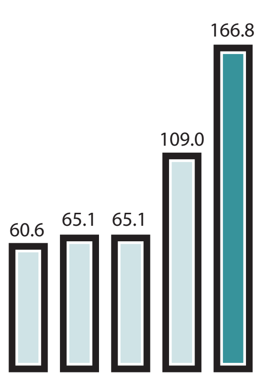
THREE MONTHS ENDED SEPTEMBER 30, 2007

Higher fuel volumes, increased convenience store sales and margins and the addition of profits from the acquired businesses all contributed to higher overall gross profits in the quarter. EBITDA decreased slightly to $26.6 million from $27.7 million for the same period in 2006. Net earnings were $32.2 million compared to $16.7 million reported in the third quarter of 2006. Current earnings were affected by tax charges that are more fully described under "Future Income Taxes" and "Current Tax Provision". The Current Tax recovery reflects the intention to declare a special distribution that would approximate Parkland's taxable income.

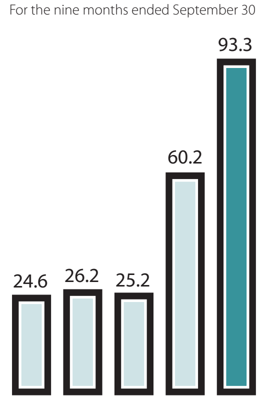
Fuel Volumes
(millions of litres)
For the nine months ended September 30



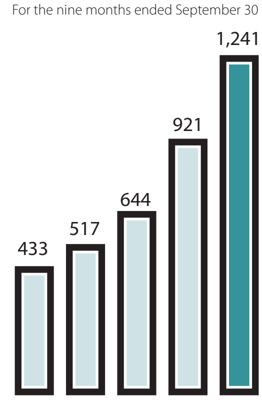
Gross Profit
($ millions)
For the nine months ended September 30



EBITDA
($ millions)
For the nine months ended September 30



Sales Revenue
($ millions)
For the nine months ended September 30



Fuel Volumes

Gasoline and diesel volumes increased by 147 million litres in the third quarter of 2007 to 559 million litres, an increase of 35 percent. In addition, another 19 million litres of propane fuel were sold by the commercial operations during the quarter. The station upgrade program, addition of RBD sites and fuel sales from the Neufeld, Joy and UPPI businesses continue to generate increased volumes for the Fund over comparative quarters.

Sales and Cost of Sales

Net sales and operating revenue for the quarter ended September 30, 2007 was $482.9 million, an increase of 34 percent over the same period in 2006. Fuel sales revenue increased to $446.6 million from $342.8 million in the prior year as a result of volume increases and higher prices. Convenience store merchandise sales also increased with sales during the third quarter of $18.3 million in 2007 as compared to $16.5 million in 2006. With the acquisitions, the Fund now also sells fertilizer, lubes and other agricultural and industrial products and services. These sales are included in the Commercial segment in Note 4 to the Interim Consolidated Financial Statements and totaled $18.0 million for the quarter.

Fuel cost of sales increased to $406.0 million in 2007 as compared to $300.8 million in 2006. Cost of sales increased as a result of higher volumes of fuel products. Convenience store merchandise cost of sales increased to $13.6 million in 2007 from $12.1 million in 2006, consistent with the increase in merchandise sales. Cost of sales related to fertilizer, lubes and other agricultural and industrial products and services for the quarter came to $8.2 million.

Gross Profit

These factors led to gross profit of $55.1 million for the third quarter of 2007, which was $8.8 million higher than the $46.3 million achieved in the third quarter of 2006. The largest single contribution to the increase in gross profit was the increase in volume sold and contributions from the Commercial segment, however, this was offset somewhat by average fuel margins declining to 6.5 cents per litre compared to 9.7 cents per litre in the same period in 2006.

The current results reflect a reallocation of $3.8 million second quarter costs of sales from the Commercial segment to the Fuel Marketing segment. The effect of this adjustment is to increase the gross profit of the Commercial segment and decrease the Fuel Marketing segment gross profit for the nine month period ended September 30, 2007.

Operating Expenses

Operating expenses increased primarily as a result of the acquisitions. Site operating costs are sensitive to changes in fuel sales volume and, as a result, total costs were higher than the prior year. Also affecting site operating costs is the continued upward pressure on wages that is being experienced in western Canada due to a robust economy and tight labor supply, specifically for convenience store personnel.

Marketing, general and administrative expenses were $10.9 million for the quarter ended September 30, 2007 compared to $5.8 million in 2006. Significant drivers of increased costs were the inclusion of overhead costs of the acquired businesses and provision for higher variable compensation costs arising from strong profits. Staffing levels increased as a result of the acquisitions.

Future Income Taxes

During the third quarter of 2007, Parkland reduced the future income tax liability by $0.9 million as a result of adjustments made during the quarter to the purchase price allocation of Neufeld.

Current Tax Provision

A current tax recovery of $11.2 million was recorded in the third quarter. This reflects the intention to minimize taxable income through a special distribution at year end.

Earnings

Net earnings were $32.2 million in 2007 compared to $16.7 million in 2006. The fuels segment of Parkland's business contributed increased earnings as a result of the acquisitions and internal volume and margin growth and the non-fuel commercial segment came with the acquired businesses. These increases were offset by higher operating and direct costs and marketing, general and administrative costs. There were significant recoveries for current income taxes as well as the non-cash booking of future income taxes.

Capital Investments

During the third quarter the Fund expended $7.3 million net in capital investments, of which $5.6 million was classified as maintenance capital and $1.7 million was classified as growth capital.

Amortization for capital assets acquired in 2007 plus amortization on intangible assets accounted for most of the increase compared to the third quarter of 2006. During the third quarter Parkland conducted valuations of the various asset classes included in the purchase of UPPI and Joy. This resulted in adjustments to the amounts recorded in the different asset categories.

Long-Term Debt and Cash Balances

For the quarter ended September 30, 2007 interest on long-term debt was $0.4 million. Most of the Fund's long-term debt bears interest at variable rates linked to prime.

On August 1, 2007, the Fund entered into a syndicated financing arrangement with HSBC Bank Canada and Bank of Montreal. The new financing arrangement has a three-year term and provides for credit facilities totaling $128.1 million, comprised of $32.0 million for operating debt, $30.0 million for letters of credit and the remainder for term debt.

The cash balance at September 30, 2007 of $13.9 million decreased from the December 31, 2006 balance of $36.5 million due to the payment of the cash portion of the special distributions declared for Unitholders of record on December 29, 2006 and paid during the first quarter, cash consideration paid for the acquisitions and repayment of debt associated with the acquisitions.

The Fund's excess cash balances are invested in an interest bearing treasury account at a chartered Canadian bank. The Fund does not invest in or have any exposure to asset backed securities or other similar investment products.

NINE MONTHS ENDED SEPTEMBER 30, 2007

Sales volumes of refined products increased 34 percent to 1,489 million litres over the nine months ended September 30, 2006 driven by acquisitions, additional RBD sites and internal growth. Net sales and operating revenue increased by $320.5 million or 35 percent through higher volume and average sales prices for fuel, higher merchandise sales and commercial operations.

Gross profits were $166.8 million compared to $109.1 million in 2006, an increase of 53 percent year-over-year. Operating and direct costs increased to $45.2 million from $34.9 million in 2006, as a result of acquisitions, additional RBD sites and internal growth. Marketing, general and administrative costs were $28.3 million, compared to $13.9 million in 2006. These factors contributed to an increase in EBITDA to $93.3 million as compared to $60.2 million in the first nine months of 2006.

The increase in EBITDA in 2007 compared to 2006 was driven by improvements in each area of the enterprise. Fuel margins increased as Parkland was able to optimize its product costs through its supply contracts. Fuel volumes increased as additional sites were brought on stream through its RBD program. Retail fuel marketing volumes increased as upgraded sites reached maturity and sales initiatives were targeted at specific markets. Convenience store contribution increased as several sites were converted to the company operated model. The acquisition of new business introduced a new, non-fuel commercial segment to Parkland's customer offering. This consists of lubricants, fertilizer, other agricultural inputs and industrial products and services.

Future Income Taxes

Parkland has recorded a non-cash tax expense in the amount of $6.7 million for the nine-month period compared to $0.1 million for the same period in 2006. This followed the substantive enactment of federal legislation in 2007 to levy a new income tax on income trusts at the rate of 31.5 percent beginning in 2011.

The future income tax adjustment represents the taxable temporary differences of the Fund tax affected at 31.5 percent, which is the rate that will be applicable in 2011 under the current legislation and the Fund's current corporate structure.

Current Tax Provision

During the first nine months of 2007, Parkland's taxable income significantly exceeded distributions to unitholders. In 2006 we recorded a tax provision of $8.6 million in the third quarter. The 2006 provision was reversed at year end as the special distribution declared in December 2006 transferred most of the taxable income to the unitholders. With the directors' decision to declare a special distribution at year end, there is no provision for current income taxes as of September 30, 2007.

Equity Financing

In January 2007, Parkland completed the issuance of 1,360,000 (4,080,000 post split) Fund units for net proceeds of $47.1 million on a bought deal basis through a syndicate of investment dealers. The proceeds were used in part to fund the purchase of Neufeld in January 2007 and to repay approximately $10 million of Parkland's term debt.

Accounting Estimates

The financial statements include accounting estimates, the nature of which are described in the 2006 Annual Report.

DISTRIBUTIONS AND INCOME TAX

The Fund is a mutual fund trust for income tax purposes. As such, the Fund is only taxed on any amount not allocated to unitholders.

The Fund makes monthly distribution payments to its unitholders. As of the beginning of 2007, after adjusting for the three-for-one unit split, monthly distributions were $0.0733 per unit. This was increased on February 15, 2007 to $0.08 per unit and on June 15, 2007 to $0.0967 per unit. Estimated regular distributions in 2007, assuming continued $0.0967 payments for the duration of the year, would be approximately $53 million.

Although it is typical for the Fund's cash flow to have seasonal fluctuations, it is management's current intention to pay consistent regular monthly distributions throughout the year based on estimated annual cash flows.

The Directors review distributions quarterly giving consideration to current performance, historical trends in the business and the expected sustainability or change in those trends, as well as maintenance capital requirements to sustain performance. As a result, the directors announced their intention to declare a special distribution at year end. The amount will be determined in December after considering the expectation of earnings in the fourth quarter.

Supplementary Information

Parkland seeks to provide relevant information to allow investors to evaluate its operations. The nature of this information is limited by competitive sensitivities, confidentiality terms in written agreements and Parkland's policy not to provide guidance regarding future earnings. We have developed a template of supplementary information that is published with each quarterly financial report. For persons seeking information regarding fuel margins we refer to outside sources: Bloomberg's Oil Buyers Guide, Nymex contracts for gasoline and crude oil as well as Government of Canada, Department of Finance reports. Data from these sources will not be sufficient to calculate Parkland's fuel margin given that it does not correlate directly with our market region and supply contracts, but should indicate margin trends.

Cash Available for Distribution

(000s)	FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2007	FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2007
Cash from operating activities	$ 22,837	$ 82,035
Net changes in non-cash working capital	14,865	11,340
Funds flow from operations	37,702	93,375
Add back (deduct):		
Interest on long-term debt	426	1,207
Unit incentive compensation	(364)	(1,294)
Accretion expense	(15)	(45)
Current taxes	(11,190)	16
	26,559	93,259
Maintenance capital expended	(5,627)	(7,267)
Current taxes and interest	10,764	(1,223)
Cash available for distribution	$ 31,696	$ 84,769
Cash distributed	$ 14,047	$ 38,521

DISTRIBUTION REINVESTMENT PLAN

Parkland has a Distribution Reinvestment Plan administered by Valiant Trust Company. Details are available from the Fund or from Valiant Trust Company.

INTERNAL CONTROLS

Parkland has completed the initial phases of a review and enhancement of internal controls as well as system documentation. A program has been developed to test the key internal controls. No major controls gaps have been identified. The same process is currently underway at the recently acquired businesses. The Fund believes that it will be able to continue to comply with regulations as required.

ACCOUNTING POLICIES

As a result of the recent acquisitions, the Fund has updated the following significant accounting policies and practices:

- Goodwill
- Intangible Assets
- Deferred Revenue

All of these updated accounting policies are described in more detail in Note 1 to the Interim Consolidated Financial Statements. The adoption of these new standards has had no impact on the Fund's net earnings or cash flows

New Accounting Standards Adopted

On January 1, 2007, the Fund adopted the Canadian Institute of Chartered Accountants (CICA) handbook sections 1530 "Comprehensive Income", section 3251 "Equity" and section 3855 "Financial Instruments - Recognition and Measurement". These standards result in changes in the accounting for financial instruments as well as introduce comprehensive income as a separate component of unitholders' capital. As required, these standards have been adopted prospectively and comparative amounts for the prior periods have not been restated.

The adoption of these new standards is explained more fully in Note 2 to the Interim Consolidated Financial Statements.

QUARTERLY FINANCIAL INFORMATION

FOR THE THREE MONTHS ENDED ($000s EXCEPT VOLUME AND PER UNIT AMOUNTS)	2005 DEC 31	MAR 31	JUNE 30	SEPT 30	2006 DEC 31	MAR 31	JUNE 30	**2007 SEPT 30**
Fuel volume (millions of litres)	297	329	374	412	386	440	471	**578**
Net sales and operating revenue	$ 231.4	$ 241.6	$ 320.2	$ 359.3	$ 278.9	$ 334.0	$ 424.6	**$ 482.9**
Net earnings	$ 7.6	$ 5.6	$ 21.9	$ 16.7	$ 14.4	$ 13.2	$ 21.2	**$ 32.2**
EBITDA	$ 11.5	$ 8.2	$ 24.4	$ 27.7	$ 9.4	$ 19.2	$ 47.5	**$ 26.6**
Net earnings (restated)								
per unit – basic	$ 0.20	$ 0.15	$ 0.59	$ 0.44	$ 0.37	$ 0.28	$ 0.44	**$ 0.66**
– diluted	$ 0.20	$ 0.14	$ 0.58	$ 0.44	$ 0.37	$ 0.27	$ 0.44	**$ 0.66**

CONTRACTUAL OBLIGATIONS

The Fund has contracted obligations under various debt agreements as well as under operating and capital leases for land, building and equipment. Minimum lease and principal payments ($000s) under the existing terms are as follows:

YEAR ENDING, SEPTEMBER 30	MORTGAGES, BANK LOANS AND NOTES PAYABLE	OPERATING LEASES	CAPITAL LEASES
2008	$ 2,621	$ 2,407	$ 1,563
2009	2,961	1,794	91
2010	2,889	922	201
2011	3,064	546	38
2012	3,216	346	142
Thereafter	637	644	713
	$ 15,388	$ 6,659	$ 2,748

The Fund also has purchase commitments under its fuel supply contracts that require the purchase of approximately 1.3 billion litres of product over the next year.

FUND DESCRIPTION

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 approximately 558 locations, Parkland has developed a strong market niche in western and northern Canadian non-urban markets. Through Neufeld and Joy the Fund markets propane, gasoline, diesel, lubricants, industrial fluids, agricultural inputs and delivery services to commercial and industrial customers in northern Alberta, northeastern British Columbia and the Northwest Territories. Through UPPI the Fund markets wholesale and commercial fuels and lubricants throughout southern British Columbia. 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 operates the Bowden refinery near Red Deer, Alberta producing drilling fluids on a contract basis.

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

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", "projected", "anticipates", "estimates", "continues", or similar words and include but are not limited to, statements regarding the accretive effects of the acquisition and the anticipated benefits of the acquisition. 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.

Consolidated Balance Sheet

($000s) (UNAUDITED)	SEPTEMBER 30, 2007	DECEMBER 31, 2006
ASSETS		
Current Assets		
Cash and cash equivalents	**$ 13,928**	$ 36,462
Accounts receivable	**91,269**	40,294
Inventories	**32,346**	20,351
Prepaid expenses and other	**10,532**	3,874
	148,075	100,981
Capital assets	**164,270**	68,541
Other	**1,253**	1,499
Future income taxes	**–**	1,438
Goodwill *(Notes 6, 7)*	**11,594**	–
Intangible assets *(Notes 5, 7)*	**14,624**	–
	$ 339,816	$ 172,459
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	**$ 91,427**	$ 62,124
Distributions declared and payable	**4,686**	15,842
Income tax payable	**505**	459
Deferred revenue	**391**	–
Long-term debt - current portion	**4,184**	10,145
	101,193	88,570
Long-term debt	**13,952**	1,651
Refinery remediation accrual	**3,038**	3,038
Asset retirement obligations	**1,185**	1,140
Future income taxes *(Note 10)*	**5,284**	–
	124,652	94,399
UNITHOLDERS' CAPITAL *(Note 3)*		
Class B Limited Partners' Capital	**17,277**	12,310
Class C Limited Partners' Capital	**58,143**	–
Unitholders' Capital	**139,744**	65,750
	215,164	78,060
	$ 339,816	$ 172,459

Consolidated Statements of Earnings and Other Comprehensive Income, Accumulated Other Comprehensive Income and Retained Earnings

($000S EXCEPT PER UNIT AMOUNTS) (UNAUDITED)	FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2007	2006	2005	FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2007	2006	2005
Net sales and operating revenue	**$ 482,895**	$ 359,272	$ 258,901	**$ 1,241,529**	$ 920,990	$ 644,159
Cost of sales and operating expenses	**427,812**	312,922	231,185	**1,074,736**	811,942	579,047
Gross profit	**55,083**	46,350	27,716	**166,793**	109,048	65,112
Expenses						
Operating and direct costs	**17,600**	12,892	10,875	**45,214**	34,958	29,729
Marketing, general and administrative	**10,924**	5,775	4,295	**28,320**	13,864	10,170
Amortization	**5,955**	2,140	2,024	**18,811**	6,266	6,050
Interest on long-term debt	**426**	218	210	**1,207**	710	624
(Gain) loss on disposal of capital assets	**(8)**	(26)	169	**(138)**	359	355
	34,897	20,999	17,573	**93,414**	56,157	46,928
Earnings before income taxes	**20,186**	25,351	10,143	**73,379**	52,891	18,184
Income tax (recovery) expense						
Current	**(11,190)**	8,523	433	**16**	8,561	592
Future *(Note 10)*	**(869)**	93	76	**6,722**	140	186
	(12,059)	8,616	509	**6,738**	8,701	778
Net earnings	**32,245**	16,735	9,634	**66,641**	44,190	17,406
Other comprehensive income	**–**	–	–	**–**	–	–
Comprehensive income	**$ 32,245**	$ 16,735	$ 9,634	**$ 66,641**	$ 44,190	$ 17,406
Accumulated other comprehensive income, beginning of year	**$ –**	$ –	$ –	**$ –**	$ –	$ –
Comprehensive income	**–**	–	–	**–**	–	–
Accumulated other comprehensive income, end of period	**$ –**	$ –	$ –	**$ –**	$ –	$ –
Retained earnings, beginning of year	**$ –**	$ –	$ –	**$ –**	$ –	$ –
Allocation of net earnings to Class B Limited Partners	**(5,700)**	(3,891)	(2,698)	**(11,867)**	(10,319)	(5,074)
Allocation of net earnings to Class C Limited Partners	**(2,924)**	–	–	**(7,128)**	–	–
Allocation of net earnings to Unitholders	**(23,621)**	(12,844)	(6,936)	**(47,646)**	(33,871)	(12,332)
Retained earnings, end of period	**$ –**	$ –	$ –	**$ –**	$ –	$ –
Net earnings per unit						
– basic	**$ 0.66**	$ 0.44	$ 0.26	**$ 1.38**	$ 1.18	$ 0.47
– diluted	**$ 0.66**	$ 0.44	$ 0.26	**$ 1.37**	$ 1.18	$ 0.47

Consolidated Statement of Cash Flows

($000S EXCEPT PER UNIT AMOUNTS) (UNAUDITED)	FOR THE THREE MONTHS ENDED SEPTEMBER 30, **2007**	2006	2005	FOR THE NINE MONTHS ENDED SEPTEMBER 30, **2007**	2006	2005
CASH PROVIDED BY OPERATIONS						
Net earnings	**$ 32,245**	$ 16,735	$ 9,634	**$ 66,641**	$ 44,190	$ 17,406
Add back non-cash items						
Amortization	**5,955**	2,140	2,024	**18,811**	6,266	6,050
(Gain) loss on disposal of capital assets	**(8)**	(26)	169	**(138)**	359	355
Accretion expense	**15**	15	16	**45**	45	46
Asset retirement obligation expenditures	**–**	(40)	–	**–**	(40)	–
Non-cash unit based incentive compensation	**364**	101	45	**1,294**	242	133
Future taxes	**(869)**	93	76	**6,722**	140	186
Funds flow from operations	**37,702**	19,018	11,964	**93,375**	51,202	24,176
Net changes in non-cash working capital *(Note 8)*	**(14,865)**	32,066	(3,752)	**(11,340)**	38,594	2,891
Cash from operating activities	**22,837**	51,084	8,212	**82,035**	89,796	27,067
FINANCING ACTIVITIES						
Proceeds from long-term debt	**15,000**	–	–	**43,003**	–	158
Long-term debt repayments	**(16,022)**	(1,170)	(1,070)	**(66,210)**	(3,718)	(3,298)
Distributions to Class B Limited Partners	**(2,483)**	(1,656)	(1,553)	**(6,880)**	(4,681)	(5,044)
Distributions to Class C Limited Partners	**(1,499)**	–	–	**(4,100)**	–	–
Distributions to Unitholders	**(10,065)**	(5,567)	(3,995)	**(27,541)**	(15,452)	(11,549)
Fund units issued, net of issue costs	**588**	313	386	**48,736**	1,976	1,592
Net changes in non-cash working capital *(Note 8)*	**25**	252	6	**(11,156)**	(840)	(3,666)
Cash used for financing activities	**(14,456)**	(7,828)	(6,226)	**(24,148)**	(22,715)	(21,807)
INVESTING ACTIVITIES						
Acquisition of Neufeld Petroleum *(Note 5)*	**297**	–	–	**(47,610)**	–	–
Acquisition of Joy Propane Ltd. *(Note 6)*	**–**	–	–	**(9,872)**	–	–
Acquisition of United Petroleum Products Inc. *(Note 7)*	**–**	–	–	**(10,425)**	–	–
Change in other assets	**67**	108	147	**246**	385	109
Purchase of capital assets	**(7,403)**	(3,513)	(2,083)	**(14,095)**	(9,734)	(3,970)
Proceeds on sale of capital assets	**77**	833	169	**1,335**	1,274	250
Refinery remediation expenditures	**–**	–	(33)	**–**	–	(76)
Cash used for investing activities	**(6,962)**	(2,572)	(1,800)	**(80,421)**	(8,075)	(3,687)
Increase (decrease) in cash	**1,419**	40,684	186	**(22,534)**	59,006	1,573
Cash and cash equivalents, beginning of period	**12,509**	26,612	6,673	**36,462**	8,290	5,286
Cash and cash equivalents, end of period	**$ 13,928**	$ 67,296	$ 6,859	**$ 13,928**	$ 67,296	$ 6,859
Cash interest paid	**$ 426**	$ 218	$ 210	**$ 1,207**	$ 710	$ 624
Cash taxes paid	**$ 1,965**	$ 23	$ 433	**$ 2,174**	$ 1,199	$ 592

Notes to Consolidated Financial Statements

1. UPDATE TO ACCOUNTING POLICIES

The consolidated interim financial statements have been prepared following the same accounting policies and methods of computation as the most recent annual financial statements dated December 31, 2006, except as noted below. These financial statements should be read in conjunction with the annual financial statements and notes.

Goodwill

The Fund must record goodwill relating to a corporate acquisition when the total purchase price exceeds the fair value for accounting purposes of the net identifiable assets and liabilities of the acquired company. The goodwill balance is assessed for impairment annually at year-end or as events occur that could result in an impairment. Impairment is recognized based on the fair value of the reporting entity compared to the book value of the reporting entity. If the fair value of the Fund is less than the book value, impairment is measured by allocating the fair value of the Fund to the identifiable assets and liabilities as if the Fund has been acquired in a business combination for a purchase price equal to its fair value. Any excess of the book value of goodwill over the implied value of goodwill is the impairment amount. Impairment is charged to earnings and is not tax affected, in the year in which it occurs. Goodwill is stated at cost less impairment and is not amortized.

Intangible Assets

Customer relationships and tradenames acquired during the acquisition of Neufeld Petroleum are recorded at estimated fair value and will be amortized using the straight-line method over their estimated useful lives of five years. The value of the non-compete agreement acquired during the acquisition of Neufeld Petroleum was recorded at estimated fair value and will be amortized using the straight-line method over the term of the agreement. Intangible assets are tested for impairment when conditions exist which may indicate that the estimated future net cash flows from the asset will be insufficient to cover its carrying value.

Deferred Revenue

Deferred revenue consists of deposits and prepayments by customers for the purchase of product not yet delivered and not recorded as revenue by the Fund.

2. CHANGES IN ACCOUNTING POLICIES

On January 1, 2007, the Fund adopted the Canadian Institute of Chartered Accountants (CICA) handbook sections 1530 ""Comprehensive Income"", section 3251 ""Equity"" and section 3855 ""Financial Instruments - Recognition and Measurement"". These standards result in changes in the accounting for financial instruments as well as introduction of comprehensive income as a separate component of unitholders' capital. As required, these standards have been adopted prospectively and comparative amounts for the prior periods have not been restated.

a) Comprehensive Income

Comprehensive income is comprised of net earnings or loss and other comprehensive income (""OCI""). OCI represents the change in capital for a period that arises from unrealized gains and losses on available for sale securities and changes in the fair value of derivative instruments designated as cash flow hedges. The Fund does not currently have any OCI.

b) Equity

This section establishes the standards for presentation of capital and changes in capital during the period. It requires separate presentation of changes in unitholders' capital for the period arising from net income, OCI, contributed surplus, retained earnings, unitholders' capital and reserves. Accumulated OCI would be included in the consolidated balance sheet as a separate component of unitholders' capital.

c) Financial Instruments

This section establishes standards for the recognition and measurement of financial instruments which is comprised of: financial assets, financial liabilities, derivatives and non-financial derivatives.

A financial asset is cash or a contractual right to receive cash or another financial asset, including equity, from another party. A financial liability is the contractual obligation to deliver cash or another financial asset to another party.

A derivative is a financial instrument whose value changes in response to a specified variable, requires little or no net investment and it is settled at a future date. An embedded derivative is a derivative that is a part of a non-derivative contract and not directly related to that contract. Under this standard, embedded derivatives must be accounted for as a separate financial instrument. A non-financial derivative is a contract that can be settled net in cash or another financial instrument.

Under this standard, all financial instruments are initially recorded at fair value and are subsequently accounted for based on one of four classifications: held for trading, held-to-maturity, loans and receivables or available-for-sale. The classification of a financial instrument depends on its characteristics and the purpose for which it was acquired. Fair values are based upon quoted market prices available from active markets or are otherwise determined using a variety of valuation techniques and models.

Under this standard, all guarantees upon inception are required to be recognized on the balance sheet at their fair value. No subsequent re-measurement is required to fair value each guarantee at each subsequent balance sheet date unless the guarantee is considered a derivative.

i) Held for trading

Held for trading financial instruments are financial assets or financial liabilities that are purchased with the intention of selling or repurchasing in the near term. Any financial instrument can be designated as held for trading as long as its fair value can be reliably measured. A derivative is classified as held for trading, unless designated as and considered an effective hedge. Held for trading instruments are recorded at fair value with any subsequent gains or losses from changes in the fair value recorded directly into earnings.

All of the Fund's cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities and distributions declared and payable are designated as held for trading and are recorded at fair value.

ii) Held-to-maturity

Held-to-maturity investments are financial assets with fixed or determinable payments and a fixed maturity that the Fund has the intent and ability to hold to maturity. These financial assets are measured at amortized cost using the effective interest method. Any gains or losses arising from the sale of a held-to-maturity investment are recorded directly into earnings.

The Fund has not designated any financial instruments as held-to-maturity.

iii) Loans and receivables and other financial liabilities

Loans and receivables and other financial liabilities are accounted for at amortized cost using the effective interest method of amortization.

The fair value of other assets and long-term debt approximate their carrying values due to their floating interest rates

iv) Available-for-sale

Available-for-sale assets are those assets that are not classified as held for trading, held-to-maturity or loans and receivables. Available-for-sale instruments are recorded at fair value. Any gains or losses arising from the change in fair value is recorded in OCI and upon the sales of the instrument or other-than-temporary impairment, the cumulative gain or loss is transferred into earnings.

The Fund has not designated any financial instruments as available-for-sale.

The methods used by the Fund in determining fair value of financial instruments are unchanged as a result of implementing the new standard.

3. UNITHOLDERS' CAPITAL

	NINE MONTHS ENDED SEPTEMBER 30, 2007		YEAR ENDED DECEMBER 31, 2006	
	UNITS (000s)	**($000s)**	UNITS (000s)	($000s)
Class B Limited Partnership Units				
Balance, beginning of period	**8,566**	**$ 12,310**	8,724	$ 13,055
Allocation of retained earnings	**–**	**11,867**	–	13,581
Distribution to partners	**–**	**(6,880)**	–	(12,934)
Exchanged for Fund units	**(9)**	**(20)**	(158)	(1,392)
Balance, end of period	**8,557**	**$ 17,277**	8,566	$ 12,310
Class C Limited Partnership Units				
Balance, beginning of period	**–**	**$ –**	–	$ –
Issued on capital acquisition, net of issue costs	**5,519**	**58,954**	–	–
Allocation of retained earnings	**–**	**7,128**	–	–
Exchanged for fund units	**(354)**	**(3,839)**		
Distribution to partners	**–**	**(4,100)**	–	–
Balance, end of period	**5,165**	**$ 58,143**	–	$ –
Fund Units				
Balance, beginning of period	**30,014**	**$ 65,750**	28,288	$ 45,046
Allocation of retained earnings	**–**	**47,646**	–	45,010
Issued on vesting of restricted units	**26**	**–**	–	–
Unit incentive compensation	**–**	**1,294**	–	341
Issued for cash, net of issue costs	**4,080**	**47,085**	–	–
Issued pursuant to the distribution reinvestment plan	**34**	**480**	63	491
Issued under unit option plan	**217**	**1,171**	339	1,744
To be issued pursuant to special distribution	**–**	**–**	1,165	14,963
Distribution to unitholders	**–**	**(27,541)**	–	(43,237)
Exchange of Limited Partnership units	**363**	**3,859**	159	1,392
Balance, end of period	**34,734**	**$ 139,744**	30,014	$ 65,750
	48,456	**$ 215,164**	38,580	$ 78,060

On May 4, 2007 the Directors passed a resolution authorizing the Fund to provide for a division of its units on a three-for-one unit basis. The unit split did not change the rights of the holders of units and each unit outstanding after the split is entitled to one vote. These financial statements have been adjusted retroactively for the three-for-one split.

Unit Option Plan

The table below represents the status of the Fund's Unit Option Plan as at September 30, 2007 and the changes therein for the period then ended:

	NINE MONTHS ENDED SEPTEMBER 30, 2007		YEAR ENDED DECEMBER 31, 2006	
	NUMBER OF OPTIONS UNITS (000s)	**WEIGHTED AVERAGE EXERCISE PRICE**	NUMBER OF OPTIONS UNITS (000s)	WEIGHTED AVERAGE EXERCISE PRICE
Balance, beginning of period	**1,228**	**$ 6.20**	1,650	$ 6.03
Cancelled	**–**	**–**	(84)	$ 7.01
Exercised	**(216)**	**5.74**	(338)	$ 5.18
Balance, end of period	**1,012**	**$ 6.29**	1,228	$ 6.20
Exercisable options, end of period	**832**	**$ 6.13**	813	$ 5.58

Exercise prices for outstanding options at September 30, 2007 have the following ranges: 250,302 from $4.15 - $5.87, 258,003 from $6.32 - $6.68 and 504,016 from $6.73 - $7.27. These issue prices represent the market value at the time of issue.

The corresponding remaining contractual life for these options ranges from 5 - 8 years.

The Fund accounts for its grants of options using the fair value based method of accounting for stock based compensation. The total cost to be reported is $0.5 million. The compensation cost that has been charged against income for the nine months ended September 30, 2007 is $0.1 million (September 30, 2006 - $0.1 million, September 30, 2005 - $0.1 million).

Restricted Unit Plan

Effective January 1, 2006, the Fund adopted a Restricted Units Plan to complement the Option Plan and Unit Distribution Rights Plan. Under the Plan the units vest over a five-year period and are subject to entity performance criteria.

Details of the Plan are set out in the Notice of Annual and Special Meeting of Unitholders dated March 16, 2007.

The table below represents the status of the Fund's Restricted Unit Plan as at September 30, 2007 and the changes therein for the period then ended:

	NINE MONTHS ENDED SEPTEMBER 30, 2007		YEAR ENDED DECEMBER 31, 2006	
	NUMBER OF OPTIONS UNITS (000s)	**WEIGHTED AVERAGE EXERCISE PRICE**	NUMBER OF OPTIONS UNITS (000s)	WEIGHTED AVERAGE EXERCISE PRICE
Balance, beginning of period	**131**	**$ 6.60**	–	$ –
Granted	**189**	**12.80**	137	6.60
Issued	**(26)**	**6.60**	–	–
Cancelled	**(2)**	**12.38**	(6)	6.55
Balance, end of period	**292**	**$ 10.58**	131	$ 6.60

The Fund accounts for its grants of restricted units over the graded vesting schedule of each grant. Each grant of restricted units is treated as if the grant were a series of awards rather than a single award. The fair value of the award is determined based on the different expected lives for the restricted units that vest each year. The total cost to be reported for the restricted units granted in 2007 is $2.4 million. The compensation cost that has been included in marketing, general and administrative expenses for the nine months ended September 30, 2007 is $1.2 million (September 30, 2006 - $0.1 million).

4. SEGMENTED INFORMATION

The Fund's operations have been predominantly in fuel marketing and convenience store sales in western Canada. With the acquisitions of Neufeld Petroleum, Joy Propane Ltd. and United Petroleum Products Inc., the Fund now sells propane, fertilizer, lubes, other agricultural inputs and industrial products and services. The Fund's operating segments have been adjusted to reflect these changes.

Fuel Marketing includes sales of gasoline, diesel, heating oil, propane fuel and variable rents derived from service station sites. Convenience Store Merchandise continues to include the operations of the Fund owned and operated convenience stores that are integrated into fuel marketing sites and bear common operating costs. Commercial includes primarily the non-fuel components of the acquired businesses as noted in the previous paragraph.

Due to the amount of common operating and property costs it is not practical to report these segments below their respective gross profits. The segregation of capital expenditures and total assets is not practical as the reportable segments represent product sales that are generated from common locations.

	FOR THE THREE MONTHS ENDED				FOR THE NINE MONTHS ENDED			
($000s) (UNAUDITED)	FUEL MARKETING	CONVENIENCE STORE MERCHANDISE	COMMERCIAL	TOTAL	FUEL MARKETING	CONVENIENCE STORE MERCHANDISE	COMMERCIAL	TOTAL
SEPTEMBER 30, 2007								
Net sales and operating revenue	**$ 446,558**	**$ 18,307**	**$ 18,030**	**$ 482,895**	**$ 1,144,052**	**$ 48,921**	**$ 48,556**	**$ 1,241,529**
Cost of sales	**405,999**	**13,609**	**8,204**	**427,812**	**1,009,604**	**36,339**	**28,793**	**1,074,736**
Gross profit	**$ 40,559**	**$ 4,698**	**$ 9,826**	**$ 55,083**	**$ 134,448**	**$ 12,582**	**$ 19,763**	**$ 166,793**
SEPTEMBER 30, 2006								
Net sales and operating revenue	$ 342,784	$ 16,488	$ –	$ 359,272	$ 876,545	$ 44,445	$ –	$ 920,990
Cost of sales	300,820	12,102	–	312,922	779,171	32,771	–	811,942
Gross profit	$ 41,964	$ 4,386	$ –	$ 46,350	$ 97,374	$ 11,674	$ –	$ 109,048
SEPTEMBER 30, 2005								
Net sales and operating revenue	$ 246,445	$ 12,456	$ –	$ 258,901	$ 610,729	$ 33,430	$ –	$ 644,159
Cost of sales	221,897	9,288	–	231,185	554,450	24,597	–	579,047
Gross profit	$ 24,548	$ 3,168	$ –	$ 27,716	$ 56,279	$ 8,833	$ –	$ 65,112

5. ACQUISITION OF NEUFELD PETROLEUM & PROPANE LTD. AND NEUFELD HOLDINGS LTD.

On January 24, 2007, the Fund acquired all of the outstanding shares of Neufeld Petroleum & Propane Ltd. and Neufeld Holdings Ltd. (""Neufeld Petroleum""). The transaction was accounted for using the purchase method with the allocation of the purchase price as follows:

	($000s)
Estimated fair value of net assets acquired:	
Capital assets	$ 87,405.2
Working capital, net (excluding bank indebtedness)	25,250.0
Intangible asset - customer relationships	6,264.1
Intangible asset - tradenames	4,581.2
Intangible asset - non compete agreement	561.0
	$124,061.5
Consideration:	
Cash paid to vendor	$ 23,468.0
Class C Limited Partnership Units	47,620.1
Acquisition costs	1,982.5
Bank indebtedness assumed	2,137.8
Shareholder loans paid out	17,828.0
Management bonus paid out	4,331.1
Long-term debt assumed	26,694.0
	$124,061.5

The effective date of the transaction was November 1, 2006. The interim period net earnings after tax to January 24, 2007 of $3 million have been credited to the purchase price. The above purchase price allocation is subject to change. The value of the Class C Limited Partnership units was adjusted to reflect a discount calculated due to the restrictions on conversion to publicly tradeable units.

6. ACQUISITION OF JOY PROPANE LTD.

On April 24, 2007, the Fund acquired all of the outstanding shares of Joy Propane Ltd. The transaction was accounted for using the purchase method with the allocation of the purchase price as follows:

	($000s)
Estimated fair value of net assets acquired:	
Capital assets	$ 9,716.7
Working capital, other	1,056.0
Cash	1,414.0
Goodwill	4,488.9
	$ 16,675.6
Consideration:	
Cash paid to vendor	$ 11,201.5
Acquisition costs	84.6
Class C Limited Partnership Units	5,389.5
	$ 16,675.6

The effective date of the transaction was February 28, 2007. The interim period net earnings after tax to April 24, 2007 of $168,500 have been credited to the purchase price. The above purchase price allocation is subject to change pending completion of the valuation of the intangible assets.

7. ACQUISITION OF UNITED PETROLEUM PRODUCTS INC.

On May 28, 2007, the Fund acquired all of the outstanding shares of United Petroleum Products Inc. The transaction was accounted for using the purchase method with the allocation of the purchase price as follows:

	($000s)
Estimated fair value of net assets acquired:	
Capital assets	$ 2,538.4
Working capital, net	2,240.6
Intangible asset - customer relationships	5,000.0
Intangible asset - non compete agreement	200.0
Goodwill	7,105.4
	$ 17,084.4
Consideration:	
Cash paid to vendor	$ 10,382.9
Acquisition costs	41.7
Class C Limited Partnership Units	5,944.7
Bank debt assumed	715.1
	$ 17,084.4

The effective date of the transaction was May 1, 2007. The interim period net earnings after tax to May 28, 2007 of $247,000 have been credited to the purchase price. The above purchase price allocation is subject to change pending completion of the valuation of the intangible assets.

8. NET CHANGES IN NON-CASH WORKING CAPITAL

(000s) (UNAUDITED)	FOR THE THREE MONTHS ENDED SEPTEMBER 30 2007	2006	2005	FOR THE NINE MONTHS ENDED SEPTEMBER 30 2007	2006	2005
Accounts receivable	**$ 279**	$ 2,866	$ (4,796)	**$ (7,301)**	$ (3,908)	$ (12,236)
Inventories	**1,658**	(1,603)	(745)	**(760)**	(1,086)	(646)
Prepaid expenses and other	**(7,072)**	98	(375)	**(6,507)**	181	(149)
Accounts payable	**5,553**	22,205	2,164	**6,061**	36,045	15,922
Deferred revenue	**(199)**	–	–	**249**	–	–
Income taxes payable	**(15,084)**	8,500	–	**(3,082)**	7,362	–
Subtotal for operating activities	**$ (14,865)**	$ 32,066	$ (3,752)	**$ (11,340)**	$ 38,594	$ 2,891
Distributions declared and payable	**$ 25**	$ 252	$ 6	**$ (11,156)**	$ (840)	$ (3,666)

9. FINANCIAL INSTRUMENTS

The Fund's exposure under its financial instruments is limited to financial assets and liabilities, all of which are included in the financial statements. The fair values of financial assets and liabilities that are included in the balance sheet approximate their carrying amounts.

The Fund's accounts receivables are subject to normal credit risks.

The Fund is exposed to interest rate risk to the extent that bank debt is at a floating rate of interest.

10. FUTURE INCOME TAXES

On June 12, 2007, Bill C-52 Budget Implementation Act, 2007 was substantively enacted by the Canadian federal government, which contains legislation to tax publicly traded trusts in Canada. As a result, a new 31.5 percent tax will be applied to distributions from Canadian public income trusts. The new tax is not expected to apply to the Fund until 2011 as a transition period applies to publicly traded trusts that existed prior to November 1, 2006. As a result of this substantive enactment of trust taxation, the Fund recorded a $6.7 million future income tax expense and increased its future income tax liability. The future income tax adjustment represents the taxable temporary differences of the Fund tax affected at 31.5 percent, which is the rate that will be applicable in 2011 under the current legislation and the Fund's current corporate structure.

11. RELATED PARTY TRANSACTIONS

During the third quarter of fiscal 2007, Parkland paid $91,450 for legal services to Bennett Jones LLP where David Spencer, a Parkland director, is a partner. The majority of services received related to documentation for the acquisitions and a new credit facility.

Parkland provides management, labor, accounting and delivery services to Neufeld Petroleum and Propane (High Level) Ltd. (NPPHL). NPPHL is owned by Abe Neufeld, Parkland's Vice President, Commercial Business Development and consists of a small scale Petro-Canada bulk fuel agency in High Level, Alberta. The services are provided by Parkland on a cost recovery basis and totaled $87,500 in the third quarter. Parkland intends to purchase this business in the future.

12. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to comply with the presentation adopted in the current period.

Supplementary Information

(000s) (UNAUDITED)	FOR THE THREE MONTHS ENDED SEPTEMBER 30 **2007**	2006	2005	FOR THE NINE MONTHS ENDED SEPTEMBER 30 **2007**	2006	2005
Volume *(millions of litres)*						
Retail gas and diesel	**143**	142	134	**411**	390	373
Wholesale gas and diesel	**416**	270	188	**1,008**	725	507
Propane	**19**	–	–	**70**	–	–
Total fuel volume	**578**	412	322	**1,489**	1,115	880
Net sales and operating revenue *($000s)*						
Retail gas and diesel	**$ 135,060**	$ 128,022	$ 112,716	**$ 350,735**	$ 331,184	$ 286,012
Wholesale gas and diesel	**297,953**	214,762	133,729	**758,741**	545,361	324,717
Propane	**13,545**	–	–	**34,576**	–	–
Convenience store merchandise sales	**18,307**	16,488	12,456	**48,921**	44,445	33,430
Commercial sales	**18,030**	–	–	**48,556**	–	–
Total net sales and operating revenue	**482,895**	$ 359,272	$ 258,901	**1,241,529**	$ 920,990	$ 644,159
Gross profit *($000s)*	**$ 55,083**	$ 46,350	$ 27,716	**$ 166,793**	$ 109,048	$ 65,112
Less: Convenience store merchandise gross profit	**$ 4,698**	$ 4,386	$ 3,168	**$ 12,582**	$ 11,674	$ 8,833
Gross profit on commercial sales	**9,826**	–	–	**19,763**	–	–
Other revenue included in gross profit	**2,991**	2,069	1,945	**7,132**	5,706	5,276
Fuel gross profit	**$ 37,568**	$ 39,895	$ 22,603	**$ 127,316**	$ 91,668	$ 51,003
Cents per litre	**$ 0.0650**	$ 0.0968	$ 0.0702	**$ 0.0855**	$ 0.0822	$ 0.0580
Station counts:						
Retail (Parkland and commission operated)						
Fas Gas				87	99	116
Fas Gas Plus				91	91	89
Esso				6	6	–
				184	196	205
Wholesale (Independent dealer)						
Race Trac Fuels				177	202	218
Fas Gas Plus				23	11	–
Esso				174	152	–
				374	365	218
Total stations				558	561	423

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President and CEO

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Vice President and CFO
Corporate Secretary
Chief Privacy Officer

Chris R. Podolsky
Corporate Controller

Kelly G. Collier
Controller, Retail

WHOLLY OWNED SUBSIDIARIES
986408 Alberta Ltd.
986413 Alberta Ltd.
Joy Propane Ltd.
Neufeld Petroleum & Propane Ltd.
Parkland Holdings Limited Partnership
Parkland Industries Limited Partnership
Parkland Industries Ltd.
Parkland Investment Trust
Parkland Refining Ltd.
United Petroleum Products Inc.