PARKLAND INCOME FUND

FOR IMMEDIATE RELEASE: Tuesday, March 2, 2010

PARKLAND REPORTS FOURTH QUARTER AND 2009 FISCAL YEAR END FINANCIAL RESULTS, ANNOUNCES PLANS FOR CONVERSION AND 2011 DIVIDEND

Highlights:

- Quarterly fuel sales volume of 728 million litres, up 10% from 664 million litres the prior year
- Q4 EBITDA of $13.7 million, down 45% from 2008, 2009 EBITDA of $90.8 million, up 12% or $9.6 million from 2008
- Distribution payout ratio 102% for the quarter and 76% for all of 2009
- Strong contribution from retail fuel sales
- Successful issuance of $97.75 million of convertible debentures at 6.5% coupon and 30% conversion premium
- Announcement of agreement to purchase Bluewave Energy ("Bluewave") with January 31, 2010 closing
- Intention to convert from a Trust to a Corporation by January 2011 with plans to become a high-yield growth Company with an expected dividend between 75% and 110% of the current level of the Fund's annual distribution ($1.26 per unit)

Red Deer, March 2, 2010 – Parkland Income Fund (TSX:PKI.UN) today announced its business performance for the fourth quarter of 2009 and the year ended December 31, 2009. Parkland recorded fuel volume sales of 728 million litres in the fourth quarter of 2009, an increase of 10% relative to the fourth quarter of 2008. Earnings before interest, taxes, depreciation and amortization (EBITDA) were down in the fourth quarter of 2009 compared to 2008, primarily due to cyclical declines in refiners' margins and as previously disclosed in the fourth quarter of 2008, the Fund received a non-recurring contract cancellation fee of $5.0 million, and there was no such fee in the fourth quarter of 2009. However, EBITDA for the year ended December 31, 2009 increased by $9.6 million or 12% to $90.8 million from $81.2 million in 2008. The increase in EBITDA is attributed to strong retail sales and margin growth, which together offset the challenges in commercial business and second half 2009 refiners' margin declines.

President and CEO Mike Chorlton said, "We are pleased to report growth in earnings in 2009 relative to 2008, despite facing some particularly challenging circumstances. We credit much of this accomplishment to our ability to remain focused on the execution of our strategy as well as the skill, hard work and dedication of Parkland employees across the country. As we work through this extended period of economic uncertainty, we remain focused on maintaining monthly distributions, which we believe are sustainable with the current outlook, while driving operational efficiency and continuing to prudently grow our business as opportunities arise."

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Trust to Corporation Conversion Plan

On October 31, 2006, the Canadian Minister of Finance announced the Specified Investment Flow Through Trust (SIFT) income and distribution tax, which is effective January 1, 2011. Parkland intends to seek unitholder approval to convert back to a corporation by way of a trust unit for corporate share tax-deferred exchange no later than January 2011. After conversion, provided there are no material adverse changes in our outlook for business conditions, Parkland plans to become a high-yield growth Company with an expected dividend between 75% and 110% of the current level of the Fund's annual distribution ($1.26 per unit).

Mr. Chorlton said, "Our 2011 dividend outlook is supported by our expectation that Bluewave Energy earnings will be sufficient to cover additional interest cost and maintenance capital expenditures related to the Bluewave purchase and 100% of Parkland's tax as a corporation – leaving Parkland with the continued ability to maintain strong annual dividends.

"After conversion, we intend to continue the growth of Parkland by making accretive acquisitions financed by a combination of cash generated from the business, available room on our bank credit facility and new equity capital as appropriate. Even after the Bluewave purchase, Parkland continues to maintain a strong balance sheet and could expand borrowings if required for future growth."

"We may consider conversion to a corporation before 2011 if significant events or growth opportunities arise that would require an earlier conversion," added Mr. Chorlton.

Parkland continues to maintain a strong and conservative balance sheet. As of December 31, 2009, the Fund's Debt to EBITDA ratio was well under our 2.0 target. To finance the Bluewave purchase, Parkland increased its syndicated credit facility to $400 million from $265 million, in addition to raising $97.75 million from a Convertible Debenture issue in December 2009. After completing the Bluewave purchase, Parkland has over $200 million of available combined bank credit and safe harbor equity room (approximately $62 million) to finance operations and continued growth. Parkland continues to be under-leveraged and has financing capacity in reserve to accommodate changes in business conditions and to execute accretive growth transactions.

Distributable cash fell short of cash distributions in the fourth quarter by 2% but was comfortably above cash distributions for the year ended December 31, 2009. The annual distribution payout ratio for 2009 was 76% compared to 91% in 2008. Accordingly, we have maintained our monthly distribution rate of $0.105 per unit.

At the May 3, 2010 Parkland Annual and Special Meeting, Parkland will request approval from unitholders to complete the conversion of Parkland Income Fund into a new public corporation effective no later than January 2011. Parkland will schedule a second Special Meeting of unitholders to re-approve the conversion plan if there is a material change in business conditions before conversion or if Parkland proposes conversion before 2011 because of acquisition or merger opportunities that change the approved Parkland conversion proposal.

Outlook

Two months into the first quarter of 2010, retail fuel sales volumes remain similar to the 2009 year and retail margins remain strong in spite of the winter season when demand for gasoline is typically weakest. Commercial fuel sales volumes remain soft in northern Alberta as upstream oil and gas customers have not fully resumed prior drilling programs. Warmer weather in British Columbia continues to cause softness in heating oil volume and profits. Our newly acquired Bluewave business brings cross-Canada balance to Parkland's fuel distribution and exposure to weather influences on heating oil demand.

Current refiners' margins have been running at the low end of seasonal norms compared to Q1 2009 when they were well above average for a first quarter. However, the profit contributions anticipated from recent Parkland acquisitions should help minimize the impact of refiners' margins inherent volatility and uncertainty as it becomes a much smaller relative component of Parkland's growing business.

GROWTH

On January 31, 2010, Parkland closed the acquisition of Bluewave, which had 2009 sales volumes of 645 million litres and normalized EBITDA of over $34 million. The Bluewave acquisition makes Parkland the largest independent fuel marketer in Canada with a coast-to-coast network of retail, commercial, cardlock, heating oil and propane distribution outlets. The Bluewave acquisition and expected profits support Parkland's post conversion intended dividend policy. Parkland also expects to realize synergies from the combined Parkland/Bluewave business of at least $2 million in 2010 and $5 million in 2011 in addition to other cost saving initiatives that are being undertaken to reduce overhead costs in proportion to the size of the overall business.

While the 2010 Bluewave acquisition is positive and provides instant growth and accretion, we recognize that Parkland operates in uncertain economic times. Demand for Parkland's products fluctuate with economic conditions and may deteriorate over time. Profit margins also vary from time to time in response to changes in demand and economic conditions in general. These factors represent a risk for Parkland's profitability going forward.

Fuel Volumes

Gasoline, diesel and propane volumes were strong with total sales of 728 million litres in the quarter ended December 31, 2009, an increase of 10% from 664 million litres for the same period in 2008. The increase resulted from the acquisitions completed over the past year.

Gross Profit

In addition to the retail margins for gasoline and diesel, we participate in the refiners' margins for a significant portion of our supply volumes. In the fourth quarter of 2009 this participation dropped approximately $18.9 million from the comparable period in 2008 when refiners' margins were unusually high for a fourth quarter. The contribution from refiners' margins has been highly variable over the past three years as it produced record results in 2007 then declined to minimal amounts in the second half of 2009.

Our operating and direct costs were $28.9 million in the fourth quarter compared to $26.9 million for the same period in 2008. This increase is driven by the 2009 acquisition of Columbia Fuels and Anmart Fuels and the corresponding overhead cost increases.

Our marketing, general and administrative expenses were $13.9 million in the fourth quarter compared to $13.4 million for the same period in 2008. Included in this expense category are the operating costs related to our Enterprise Resource Planning system implementation, which is expected to go live in Q1, 2010.

CONSOLIDATED HIGHLIGHTS

(in millions of Canadian dollars except volume and per Unit amounts)	Three months ended December 31, 2009	Three months ended December 31, 2008	% Change
Fuel volume (millions of litres)	**728**	664	10
Net sales and operating revenues	**542.4**	524.5	3
Gross profit	**56.5**	65.4	(14)
Gross margin	**10.4%**	12.5%	
Operating and direct costs	**28.9**	26.9	7
Marketing, general and administrative	**13.9**	13.4	4
Income before income taxes	**2.1**	13.8	(85)
Income tax (recovery) expense	**(2.3)**	3.8	
Net earnings	**4.5**	10.1	(55)
EBITDA [(1)]	**13.7**	25.1	(45)
Earnings per Unit - basic	**$0.09**	$0.20	
Earnings per Unit - diluted	**$0.09**	$0.20	
Distributable cash flow [(2)]	**14.7**	17.6	(16)
Distributions	**15.1**	15.9	(5)
Distribution payout ratio	**102%**	90%	

	Year ended December 31, 2009	Year ended December 31, 2008	% Change
Fuel volume (millions of litres)	**2,742**	2,353	17
Net sales and operating revenues	**2,020.0**	2,348.1	(14)
Gross profit	**249.1**	221.4	13
Gross margin	**12.3%**	9.4%	
Operating and direct costs	**106.9**	92.0	16
Marketing, general and administrative	**51.4**	48.2	7
Income before income taxes	**47.5**	45.2	5
Income tax (recovery) expense	**(1.1)**	0.8	
Net earnings	**48.6**	44.3	10
EBITDA [(1)]	**90.8**	81.2	12
Earnings per Unit - basic	**$0.97**	$0.88	
Earnings per Unit - diluted	**$0.97**	$0.88	
Distributable cash flow [(2)]	**81.6**	69.9	17
Distributions	**62.3**	63.4	(2)
Distribution payout ratio	**76%**	91%	

(1) Please refer to the Non-GAAP Measures section in the MD&A for a definition of EBITDA

(2) Please see Distributable Cash Flow reconciliation table in the MD&A

The MD&A as well as the complete audited Consolidated Financial Statements and Notes to Consolidated Financial Statements for the year ended December 31, 2009 are available online at http://files.newswire.ca/714/PKICNW.pdf

Fund Description

Parkland Income Fund is the largest independent fuel marketer in Canada with a coast-to-coast network of retail, commercial, cardlock, heating oil and propane distribution outlets. The Fund currently 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 and other products through its Distribution division. With 622 locations, Parkland has developed a strong market niche in Canada outside of major urban markets focused in the West and Ontario. The Fund supplies propane, bulk fuel, heating oil, lubricants, industrial fluids, agricultural inputs and associated services to commercial and industrial customers across Canada under the Neufeld, United Petroleum, Columbia Fuels, Bluewave Energy and Great Northern Oil brands. Additionally, Parkland operates the Bowden refinery near Red Deer, Alberta as a storage and contract-processing site.

Parkland is focused on creating and delivering value for its unitholders through the continuous refinement of its site portfolio, increasing revenue diversification through growth in non-fuel revenues and active supply chain management.

Parkland units and convertible debentures trade on the Toronto Stock Exchange (TSX) under the symbols PKI.UN and PKI.DB. 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 Parkland’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 Parkland’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 Parkland 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.

Conference Call

Parkland will hold a conference call for Analysts, Brokers and Investors to discuss fourth quarter and year end results as follows:

Wednesday, March 3, 2010, 9:00 a.m. Mountain (11:00 a.m. Eastern Time)
Direct: 647-427-7450
Toll-free: 888-231-8191
Passcode: 56393996

The replay will be available as follows:

From: Wednesday, March 3, 2010, 12:00 noon (2:00 p.m. Eastern Time)
To: Wednesday, March 17, 2010 at 9:59 p.m. (11:59 p.m. Eastern Time)
Direct: 416-849-0833
Toll-free: 800-642-1687
Passcode: 56393996

Webcast

http://www.newswire.ca/en/webcast/viewEvent.cgi?eventID=2964720

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