



Parkland Announces New Incentives for its Dividend Reinvestment Plan

Red Deer, AB, December 22, 2010 - Parkland Income Fund ("Parkland" or the "Fund") (TSX: PKI.UN), Canada's largest independent fuel distributor and marketer, today announced that upon its conversion to Parkland Fuel Corporation (the "Corporation") it will launch new incentives for its Dividend Reinvestment Plan (DRIP) which will provide shareholders with new options to participate in the company's growth while maximizing value. In addition to the option of receiving a monthly cash dividend of \$0.085, investors who wish to reinvest their dividends in the Corporation will be able to access the following new options:

- The Premium Dividend™ – Paid in cash, this provides eligible shareholders with a 2% cash premium on top of their regular cash dividend and is well suited to most income-oriented investors; or
- Dividend Reinvestment – Shareholders receive a 5% discount on shares purchased through the Dividend Reinvestment Plan which is well suited to most value-oriented investors.

Those shareholders who do not elect to participate in either component of the plan will still receive their regular monthly dividend of \$0.085 per share.

"These enhancements to our Dividend Reinvestment Plan provide investors with new options to maximize their investment in Parkland," said Mike Chorlton, Parkland's President and Chief Executive Officer. "The Premium Dividend™ and Dividend Reinvestment incentive programs will allow shareholders to participate in raising equity capital in a manner that is beneficial to them financially, and beneficial to Parkland because it is a very low-cost means of raising capital, which will help finance our future growth and rebalance our debt:equity relationship over time."

Shareholders interested in participating in either of these options can find more information below or at Parkland's website: <http://www.parkland.ca/internet/investor-relations/about-pki-units/drip.html>.

Participation in the new Premium Dividend™ and Dividend Reinvestment Plan of the Corporation (the "Plan"), which will be implemented in January, is optional. Eligible shareholders will be able to elect to participate in the Plan commencing with the January 2011 dividend that will be payable to shareholders in February 2011.

By enrolling in the Plan eligible shareholders will direct that their cash dividends be reinvested in additional common shares of the Corporation. Such additional shares will be issued from treasury at a 5% discount to the Average Market Price (as defined in the Plan) on the applicable dividend payment date. Under the Dividend Reinvestment component of the Plan, additional shares acquired on the reinvestment of dividends will be credited to the accounts of

participating shareholders. Under the Premium Dividend™ component of the Plan, the additional shares acquired on the reinvestment of dividends will be delivered to the designated Plan Broker in exchange for a premium cash payment equal to 102% of the reinvested amount. Canaccord Genuity Corp. will act as the Plan Broker for the Premium Dividend™ component of the Plan.

Parkland's current distribution reinvestment plan will be terminated in connection with completion of its corporate conversion. Any unitholders of the Fund who wish to enroll in the new Plan of the Corporation must do so in accordance with the procedures described below. Prior participation in the Fund's distribution reinvestment plan will not automatically result in participation in the Plan of the Corporation.

Eligible REGISTERED shareholders who wish to enroll in either component of the new Plan must deliver a completed enrollment form to Valiant Trust Company specifying which component of the Plan they wish to participate in. An enrollment form must be received before 3:00 p.m. (Calgary time) on the business day immediately preceding a dividend record date in order for the cash dividend to which the record date relates to be reinvested under the Plan, and will thereafter be effective for all future dividends until participation in the Plan is terminated or the shareholder changes their election between the Plan components by delivering a new enrollment form. Once a registered shareholder is enrolled in the Plan, a new enrollment form is required only if the shareholder wishes to change their election between the Plan components. A copy of the enrollment form is available from Valiant Trust Company, as Plan Agent, through their website at www.valianttrust.com or by calling 1-866-313-1872, or from Parkland through its website at www.parkland.ca or by calling 403-357-6400.

Eligible BENEFICIAL shareholders (i.e., owners of shares that are held through a broker or other nominee) who wish to participate in the Plan must provide appropriate enrollment instructions to the broker, investment dealer, financial institution or other nominee through which they hold their shares, and should consult such nominee as to any applicable pre-record date enrollment deadlines.

The Plan is currently available only to shareholders resident in Canada. Unless otherwise announced by Parkland, shareholders who are not resident in Canada may not participate, directly or indirectly, in either component of the Plan.

A complete copy of the Plan, together with a related series of Questions and Answers and the enrollment form, are posted on Parkland's website at www.parkland.ca. Copies may also be obtained by contacting Parkland at 403-357-6400 or by email at corpinfo@parkland.ca.

Shareholders should carefully read the complete text of the Plan before making any enrollment decisions.

The Corporation reserves the right to limit the amount of new equity available under the Plan on any particular dividend payment date. Accordingly, participation may be prorated in certain circumstances. In the event of proration, or if for any other reason a dividend cannot be

reinvested under the Plan, in whole or in part, a participating shareholder will be entitled to receive from the Corporation the regular cash dividend for each share in respect of which the dividend is payable but which cannot be reinvested under the Plan in accordance with the shareholder's election.

No commissions, service charges or similar fees will be payable by Plan participants in connection with the purchase of new shares from treasury under the Plan. Beneficial shareholders should contact the broker, investment dealer, financial institution or other nominee through who holds their shares to confirm whether the nominee charges any fees to enroll or participate in the Plan on their behalf.

Participation in the Plan does not relieve shareholders of any liability for taxes that may be payable in respect of dividends reinvested in new shares or shares sold on your behalf under the plan. Shareholders should consult their tax advisors concerning the tax implications of their participation in the Plan having regard to their particular circumstances.

Forward Looking Information

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, effectiveness of internal controls, sources of funding of growth capital expenditures, conversion of Parkland to a corporate structure, anticipated dividends and the amount thereof, if any, to be declared by Parkland Fuel Corporation, expectations regarding the implementation of Parkland's new ERP system 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.

About Parkland Income Fund

Parkland Income Fund is Canada's largest independent fuel distribution and marketing company, delivering fuel products from regional refineries to retail, commercial and reseller customers coast-to-coast. Through its network of 620 retail locations, 77 commercial branches, 71 cardlock locations and through wholesale agreements, the Company distributes 3.4 billion litres of fuel annually, representing 4.7% of the total Canadian fuel market (market share in some regions of operation is higher).

Parkland currently distributes fuel to retail customers under its Fas Gas Plus, Fas Gas and Race Trac brands as well as through distribution agreements with 293 Esso locations. Parkland also supplies propane, bulk fuel, heating oil, lubricants, industrial fluids and associated services to commercial and industrial customers across Canada under the Neufeld, United Petroleum, Columbia Fuels, Bluewave Energy and Great Northern Oil brands.

Parkland offers investors a balance of yield and growth. The Company is delivering value to unitholders by growing fuel volumes through carefully selected acquisitions, working closely with suppliers to achieve a material cost advantage and achieving greater efficiency through operational excellence.

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.

For investor and media inquiries, or to be added to the email news alert service, please contact Mike W. Chorlton, President and CEO; Ken J. Grondin, Senior Vice President and CFO; or Tom McMillan, Investor Relations Manager at 403-357-6400 or corpinfo@parkland.ca.