MATERIAL CHANGE REPORT

Subsection 75(2) of the *Securities Act* (Ontario) and equivalent sections in the securities acts of each of the other provinces of Canada

1. **Reporting Issuer**

   Contrans Income Fund
   1179 Ridgeway Road
   Woodstock, Ontario
   N4S 8P6

2. **Date of Material Change**

   August 1, 2002

3. **Press Release**

   A Press Release was issued in Woodstock, Ontario on August 1, 2002 and subsequently filed on SEDAR.

4. **Summary of Material Change**

   Contrans Income Fund (the “Fund”) announced that the over-allotment option associated with the Fund’s recent initial public offering has been exercised in full.

5. **Full Description of Material Change**

   The Fund announced that the over-allotment option associated with the Fund’s recent initial public offering has been exercised in full, resulting in the issuance by the Fund of an additional 637,500 subordinate voting trust units at an issue price of $9.50 per unit, for gross proceeds of $6,056,250. The underwriting syndicate was led by RBC Capital Markets and included TD Securities Inc., National Bank Financial Inc., Standard Securities Capital Corporation and Haywood Securities Inc.

6. **Reliance on Subsection 75(3) of the *Securities Act* (Ontario)**

   Not applicable.

7. **Omitted Information**

   Not applicable.

8. **Senior Officer**

For further information contact Gregory Rumble, Trustee of the Fund at (519) 421-4600

9. **Statement of Senior Officer**

The foregoing accurately discloses the material change referred to herein.

DATED at Woodstock, Ontario this 2nd day of August, 2002.

CONTRANS INCOME FUND

Per: “Gregory Rumble”
Gregory Rumble
Trustee