

MATERIAL CHANGE REPORT

1. **Reporting Issuer**

TransForce Income Fund
6600 Chemin St-François
Montreal, Quebec
H4S 1B7

2. **Date of Material Change**

January 28, 2004.

3. **Press Release**

TransForce Income Fund (“**TransForce**”) issued a press release with respect to the material change on January 28, 2004.

4. **Summary of Material Change**

On January 28, 2004, TransForce completed the acquisition of substantially all of the assets of Canadian Freightways and certain of its affiliates (collectively, “**CF**”) for a total consideration of CDN\$72.7 million including transaction costs plus the assumption of loans and credit facilities of approximately CDN\$15.0 million.

5. **Full Description of Material Change**

On January 28, 2004, TransForce, a leader in the Canadian transportation and logistics industry, announced it completed the acquisition of substantially all of the assets of Canadian Freightways and certain of its affiliates for a total consideration of CDN\$72.7 million including transaction costs plus the assumption of loans and credit facilities of approximately CDN\$15 million.

CF, headquartered in Calgary, Alberta, offers services of both less-than-truckload and truckload in Canada and the United States and also offers specialized services in the areas of logistics and fleet management, customs brokerage and bonded warehousing and international freight forwarding. The combined revenues of CF for its last fiscal year were slightly more than CDN\$235 million. For the same period, CF's EBITDA was slightly more than CDN\$20 million. CF's annual sustaining capital expenditures are in the range of CDN\$6 million.

Concurrent with the acquisition of CF, TransForce also announced that it has sold one of the CF properties for CDN\$20 million. The proceeds of the sale will be used to reduce debt.

6. **Reliance on Section 75(3)**

Not applicable.

7. **Omitted Information**

Not applicable.

8. **Senior Officer**

The senior officer who can answer questions regarding this report is Mr. Alain Bédard, President and Chief Executive Officer of TransForce. Mr. Bédard can be reached at (514) 856-7531.

9. **Statement of Senior Officer**

The foregoing accurately discloses the material change referred to herein.

SIGNED the 26th day of February, 2004 at Montreal, Quebec.

(signed) Alain Bédard

Alain Bédard

President and Chief Executive Officer