

MATERIAL CHANGE REPORT

Section 85 of the *Securities Act* (British Columbia)
Section 146(1) of the *Securities Act* (Alberta)
Section 84(1) of the *Securities Act* (Saskatchewan)

1. **Reporting Issuer:**

Exchange Industrial Income Fund (the "Fund")
665 – 167 Lombard
Winnipeg, Manitoba R3B 0V3

2. **Date of Material Change:**

June 16, 2004

3. **Press Release:**

The Fund issued a press release on June 17, 2004.

4. **Summary of Material Change:**

The Fund announced that a cash distribution was declared by the Board of Trustees on June 16, 2004, of \$0.17 per Unit payable July 15, 2004 to unitholders of record at the close of business on June 30, 2004.

5. **Full Description Of Material Change:**

See press release issued on June 17, and attached hereto as Schedule AA@.

6. **Reliance/Confidential**

Not Applicable.

7. **Omitted Information:**

Not Applicable.

8. **Senior Officer:**

Duncan D. Jessiman, Chief Executive Officer
(204) 956-4656

9. **Statement of Senior Officer:**

The foregoing accurately discloses the material changes referred to in this report.

DATED at Winnipeg, Manitoba this 17th day of June, 2004

EXCHANGE INDUSTRIAL INCOME FUND

Per: "Duncan D. Jessiman"[signed]
Duncan D. Jessiman

IT IS AN OFFENCE UNDER THE SECURITIES ACT AND THE SECURITIES REGULATIONS FOR A PERSON OR COMPANY TO MAKE A STATEMENT IN A DOCUMENT REQUIRED TO BE FILED OR FURNISHED UNDER THE ACT OR THE REGULATIONS THAT, AT THE TIME AND IN THE LIGHT OF THE CIRCUMSTANCES UNDER WHICH IT IS MADE, IS A MISREPRESENTATION

Schedule AA

Attached Press Release

FOR IMMEDIATE RELEASE

Winnipeg, June 17, 2004 – Mr. Duncan D. Jessiman, Chief Executive Officer of Exchange Industrial Income Fund (the “Fund”) (EIF.UN-X), is pleased to announce that the Trustees of the Fund have declared a cash distribution for the period of May 6, 2004 to June 30, 2004, of seventeen (\$0.17) cents per Unit payable July 15, 2004, to unitholders of record at the close of business on June 30, 2004.

For further information, contact:

Mr. Duncan D. Jessiman, President, Phone (204) 982-1850.

The TSX Venture Exchange has not reviewed or approved the contents of this press release.