

AutoCanada Income Fund Announces New Chairman and Independent Lead Director at General Partner

Edmonton, Alberta, May 17, 2007 – AutoCanada Income Fund (TSX: ACQ.UN), Canada's only publicly traded franchised automobile dealership business, today announced that Patrick Priestner has been named Chairman of AutoCanada GP Inc. the general partner of AutoCanada LP, which is the administrator of the Fund.

In addition, Gordon Barefoot has been named Lead Director of AutoCanada GP Inc. Mr. Barefoot is currently also Chair of the Board of Trustees of the Fund where he serves as an independent representative of the unitholders. His appointment is intended to ensure that there is independent oversight at the general partner as well.

Mr. Priestner is the founder and Chief Executive Officer of AutoCanada Income Fund as well as the majority shareholder of Canada One Auto Group Ltd. which owns 46% of the Fund on a fully diluted basis.

“The Board of Trustees believes it is beneficial to the Fund's business to have Pat Priestner as Chair of the general partner, but also recognizes that unitholders want assurance that their interests are independently represented at all key components of the Fund's structure,” said Mr. Barefoot. “The creation of a Lead Director position is common at corporations and trusts where the Chair and CEO may not be seen to be fully independent and was an appropriate step for AutoCanada to take.”

About AutoCanada

AutoCanada is Canada's only publicly traded entity with interests exclusively in the operation of franchised automobile dealerships. Through its 54% interest in AutoCanada LP, it operates or manages 17 franchised automobile dealerships in six provinces and has over 940 employees. It currently sells various new vehicle brands, including Chrysler, Dodge, Jeep®, Subaru, Hyundai, and, through a managed dealership, Nissan. In 2006, its franchised automobile dealerships sold approximately 19,000 vehicles and processed approximately 215,000 service and collision repair orders in 245 service bays, generating revenue of approximately \$694 million.

Additional information about AutoCanada Income Fund is available at www.sedar.com and the Fund's website at www.autocan.ca.

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