AUTOCANADA INCOME FUND

AutoCanada Income Fund files normal course issuer bid

Edmonton, Alberta (August 19, 2008) AutoCanada Income Fund ("**AutoCanada**") (TSX:ACQ.UN) announces that the Toronto Stock Exchange (the "**TSX**") has approved its normal course issuer bid (the "**Issuer Bid**"). The maximum number of units of AutoCanada ("**Units**") which may be acquired by way of the Issuer Bid is 547,475, such number representing approximately 5% of the total issued and outstanding Units. As at August 18, 2008, there were 10,949,500 Units issued and outstanding. Pursuant to TSX policies, daily purchases made by AutoCanada will not exceed 6,254 Units or 25% of the average daily trading volume of 25,018 Units on the TSX, subject to certain prescribed exceptions. AutoCanada intends to commence the Issuer Bid on August 21, 2008, with final purchases thereunder, being completed on or before August 20, 2009.

AutoCanada's Board of Trustees believes that the Units are currently undervalued and that purchasing Units pursuant to the Issuer Bid as the Units may become available for purchase, at prices which make them an appropriate use of AutoCanada funds, is in the best interests of AutoCanada and its unitholders. All Units purchased under the Issuer Bid will be cancelled and returned to treasury. AutoCanada intends to acquire Units from time to time in amounts and at prices which its management believes are favourable and consistent with prudent economic and financial considerations.

Any purchases made by AutoCanada pursuant to the Issuer Bid will be made through the facilities and in accordance with the rules of the TSX.

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 presently owns or manages 21 franchised automobile dealerships in six provinces and has over 1,070 employees. Through its owned and managed dealerships, it currently sells Chrysler, Dodge, Jeep®, Infiniti, Nissan, Hyundai, Subaru and Mitsubishi branded vehicles. In 2007, its owned and managed dealerships sold approximately 23,300 vehicles, processed approximately 231,700 service and collision repair orders in 260 service bays, and generated revenue of approximately $835 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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