



**PRESS RELEASE
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June 25, 2010

BADGER INCOME FUND ANNOUNCES RENEWAL OF EXTENDABLE REVOLVING CREDIT FACILITY

Calgary, Alberta – Badger Income Fund (the “Fund” or “Badger”) is pleased to announce that it has renewed its extendable revolving credit facility effective June 25, 2010.

The principal amount of the credit facility remains unchanged at \$40 million. The purpose of the credit facility is to finance the Fund’s capital expenditure program and for general corporate purposes. The renewal extends the facility to June 25, 2011. To the extent the credit facility is not renewed on June 25, 2011, interest is payable on the credit facility for 364 days after which the entire amount is to be repaid. Depending on certain financial ratios, the credit facility bears interest, at Badger’s option, at the bank’s prime rate or bankers’ acceptance rate plus 1.50%. An additional stand-by fee calculated at the annual rate of 0.35% per annum is also required on the unused portion of the credit facility.

Badger Income Fund is an open-ended trust that is North America’s largest provider of non-destructive excavating services. Badger traditionally works for contractors and facility owners in the utility and petroleum industries. Our key technology is the Badger Hydrovac, which is primarily for safe digging in congested grounds and challenging conditions. The Badger Hydrovac uses a pressurized water stream to liquefy the soil cover, which is then removed with a powerful vacuum system and deposited into a storage tank. Badger manufactures its truck-mounted hydrovac units.

Badger Income Fund’s business model involves the provision of excavating services through two distinct entities: the Operating Partners (franchisees in the United States and agents in Canada), and Badger Corporate. Badger Corporate works with its Operating Partners to provide hydrovac service to the end user. In this partnership, Badger provides the expertise, the trucks, and North American marketing and administration support. The Operating Partners deliver the service by operating the equipment and developing their local markets. All work is invoiced by Badger and then shared with the Operating Partner based upon a revenue sharing formula. In certain locations Badger has established corporate run operations to market and deliver the service in the local area.

The Toronto Stock Exchange has neither approved nor disapproved the information contained herein.

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