



**PRESS RELEASE
FOR IMMEDIATE DISTRIBUTION**

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**BADGER DAYLIGHTING LTD. RELEASES UNITED STATES TAX
INFORMATION FOR BADGER INCOME FUND 2010 DISTRIBUTIONS**

Calgary, Alberta – On December 31, 2010 Badger Income Fund was reorganized into a corporation called Badger Daylighting Ltd. (“Badger”). The following reporting is for Badger Income Fund.

The following information is being provided to assist individual U.S. holders of fund units of Badger Income Fund who hold their units through a broker or other intermediary in reporting dividends received from Badger Income Fund on their IRS Form 1040 – U.S. Individual Income Tax Return for the calendar year 2010. The information is intended as a general guideline and should not be considered legal advice to any particular existing or potential holder of fund units. The information is not intended to cover all possible U.S. income tax considerations. Holders or potential holders of fund units of Badger Income Fund should consult their own legal and tax advisors as to specific U.S. tax consequences of holding the fund units of Badger Income Fund.

We believe for U.S. federal income tax purposes, that the units of Badger Income Fund are more likely than not treated as equity in a corporation, rather than as debt, and that distributions paid to its individual U.S. unitholders will more likely than not be taxable dividends provided they do not represent a return of capital. The portion of the trust distributions that is considered a dividend for U.S. income tax purposes is determined based upon the greater of Badger Income Fund’s current or accumulated earnings and profits (“E&P”) as determined in accordance with U.S. income tax principals. With respect to cash distributions declared in 2010 to U.S. individual unitholders, 100 percent should be reported as taxable dividends.

As the Badger Income Fund is a qualified foreign corporation the portion of the distributions made during 2010 that are considered to be dividends should be ‘qualifying dividends’ and therefore be eligible for the reduced rate of tax applicable to net capital gains. Badger Income Fund is not required to issue Form 1099 DIV’s; however, U.S. unitholders may receive a Form 1099 DIV from a broker or intermediary that may not reflect the dividend as a ‘qualifying dividend’. As a result of this, U.S. unitholders should consult their brokers and tax advisors to ensure that this information is accurately reflected on their tax returns. Brokers and/or intermediaries may or may not be required to issue amended Form 1099 DIVs. Readers should consult their own legal or tax advisors as to their particular tax consequence of holding Badger Income Fund units.

Canadian resident taxpayers should note that the above information has no impact on any disclosed Canadian tax information.

Badger 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 used 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’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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