

NEWPORT PARTNERS INCOME FUND SELLS NEWPORT PARTNERS LP

Toronto – December 23, 2010 – Newport Partners Income Fund (the "**Fund**") (TSX:NPF.UN, NPF.DB and NPF.DB.A) announced today that its indirect wholly-owned subsidiary, Newport Partners Holdings LP, has agreed to sell all of the units of Newport Partners LP, all of the shares of NP GP Inc. and certain related assets for \$15,000,000. The purchaser is a group of the principals of Newport Partners LP. Newport Partners LP provides investment management, corporate advisory and insurance services.

The transaction closed today as all regulatory approvals have been obtained for this transaction, and the proceeds of the transaction have been used to improve the financial position of the Fund by reducing its outstanding senior indebtedness.

The unit and share purchase agreement relating to the transaction will be available on SEDAR at www.sedar.com.

About Newport Partners Income Fund

Newport Partners Income Fund is an unincorporated, open-ended trust created to hold, through its investment in Newport Partners Commercial Trust, interests in Newport Private Yield LP, a limited partnership established under the laws of the Province of Ontario. NPF began trading on the TSX on August 8, 2005 under the symbol NPF.UN.

Newport Partners Income Fund is a publicly-traded diversified fund that invests in successful Canadian private businesses. The Fund, following the transaction, will have \$423 million invested in 12 companies representing a diverse cross-section of the Canadian economy.

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Forward-Looking Statements

Certain information included in this news release may constitute forward-looking information within the meaning of securities laws. In some cases, forward-looking information can be identified by terminology such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential", "continue" or the negative of these terms or other similar expressions concerning matters that are not historical facts. Without limitation, information regarding the closing of the transaction constitutes forward-looking information. Such forward-looking information reflects management's current beliefs and is based on information currently available to management of the Fund and the businesses in which the Fund holds an ownership interest (the "**Operating Partnerships**"). Forward-looking information involves significant risks and uncertainties. A number of factors could cause actual events or results to differ materially from the events and results discussed in the forward-looking information, including risks related to the satisfaction of all closing conditions to transaction, the receipt of all required consents and approvals and the abilities, actions, financial condition and circumstances of other parties to the transaction. These factors should not be considered exhaustive. In addition, in evaluating this information, investors should specifically consider various factors, including the risks outlined in the Fund's public disclosure documents filed on SEDAR at www.sedar.com, which may cause actual events or results to differ materially from any forward-looking statement. In formulating forward-looking information herein, management has assumed that business and economic conditions affecting the Fund and the Operating Partnerships and the other parties to the transaction will continue substantially in the ordinary course, including without limitation, with respect to general levels of economic activity. Although the forward-looking information is based on what management of the Fund and the Operating Partnerships consider to be reasonable assumptions based on information currently available to it, there can be no assurance that actual events or results will be consistent with this forward-looking information, and management's assumptions may prove to be incorrect. This forward-looking information is made as of the date of this news release, and the Fund does not assume any obligation to update or revise them to reflect new events or circumstances. Undue reliance should not be placed on forward-looking information. The Fund is providing the forward-looking information for the purpose of providing investors with some context for the information presented herein. Readers are cautioned that this information may not be appropriate for any other purpose.