



Newport Partners Income Fund Will Not Pay Interest due June 30, 2009 on Subordinated Unsecured Convertible Debentures

Toronto – June 30, 2009 – Newport Partners Income Fund (“NPF” or the “Fund”) (TSX:NPF.UN) announced today that it will not pay the interest due on June 30, 2009 on its Subordinated Unsecured Convertible Debentures (the “Debentures” – TSX:NPF.DB and TSX:NPF.DB.A).

As previously announced, the Fund is currently in default under its senior secured credit facility (“Senior Debt facility”) with a syndicate of lenders (the “lenders”). The Fund’s aggregate indebtedness under the Senior Debt facility is approximately \$242 million, comprised of a \$210 million term loan and \$32 million drawn on a revolving credit facility. The aggregate principal amount of the Debentures is approximately \$164.5 million. An interest payment of approximately \$6.0 million was due on the Debentures on June 30, 2009.

The Fund is contractually prohibited from paying interest on the Debentures while it is in default under the Senior Debt facility, except with the lenders’ consent. Although the Fund and the lenders continue to participate in active and co-operative negotiations, to date, no definitive agreement with the lenders has been reached, and there can be no assurance that an agreement will be reached. The Fund is unable to predict at this time whether or when it will be in a position to resume paying interest on the Debentures.

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 run by proven entrepreneurs at reasonable prices. We target above-average rates of return by putting our money to work behind talented entrepreneurs who have a record of success in their business and a growth opportunity for the future. The Fund currently has \$552 million invested in 17 companies representing a diverse cross-section of the Canadian economy.

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