

## **Citadel Income Fund Announces that the Maximum Number of Units Redeemable for the 2011 Annual Redemption Has Been Reached**

TORONTO, Aug. 17 /CNW/ - Crown Hill Capital Corporation, the Manager and Trustee of Citadel Income Fund (the "Trust"), announced today that the Trust purchased 3,291,700 units for cancellation on the TSX between December 1, 2010 and August 15, 2011. Pursuant to subsection 8.1(6) of the Declaration of Trust, on an annual basis the maximum number of units redeemable in a year pursuant to the Annual Redemption privilege is 10% of the Public Float of the Trust as determined on the last Business Day of November in the preceding year less the number of units purchased for cancellation by the Trust during the preceding twelve month period (the "Maximum Redemption Amount"). The Trust provides liquidity and market price support for unitholders through purchases in the open market via normal course issuer bids rather than through a redemption of units. The public float as determined on November 30, 2010 was 32,408,000 units and 10% of the public float is 3,240,800 units. The Maximum Redemption Amount for the 2011 Annual Redemption on November 30, 2011 has been reached and therefore there will be no additional units redeemable under the annual redemption privilege in November 2011. The Trust will continue to purchase units under the normal course issuer bid to provide liquidity to unitholders.

For further information please contact the Investor Relations department at 416.361.9673 or toll-free at 1.877.261.9674.

*Certain statements contained in this news release constitute forward-looking information within the meaning of Canadian securities laws. Forward-looking information may relate to matters disclosed in this press release and to other matters identified in public filings relating to the Fund, to the future outlook of the Fund and anticipated events or results and may include statements regarding the future financial performance of the Fund. In some cases, forward-looking information can be identified by terms such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "intend", "estimate", "predict", "potential", "continue" or other similar expressions concerning matters that are not historical facts. Actual results may vary from such forward-looking information.*