



ACADIAN TIMBER INCOME FUND ANNOUNCES PROPOSED SALE OF FUND UNITS BY FRASER PAPERS

Toronto, June 3, 2007: Acadian Timber Income Fund (the "Fund") (TSX:ADN.UN) today announced that Fraser Papers Inc. ("Fraser Papers") has filed with Canadian securities regulatory authorities a notice of intention to distribute securities under National Instrument 45-102 *Resale of Securities*, subject to required approvals of the Toronto Stock Exchange.

Fraser Papers holds securities that are indirectly exchangeable for 3,613,780 units of the Fund ("Units"), representing in the aggregate, approximately 21.8% of the outstanding Units, taking into account the exchange of all other securities exchangeable for Units. In its filings on Friday June 1, 2007 Fraser Papers indicated that it intends to pursue the sale of up to all of such Units; however, there can be no assurance that any such sales will be completed.

Acadian Timber Income Fund is a leading supplier of primary forest products in Eastern Canada and the Northeastern U.S. With a total of 2.4 million acres of land under management, Acadian is the second largest timberland operator in New Brunswick and Maine. Acadian owns and manages approximately 1.1 million acres of freehold timberlands in New Brunswick and Maine, and provides management services relating to approximately 1.3 million acres of Crown licensed timberlands. Acadian also owns and operates a forest nursery in Second Falls, New Brunswick. Acadian's products include softwood and hardwood sawlogs, pulpwood and biomass by-products, sold to over 110 regional customers.

The Fund's units are listed for trading on the Toronto Stock Exchange under the symbol ADN.UN.

The securities offered have not and will not be registered under the U.S. Securities Act of 1933, as amended and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

- 30 -

For further information, please visit our website at: www.acadiantimber.com or contact:

Tracey Wise
Director, Investor Relations and Communications, Retail Funds
Tel: 416-956-5154
Email: twise@acadiantimber.com

* * * * *

This news release contains forward looking information including "forward looking statements", which can be identified by the use of words, such as "approximately", "deliver", "should" or variations of such words and phrases or that state that certain actions, events or results "may" or "will" be taken, occur or achieved. Forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results or performance to be materially different from any future results or performance expressed or implied by the forward statements. The risks, uncertainties and other factors that could influence actual results are described in the Acadian Timber Income Fund final prospectus and other documents filed with regulatory authorities.