

Tree Island Wire Income Fund

TSX: TIL.UN



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Tree Island Successfully Completes \$10,000,000 Rights Offering**VANCOUVER, BRITISH COLUMBIA--(Marketwire - Jan. 29, 2010) -**

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Tree Island Wire Income Fund (TSX:TIL.UN) ("Tree Island" or the "Fund") announced that it has successfully completed its previously announced Rights Offering. Tree Island has raised \$10,000,000 of gross proceeds through the issuance of 10% second lien convertible debentures ("Debentures") under the Rights Offering.

Under the terms of the Rights Offering, unitholders of record on December 30, 2009 were entitled to receive one right ("Right") for each unit held. For every 221.12489 Rights held, a holder thereof was entitled to subscribe for \$100 principal amount of Debentures (the "Basic Subscription Right"). Unitholders who fully exercised their Rights were entitled to subscribe *pro rata* for additional Debentures, if available, that were not otherwise subscribed for (the "Additional Subscription Privilege") on or before the expiry of the Rights Offering, which occurred on January 27, 2010. The conversion price of the Debentures is \$0.50 per unit of the Fund, subject to adjustment in certain events.

The Rights Offering was oversubscribed pursuant to the exercise by Rights holders of their Basic Subscription Right and Additional Subscription Privilege. As the number of Debentures allocated to subscribers who exercised the Additional Subscription Privilege is less than the number they subscribed for, such subscribers will receive a refund of any excess funds submitted with their subscription request.

Amar S. Doman, Chairman of Tree Island, commented: "I am very pleased that the Rights Offering was oversubscribed, which will further assist in providing Tree Island with the working capital it requires to produce high quality steel products for our customers. This is another very positive step forward at Tree Island."

The Toronto Stock Exchange has conditionally approved the listing of the Debentures and will list the units issuable upon the conversion of the Debentures including any Debentures issued in lieu of cash interest payments. The approval of the listing of the Debentures is subject to the Fund fulfilling all of the listing requirements of the TSX.

This press release should be read together with, and is qualified in its entirety by, the more detailed information contained in the short form prospectus of the Fund dated December 17, 2009 available on SEDAR at www.sedar.com.

No U.S. Registration or Sales

The securities offered will not be or have not been registered under the Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any state, and may not be offered or sold in the United States or to, or for the account or benefit of, any U.S. Person (as defined in Regulation S of the Securities Act) or person in the United States. The Prospectus is not being sent to or circulated in the United States or to, or for the account or benefit of, a U.S. Person or person in the United States without registration unless an exemption from registration is available. The Fund may offer or sell the Debentures in the United States to certain accredited investors in transactions that comply with the exemption from registration set forth in Regulation D under the Securities Act.

Fund Profile

The Fund was launched on November 12, 2002, with the completion of an Initial Public Offering. The Fund holds a 100% ownership interest in Tree Island Industries Ltd. (the "Company"). The Fund's performance depends entirely on the performance of the Company.

Tree Island Profile

Headquartered in Richmond, British Columbia, Tree Island Industries Ltd. produces wire products for a diverse range of construction, agricultural, manufacturing and industrial applications. Its products include bright wire, stainless steel wire and galvanized wire; a broad array of fasteners, including packaged, collated and bulk nails; stucco reinforcing products, engineered structural mesh, fencing and other fabricated wire products. The Company markets these products under the Tree Island and TI Imports brand names. Tree Island also owns and operates a Hong Kong-based trading company that provides internationally sourced products to the Company and its customers worldwide.

Forward-Looking Statements

Certain statements contained in this press release constitute "forward looking statements". These statements relate to future events or future performance and include, but are not limited to, statements regarding the timing to file the preliminary short form prospectus in respect of the Rights Offering. The words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect", and similar expressions are often used to identify forward looking statements.

By their very nature, forward looking statements involve inherent risks and uncertainties, both general and specific. In evaluating these statements, readers should specifically consider risks which may cause actual results to differ materially from any forward looking statement. These risks include, but are not limited to, risks relating to the possibility that the proceeds derived from the Rights Offering may not improve the Fund's liquidity or provide it with the working capital it required.

The forward looking statements contained herein are based upon certain assumptions considered reasonable at the time they were prepared. Such assumptions include, but are not limited to, assumptions regarding: (i) general economic conditions and (ii) the Fund's future business prospects and opportunities. Should one or more of the risks or uncertainties identified herein materialize, or should the assumptions underlying the forward looking statements prove to be incorrect, then actual results may vary materially from those described herein. Readers are cautioned not to place undue reliance on forward looking statements. Except as required by applicable securities laws, the Fund does not assume any obligation to update the forward looking statements contained herein.

For more information, please contact

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