

NEWS RELEASE: via

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TRADING SYMBOL: The Toronto Stock Exchange:

Versacold Income Fund – ICE.UN, ICE.DB, ICE.DB.A, ICE.DB.B and ICE.DB.C

**VERSACOLD INCOME FUND ANNOUNCES AGREEMENT TO BE ACQUIRED
BY EIMSKIP FOR \$12.25 PER UNIT**

Vancouver, B.C. – May 29, 2007 – CNW – Versacold Income Fund (TSX: ICE.UN) (the “Fund”) and HF Eimskipafelag Islands (ICEX: HFEIM) announce that the Fund has entered into a support agreement (the “Support Agreement”) with Eimskip Holdings Inc. (“Eimskip”), an indirect wholly-owned subsidiary of HF Eimskipafelag Islands, pursuant to which, subject to certain terms and conditions, Eimskip has agreed to make an offer to acquire all of the outstanding trust units of the Fund for cash at a price of \$12.25 per unit (the “Offer”) and the Fund has agreed to support the Offer. The price represents a premium of 15.6% over the closing price of the units on May 9, 2007, the day of the announcement by the Fund that it would undertake a strategic review, and a premium of 23.5% over the volume weighted average unit price for the 90 trading days preceding May 9, 2007. The Offer will be made by way of a take-over bid circular that is expected to be mailed to unitholders of the Fund (“Unitholders”) on or before June 13, 2007. Versacold will continue to make regular monthly distributions to Unitholders subject to the terms of the Support Agreement.

The Trustees of the Fund, following the unanimous recommendation of a special committee of the Board of Trustees, has determined that the consideration per unit under the Offer is fair and in the best interests of Unitholders, and accordingly, unanimously recommends that Unitholders accept the Offer and tender their units pursuant to the Offer. The Fund’s financial advisor, UBS Investment Bank, has provided an opinion to the Board of Trustees that the consideration payable under the Offer is fair from a financial point of view to the Unitholders.

“The Offer is the culmination of the strategic review process the Fund undertook and represents the highest value alternative to Unitholders. We are very pleased with this result as we believe that \$12.25 per unit represents fair value for Versacold,” said George Armoyan, Chairman of the Board.

“This Offer is a validation of the success of our strategy and is a further demonstration of the commitment of the Board and senior management to delivering excellent value to Unitholders,” said Brent Sugden, President and Chief Executive Officer.

“The opportunity to acquire Versacold fits well within our long term strategy to build a worldwide network of temperature controlled transportation and warehousing services. The Versacold facilities are complementary to ours and the combined company would have a presence in the temperature controlled transportation and warehousing services market in every continent, except Africa” says Baldur Gudnason, CEO of Eimskip. “We have great respect for the management of Versacold and the business that they have so successfully built.”

In connection with the Offer, Clarke Inc., the Fund's largest Unitholder, has entered into a lock-up agreement to tender, subject to the terms of such agreement, all of the 8,259,284 units it owns to the Offer, representing 19.1% of the current total outstanding units.

In connection with the Offer, KingSett Real Estate Growth LP No. 2 has entered into a lock-up agreement to tender, subject to the terms of such agreement, all of the 2,697,720 units it owns to the Offer, representing 6.2% of the current total outstanding units.

The Offer will be open for acceptance for a period of not less than 35 days and will be conditional upon, among other things, more than 66 2/3% of the units of the Fund (on a fully-diluted basis) being validly deposited under the Offer and not withdrawn. In addition, the Offer will be subject to other customary conditions, including the absence of any material adverse change and the obtaining of certain regulatory approvals. Under the Support Agreement, the Fund has agreed to cease any ongoing discussions, and not to solicit or engage in any further discussions relating to a competing proposal, except to accept a superior proposal to the Offer if Eimskip does not exercise its right to match a superior proposal and subject to the payment by the Fund to Eimskip of a termination fee of \$20 million.

A copy of the Support Agreement will be available on SEDAR. The take-over bid circular of Eimskip, containing the terms of the Offer, is expected to be mailed to the Fund's unitholders together with the Fund Board of Trustees' circular and other related documents no later than June 13, 2007.

The Offer is fully financed with underwritten commitments for senior secured credit facilities from Royal Bank of Canada, to be arranged by RBC Capital Markets (collectively "RBC") and with real estate secured financing to be provided by KingSett Real Estate Growth LP No. 3 ("KingSett"). The Offer has been structured by KingSett, with RBC acting as advisor to Eimskip.

About the Fund

The Fund is an unincorporated, open-ended limited purpose trust. The trust was created to invest in public refrigerated warehousing, distribution and related businesses, initially through the acquisition of Versacold Holdings Corp. ("Versacold").

Versacold is a leading public refrigerated warehousing (PRW) company in the United States and in the world, with 72 facilities in the U.S., Canada, Australia, New Zealand and Argentina. Versacold's operations provide global refrigerated storage capacity of approximately 290 million cubic feet to a diverse group of food producers, processors, and wholesale and retail distributors. Versacold also provides fully integrated refrigerated distribution services.

The Fund's units and convertible debentures trade on the Toronto Stock Exchange under the respective symbols of ICE.UN, ICE.DB, ICE.DB.A, ICE.DB.B and ICE.DB.C. To find out more about Versacold (TSX: ICE.UN), visit our website at www.versacold.com.

About Eimskip

HF Eimskipafelag Islands is one of the largest companies in Iceland and is publicly listed on the Icelandic Stock Exchange. The company has over 90 years of experience in providing transportation, warehousing and logistics services in Europe, primarily in the North Atlantic region.

Operating with 200 locations around the world in over 30 countries with a total of 10,000 employees, HF Eimskipafelag Islands has global reach. It has an annual turnover exceeding C\$ 2 billion and estimated 2007 EBITDA of C\$ 200 million. It owns or operates 50 vessels, 100 cold-store facilities, 25 wide body cargo aircraft and 2,000 trucks and trailers.

Eimskip is traded on the Icelandic Stock Exchange under the symbol of HFEIM. To find out more about Eimskip, visit our website at www.eimskip.is.

Advisors

UBS Investment Bank is acting as financial advisor and Fraser, Milner, Casgrain LLP is acting as legal counsel to the Fund. RBC Capital Markets is acting as financial advisor and Osler, Hoskin and Harcourt LLP and Bennett Jones LLP are acting as legal counsel to Eimskip. Burnet, Duckworth & Palmer LLP is acting as counsel to the special committee.

Conference Call

Versacold will host a conference call today (May 29, 2007 at 8:00 am Pacific Time, 11:00 am Eastern Time) to discuss the transaction. Details to follow.

Forward-Looking Statements

This news release includes statements about expected future events and/or financial results that are forward-looking in nature and subject to risks and uncertainties. Versacold Income Fund and Eimskip caution that actual performance will be affected by a number of factors, many of which are beyond its control. Future events and results may vary substantially from what Versacold Income Fund and Eimskip currently foresee.

For further information, please contact:

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