

July 10, 2009

Deans Knight Income Corporation

Announces Monthly Cash Dividend for Next Three Months

Vancouver, B.C. - Deans Knight Income Corporation (the "Company") (TSX: DNC) is pleased to announce the continuation of its monthly cash dividend on its voting and non-voting common shares. For each of the next three months, the Company will pay \$0.0583 per share, payable on each of July 31, 2009, August 31, 2009 and September 30, 2009, to all shareholders of record as at July 22, 2009, August 15, 2009, and September 15, 2009, respectively.

About Deans Knight Income Corporation

Deans Knight Income Corporation is an investment company focused on investing in corporate debt securities, predominantly rated below investment grade. The Company's objective is to maximize the total return for shareholders, consisting of bond price appreciation and income received from bond investments. The Company intends to pay a monthly dividend to shareholders, based on earned income each month. The capital of the Company is actively managed by Deans Knight Capital Management, a respected investment firm, based in Vancouver B.C., that has been investing in corporate bonds since its inception in 1992. For information: www.dkincomecorp.com.

Reader Advisory

This press release contains the forward-looking statement relating to the Company's intention to pay a monthly dividend to shareholders. There can be no assurance that the Company will be successful in meeting its monthly dividend objectives. Forward-looking statements are made as of the date of this press release and, other than as required by applicable law, the Company assumes no obligation to update or revise them to reflect new events or circumstances.

Contacts:

Craig Langdon
Chief Executive Officer and Director
Deans Knight Income Corporation
(604)669-0212

Mark Myles
Chief Financial Officer
Deans Knight Income Corporation
(604)669-0212