

Debentureholders overwhelmingly approve Clearwater Seafoods' amendments to 7% Convertible Debentures

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HALIFAX, Nov. 12, 2010 /CNW/ - (TSX: CLR.UN, CLR.DB, CLR.DB.A): Clearwater Seafoods Income Fund (the "**Fund**") announces that it has obtained approval from holders of its 7% convertible unsecured subordinated debentures, due December 31, 2010 (the "**Debentures**"), to amend the terms of the Debentures, as proposed. More than 95% of the holders of the Debentures (the "**Debentureholders**") who voted supported approving the proposed amendments to the Debentures (the "**Debenture Amendments**") as follows:

- Interest Rate: The interest rate will be increased by 3.5% from 7.0% to 10.5%;
- Conversion Price: The conversion price will be reduced from \$12.25 per Fund unit ("**Fund Unit**") to \$3.25 per Fund Unit;
- Term: The maturity date will be extended from December 31, 2010 to December 31, 2013, and the amended debentures will not be redeemable prior to June 30, 2011.

The effective date of the Debenture Amendments will be the date the Fund enters into a second supplement to the debenture indenture related to the Debentures (the "**Effective Date**") with such supplement to be substantially in the form outlined in Appendix "B" of the management information circular, dated October 13, 2010, delivered to Debentureholders. The Effective Date is anticipated to be on or about Thursday, November 18, 2010.

Debentureholders will be entitled to the interest payments calculated and payable as follows:

- For the period from July 1, 2010 to, but excluding, the Effective Date, interest at a rate of 7%, on the Effective Date; and
- For the period from the Effective Date to, but excluding, December 31, 2010, at an annual interest rate of 10.5%, payable on December 31, 2010.

"I want to thank our Debentureholders for their strong support of this initiative and their continued backing of the Fund," said Mr. Ian Smith, CEO of Clearwater. "I also want to recognize the outstanding efforts of our advisors Cormark Securities, McInnes Cooper and Kingsdale Shareholder Services towards achieving this result."

About Clearwater

Clearwater is recognized for its consistent quality, wide diversity and reliable delivery of premium seafood, including scallops, lobster, clams, coldwater shrimp, crab and ground fish.

Since its founding in 1976, Clearwater has invested in science, people, technology, resource ownership and resource management to preserve and grow its seafood resource. This commitment has allowed it to remain a leader in the global seafood market.

For further information:

Robert Wight, Chief Financial Officer, Clearwater, (902) 457-2369;
Tyrone Cotie, Director of Corporate Finance and Investor Relations, Clearwater,
(902) 457-8181