

Attention Business/Financial Editors

CLEARWATER REPORTS THIRD QUARTER 2010 RESULTS

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HALIFAX, NOV 15/CNW/ - (TSX: CLR.UN, CLR.DB.B, CLR.DB.A):

- Clearwater reported third quarter sales of \$85.4 million and EBITDA of \$17.4 million versus 2009 comparative figures of \$74.5 and \$12.0 million representing growth rates of 14.6% and 45% respectively.
- Year-to-date sales were \$213.3 million and EBITDA was \$31.0 million versus \$215.7 million and \$30.0 million in 2009.
- Rolling 4 quarter EBITDA increased by \$5.3 million or 15% to \$40.3 million from the 2nd quarter 2010 rolling EBITDA of \$35.0 million
- Year-to-date volumes increased 3% versus 2009 and good execution of planned price increases as well as a continued focus on cost reductions resulted in increased quarterly and year-to-date EBITDA.

Today, Clearwater Seafoods Limited Partnership (“Clearwater”) reported its results for the third quarter of 2010.

Clearwater reported third quarter EBITDA of \$17.4 million on sales of \$85.4 million versus 2009 comparative figures of \$12.0 and \$74.5 million. This 45% increase in EBITDA in the third quarter of 2010 was due to strong sales volumes and increased selling prices as well as lower costs.

Year-to-date Clearwater reported EBITDA of \$31.0 million on sales of \$213.3 million versus \$30.0 million and \$215.7 million in 2009. Year-to-date EBITDA increased 3% due to strong sales volumes and increased selling prices as well as lower costs. These initiatives offset the negative impact of a stronger Canadian dollar as compared to 2009.

In both the third quarter and year-to-date 2010 sales volumes have remained healthy with 3rd quarter volumes up 2% from 2009 and year-to-date volumes up 3%. Strong demand for core products has allowed Clearwater management to execute planned price increases in the majority of species including scallops, clams and cooked and peeled shrimp.

Rolling four quarter EBITDA as of the third quarter of 2010 was \$40.3 million as compared to \$35.0 million in the second quarter of 2010 due to a return to a more typical pattern in the seasonal earnings pattern in 2010 versus 2009 where

we had stronger earnings in the first half of that year and weaker earnings in the latter part of the year. This typical seasonal pattern is best demonstrated in the third quarter of 2010, which show an increase in EBITDA of 45% as compared to the comparative period in 2009.

Looking forward to the balance of 2010, management believes that 2010 results will continue to reflect a more typical pattern with the second half results showing greater strength than the first half, and with improving annual EBITDA performance versus the prior year despite the continued negative impact from a strong Canadian dollar. This is based on continued strong sales volumes; additional planned price increases as well as the realization of additional cost savings and productivity gains.

Management and the Board are focused on improving Clearwater's financial strength and flexibility by reducing debt levels and leverage, implementing targeted exchange hedging programs and addressing near-term debt maturities.

Clearwater's strategy for maintaining liquidity and reducing leverage includes carefully managing its working capital and capital expenditures and liquidating non-core assets that do not achieve an adequate return on capital. Clearwater will continue to focus on reducing its leverage by improving earnings and using the positive cash flow of the business to reduce debt. During the 12 months since the third quarter of 2009, Clearwater reduced its net debt by \$11.7 million to \$205.9 million versus \$217.6 million at October 3, 2009 and in the third quarter of 2010 reduced net debt levels by \$3.6 million. This has also enabled Clearwater to lower interest costs.

In the third quarter of 2010 Clearwater began to implement a targeted foreign exchange hedging program. This program will focus on using forward contracts (up to \$150 million in nominal value of forwards, which equates to 70% of our annual net foreign exchange exposure). When fully implemented, this program will be to protect exchange rates for up to 18 months for exposures in key sales currencies (US dollar, Euro, Yen and Sterling). Our initial focus with this program, due to current restrictions in availability of foreign exchange lines, will be to protect the fourth quarter of 2010.

Clearwater has been focusing its efforts in 2010 on two near-term loans for which it has been reviewing refinancing options. This includes approximately 909 million in ISK denominated bonds (including CPI and accrued interest) that mature on December 15, 2010 (approximately Canadian \$8.3 million) and \$45 million of Class C Units.

- Class C Units (Convertible Debentures) - On November 12, 2010 Clearwater received Debentureholder approval to amend the terms of debentures otherwise due in 2010 such that the term has been extended from December 31, 2010 to December 31, 2013. As part of this extension, the interest rate on the debentures was increased by 3.5% from

7.0% to 10.5%, the conversion price was reduced from \$12.25 per Fund unit to \$3.25 per Fund Unit and the Debentures will not be redeemable prior to June 30, 2011.

- ISK Loans - In September 2010 Clearwater reached an agreement to amend the term of these bonds and at that time it made a partial payment such that there are only 3 remaining holders of these bonds. The amendments included extending the maturity from September 2010 to December 15, 2010 and increasing the interest rate to 10.5%. Clearwater expects to be able to refinance these loans prior to their respective maturity date on December 15, 2010.

Ian Smith, Chief Executive Officer, commented,

“I continue to be encouraged by our volume strength in the third quarter and the increasing global consumer and customer demand for our premium, wild, eco-labeled seafood. Taken in combination with the successful execution of our pricing strategy, cost savings and other productivity initiatives, I believe Clearwater is poised to continue to deliver improved operating margins and earnings performance through the balance of 2010 and into 2011. Furthermore, I believe that our strategies of:

1. Expanding access to supply;
2. Targeting profitable and growing markets, channels and customers;
3. Innovating and positioning our products to deliver superior customer satisfaction and value;
4. Increasing margins by improving price realization and cost management;
5. Preserving the long-term sustainability of our resources; and
6. Improving our organizational capability and capacity, talent, diversity and engagement

will result in improved results in the near-term and provide us with a sustainable competitive advantage in the mid to longer term“.

Ian Smith
Chief Executive Officer
Clearwater Seafoods Limited Partnership
November 15, 2010

Financial Statements and Management's Discussion and Analysis Documents

For an analysis of Clearwater and Clearwater Seafoods Income Fund's 2010 third quarter results, please see the Management's Discussion and Analysis and the financial statements. These documents can be found in the disclosure documents filed by Clearwater Seafoods Income Fund with the securities regulatory authorities available at www.sedar.com or at its website (www.clearwater.ca).

Key Financial Figures (\$000's except unit amounts)

Clearwater	13 weeks ended		39 weeks ended	
	October 2, 2010	October 3, 2009	October 2, 2010	October 3, 2009
Sales	\$85,417	\$74,483	\$213,292	\$215,671
Net earnings (loss)	2,204	684	(8,517)	28,574
Basic earnings (loss) per unit	\$0.04	\$0.01	(\$0.17)	\$0.56
EBITDA ¹	\$17,359	\$12,060	\$30,960	\$29,986
Units outstanding at period-end				
Limited Partnership Units	51,126,912	51,126,912	51,126,912	51,126,912
Fully diluted	62,323,941	62,323,941	62,323,941	62,323,941

1. Please see the Management's Discussion and Analysis for a reconciliation of these amounts to the financial statements.

The Fund does not consolidate the results of Clearwater's operations but rather accounts for the investment using the equity method. Due to the limited amount of information that this would provide on the underlying operations of Clearwater, the financial highlights of Clearwater are included above.

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 groundfish.

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.

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