

# Clearwater Seafoods Incorporated, Premium Brands Holdings Corporation and Mi'kmaq First Nations' Coalition Celebrate completion of Historic Transaction

HALIFAX, NS, Jan. 25, 2021 /CNW/ - Clearwater Seafoods Incorporated ("**Clearwater**" or the "**Company**") (TSX: CLR) is pleased to announce today that, pursuant to the previously announced plan of arrangement pursuant to the *Canada Business Corporations Act* (the "**Arrangement**"), Premium Brands Holdings Corporation (TSX: PBH) and FNC Holdings Limited Partnership, representing a coalition of Mi'kmaq First Nations, acting through a wholly-owned subsidiary, 12385104 Canada Inc., have indirectly acquired all of the issued and outstanding common shares of Clearwater ("**Shares**") effective today at a price of C\$8.25 per Share.

Clearwater shareholders provided overwhelming support for the transaction. Colin MacDonald, Chair of the board of directors of Clearwater said "I'm proud of this deal and confident it will enhance the culture of diversity and sustainable seafood excellence that Clearwater is known for. I'm proud to turn over the legacy of the company in Atlantic Canada to new ownership and the existing management team."

"We are very excited to have a world class seafood company like Clearwater join our ecosystem. The combination of its best-in-class management team, differentiated products and world renowned reputation for quality with our value-add expertise, brand development capabilities and extensive customer relationships in North America will strengthen Clearwater's business and position it to accelerate its growth," said George Paleologou, President and CEO of Premium Brands. "We are also very pleased to be partnering with the Membertou, Miawpukek, Sipekne'katik, We'koqma'q, Potlotek, Pictou Landing and Paqtnkek communities. We all share a common long-term vision for Clearwater and its continuing development as a global leader in premium seafood," added Mr. Paleologou.

"This is a significant achievement for the Mi'kmaq," said Chief Terry Paul, Membertou First Nation. "Mi'kmaq not only become 50% owners of the company but expect to hold Clearwater's Canadian fishing licences within a fully Mi'kmaq owned partnership. This collective investment by First Nations in Clearwater represents the single largest investment in the seafood industry by any Indigenous group in Canada and transforms our participation in the commercial fishing sector providing more opportunities and prosperity for our communities," added Chief Terry Paul.

"We are delighted to be working with Premium Brands and the Mi'kmaq to continue to grow and strengthen our business while preserving our culture and community presence." said Ian Smith, President and CEO of Clearwater. "This partnership positions us to continue building on the legacy of our founders, Colin MacDonald and John Risley, while we embark on the next chapter of a remarkable Atlantic Canadian success story" added Mr. Smith.

Pursuant to the Arrangement, a holder of Shares, deferred stock units ("**DSUs**"), directors performance share units ("**DPSUs**") or performance share units ("**PSUs**") is entitled to receive C\$8.25 for each Share, DSU, DPSU and PSU owned immediately prior to the closing of the Arrangement.

A detailed description of the Arrangement is set forth in Clearwater's management information

circular dated December 3, 2020 (the "**Circular**"). Shareholders can obtain a copy of the Circular as filed with applicable Canadian securities regulatory authorities on SEDAR at [www.sedar.com](http://www.sedar.com). A Letter of Transmittal was mailed to registered shareholders of Clearwater ("**Shareholders**") along with the Circular and is also available on SEDAR at [www.sedar.com](http://www.sedar.com). The Letter of Transmittal explains how Shareholders can deposit and obtain payment for their Shares. Shareholders must return their duly completed Letter of Transmittal to the depositary, Computershare Trust Company of Canada, in order to receive the consideration to which they are entitled for their Shares. Non-registered shareholders who hold Shares in brokerage accounts or with other financial intermediaries should carefully follow the instructions from any brokers or other financial intermediaries that hold Shares on their behalf.

Clearwater intends to apply to cease to be a reporting issuer under applicable securities laws. Shares are expected to be delisted from trading on the Toronto Stock Exchange (the "**TSX**") on or about the close of business on January 26, 2021.

The completion of the Arrangement satisfies the condition precedent to the conditional full redemption (the "**Redemption**") of the Company's outstanding 6.875% Senior Notes due 2025 (the "**Notes**"). The redemption of the Notes will occur on February 12, 2021 (the "**Redemption Date**"). As previously announced, the redemption price per USD\$1,000 principal amount of Notes is USD\$1,051.56 *plus* accrued and unpaid interest from November 1, 2020 to, but not including, the Redemption Date, or a total of approximately USD\$1,070.85 per USD\$1,000 principal amount of Notes.

Payment on the Notes will be made by the Company on the business day preceding the Redemption Date by credit to the account of Wilmington Trust, National Association, as paying agent (the "**Paying Agent**") for the Notes. To collect the redemption price, the Notes must be surrendered to the Paying Agent; provided that Notes held through The Depository Trust Company ("**DTC**") must be surrendered in accordance with DTC's procedures. For more information on the Redemption, please contact the Company c/o John Lane at [JLane@clearwater.ca](mailto:JLane@clearwater.ca) or via mail c/o Clearwater Seafoods Incorporated attn: John Lane, 757 Bedford Highway, Bedford, Nova Scotia, B4A 3Z7.

## **About Clearwater**

Clearwater is one of North America's largest vertically-integrated seafood companies and the largest holder of shellfish licenses and quotas in Canada. It is recognized globally for its superior quality, food safety, diversity of species and reliable worldwide delivery of premium wild, eco-certified seafood, including scallops, lobster, clams, coldwater shrimp, langoustine, whelk and crab.

Since its founding in 1976, Clearwater has invested in science, communities, people and technological innovation, as well as resource management to sustain and grow its seafood resource.

This commitment has allowed it to remain a leader in the global seafood market and in sustainable seafood excellence.

## **About Premium Brands**

Premium Brands owns a broad range of leading specialty food manufacturing and differentiated food distribution businesses with operations across Canada, the United States and Italy.

For further information, please contact George Paleologou, President and CEO or Will Kalutycz, CFO at (604) 656-3100.

[www.premiumbrandsholdings.com](http://www.premiumbrandsholdings.com)

## **About the Participating Communities**

The Participating Communities, led by Membertou and Miawpukek, also include Sipekne'katik, We'koqma'q, Potlotek, Pictou Landing and Paqtnkek. The collective investment of the Participating Communities in Clearwater represents the single largest investment in the seafood industry by any Indigenous group in Canada. Given the importance of this investment opportunity to the future prosperity of Mi'kmaq communities, all First Nations in Nova Scotia along with Miawpukek from Newfoundland and Labrador were provided the opportunity to participate in the collective investment. While the Participating Communities will continue to advance implementation of Treaty Rights with the government of Canada, commercial investments in the seafood sector are a strategic investment to advance the prosperity of the Participating Communities, and position them as equal participants in the commercial economy. The impact of this transformational investment will be felt across Mi'kmaq communities in Nova Scotia and Newfoundland and Labrador for generations to come.

## **Forward-looking statements**

This news release may contain "forward-looking information" as defined in applicable Canadian securities legislation. Such forward-looking statements typically contain statements with words such as "anticipate", "expect", "intend", "estimate", "propose", or similar words suggesting future outcomes or statements regarding an outlook. More particularly and without limitation, this news release contains forward-looking information and statements concerning the timing and anticipated receipt of required regulatory approvals, anticipated timing for delisting of the Shares from the TSX and Clearwater's intention to apply to cease to be a reporting issuer under applicable Canadian securities laws. All statements other than statements of historical fact, included in this release, constitute forward-looking information that involve various known and unknown risks, uncertainties, and other factors outside management's control. Forward-looking information is based on a number of factors and assumptions which have been used to develop such information but which may prove to be incorrect.

Forward-looking statements and information are provided for the purpose of providing information about the current expectations and plans of management of the Company relating to the future. Readers are cautioned that reliance on such statements and information may not be appropriate for other purposes, such as making investment decisions. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. There can be no assurance that such information will prove to be accurate and actual results and future events could differ materially from those anticipated in such forward-looking information.

For additional information with respect to risk factors applicable to Clearwater, reference should be made to Clearwater's continuous disclosure materials filed from time to time with securities regulators, including, but not limited to, Clearwater's Annual Information Form. The forward-looking information contained in this release is made as of the date of this release and Clearwater does not undertake to update publicly or revise the forward-looking information contained in this release, whether as a result of new information, future events or otherwise, except as required by applicable securities laws.

No regulatory authority has approved or disapproved the adequacy or accuracy of this news release.

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**For further information:** Further information is available on Clearwater's website at

[www.clearwater.ca](http://www.clearwater.ca) and at [InvestorInquiries@clearwater.ca](mailto:InvestorInquiries@clearwater.ca).

CO: Clearwater Seafoods Incorporated

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