
ARCTIC GLACIER INCOME FUND

Arctic Glacier Income Fund Completes Sale of its Business to H.I.G. Capital

WINNIPEG – July 27, 2012 – Arctic Glacier Income Fund (CNSX: AG) (“Arctic Glacier”) announced today it has completed the previously announced sale of substantially all of its business and assets (the “Transaction”) to affiliates of H.I.G. Capital (the “Purchaser”). The Transaction was effected pursuant to the Companies’ Creditors Arrangement Act (Canada) (“CCAA”) and the U.S. Bankruptcy Code.

The business continues to be carried on under the Arctic Glacier name and substantially all employees, including senior management, have accepted employment with the Purchaser. “This transaction makes Arctic Glacier financially stronger and better positioned to compete and grow” said Keith McMahon, President and CEO of the new company, Arctic Glacier Holdings, Inc. “We look forward to carrying on our proud tradition of product quality and service excellence. We wish to thank our customers, suppliers and employees for their support throughout this process”.

Prior to closing of the Transaction, Arctic Glacier agreed to certain amendments to the asset purchase agreement between Arctic Glacier and the Purchaser. As a result of the amendments and because Arctic Glacier did not purchase the land and buildings of its Arizona facility, the cash proceeds available on closing were \$413.35 million subject to certain post-closing working capital and other adjustments under the asset purchase agreement. A copy of the agreement setting out the amendments will be filed on SEDAR and may be viewed at www.sedar.com.

A portion of the cash proceeds received by Arctic Glacier on closing of the Transaction was used to satisfy all amounts owing to Arctic Glacier’s existing secured lenders. The remainder of those proceeds is being held by Alvarez & Marsal Canada Inc., the CCAA Court-appointed monitor (the “Monitor”). Arctic Glacier expects that those remaining proceeds of sale will be sufficient to pay all of its known unsecured creditors and may be sufficient to permit a distribution to its unitholders after all unsecured creditor claims have been proven and satisfied. Prior to any distribution of the balance of funds held by the Monitor to the unsecured creditors of Arctic Glacier and its subsidiaries, a court-approved claims process will be undertaken to identify creditor claims against Arctic Glacier and its subsidiaries and adjudicate or resolve claims filed.

Following the completion of that claims process, the trustees of Arctic Glacier expect to determine whether sufficient funds exist to make a further distribution to unitholders. The timing and amount of any distributions to be paid to unsecured creditors and unitholders cannot be determined at this time.

Forward-Looking Statements

Certain statements included herein constitute “forward-looking statements”. All statements, other than statements of historical fact, included in this release that address future activities, events, developments or financial performance are forward-looking statements. These forward-looking statements can be identified by the use of forward-looking words such as “may”, “should”, “will”, “could”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “believe”, “future” or “continue” or the negative thereof or similar variations. In particular, statements about the expected timetable for determination and payment of creditor claims, the ability of Arctic Glacier to pay all of its known unsecured creditors and any distribution to unitholders after all unsecured creditor claims have been proven and satisfied, are or involve forward-looking information. These forward-looking statements are based on certain assumptions and analyses made by Arctic Glacier and its management, in light of their experiences and their perception of historical trends, current conditions and expected future developments, as well as other factors they believe are appropriate in the circumstances. Investors are cautioned not to put undue reliance on such forward-looking statements, which are not a guarantee of performance and are subject to a number of uncertainties, assumptions and other factors, many of which are outside the control of Arctic Glacier, which could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Important factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements include, among other things, the ability of Arctic Glacier to complete the unsecured creditors claims process and distribute any amounts in connection with that process and the availability of funds sufficient to make further distributions to its unitholders following completion of the claims process. Readers are cautioned that the foregoing list is not exhaustive. Such forward-looking statements should, therefore, be construed in light of such factors. If any of these risks or uncertainties were to materialize, or if the factors and assumptions underlying the forward-looking information were to prove incorrect, actual results could vary materially from those that are expressed or implied by the forward-looking information contained herein. All forward-looking statements attributable to Arctic Glacier, or persons acting on its behalf, are expressly qualified in their entirety by the cautionary statements set forth above. Readers are cautioned not to place undue reliance on forward-looking statements contained herein, which reflect the analysis of the management of Arctic Glacier, as appropriate, only as of the date of this release. For more information regarding these and other risks, readers should consult Arctic Glacier’s reports on file with applicable securities regulatory authorities accessible online by going to SEDAR at www.sedar.com or by going to the Arctic Glacier website at www.arcticglacier.com. Arctic Glacier is under no obligation, and Arctic Glacier expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

About Arctic Glacier

Arctic Glacier Income Fund trust units are listed on the Canadian National Stock Exchange under the trading symbol AG.UN. There are 350.3 million trust units outstanding.

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