
ARCTIC GLACIER INCOME FUND

Arctic Glacier Pursues Recapitalization Via CCAA Filing

Ice maker to maintain business as usual pending recapitalization

Winnipeg – February 22, 2012 – Arctic Glacier Income Fund (CNSX:AG.UN) today announced that its Trustees have authorized the Fund, together with its subsidiaries (“Arctic Glacier”), to initiate proceedings in the Manitoba Court of Queens Bench seeking a court supervised recapitalization under the *Companies’ Creditors Arrangement Act* (“CCAA”).

In the CCAA application, Arctic Glacier seeks approval for a court supervised recapitalization process and for the immediate initiation of a sale and investment solicitation process (“solicitation process”). The CCAA application also seeks a stay of certain creditor claims and approval of debtor-in-possession financing that would enable Arctic Glacier to maintain normal business operations as the solicitation process is implemented. Court proceedings are to take place today in Winnipeg.

“We believe that a court supervised recapitalization of Arctic Glacier’s business is the best method available to secure its future,” said Keith McMahon, President and CEO of Arctic Glacier. “The CCAA process would allow the time and stability required to implement the solicitation process, while continuing our normal day-to-day operations. We expect that it would result in a sale or recapitalization of the business, which will maximize value for the benefit of all of our stakeholders.”

The solicitation process has the support both of Arctic Glacier’s secured lenders and two of its unitholders, Coliseum Capital Management, LLC and Talamod Asset Management, LLC (together, the “Concerned Unitholders”). Both the lenders and the Concerned Unitholders believe the implementation of the solicitation process is in the best interest of all stakeholders of Arctic Glacier.

“Over the last several months, the company has received proposals from a number of parties that indicated value for all company stakeholders, including unitholders,” said Gary Filmon, Chairman of the special committee of the board of trustees. “We believe a court supervised solicitation process would maximize value by allowing all interested parties to fully evaluate the opportunity presented by Arctic Glacier while setting a reliable timetable for the ultimate sale or recapitalization.”

Arctic Glacier’s secured lenders have also agreed, subject to court approval, to provide up to \$50 million in a debtor-in-possession financing facility to fund Arctic Glacier’s operations during the CCAA process.

An application will also be made seeking recognition of the CCAA proceedings in the U.S. pursuant to Chapter 15 of the U.S. Bankruptcy Code.

During the CCAA process, Arctic Glacier expects to maintain all operations at their normal capacity in both Canada and the United States. No layoffs or lease terminations are planned and all suppliers of goods and services are intended to be paid as usual, including amounts owed prior to the CCAA filing.

About Arctic Glacier

Arctic Glacier Income Fund, through its operating company, Arctic Glacier Inc., is a leading producer, marketer and distributor of high-quality packaged ice in North America, primarily under the brand name of Arctic Glacier® Premium Ice. Arctic Glacier operates 39 production plants and 47 distribution facilities across Canada and the northeast, central and western United States servicing more than 75,000 retail locations.

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.

Forward-Looking Information

Certain matters set forth in this news release, including statements with respect to the CCAA proceedings, the solicitation process, the sale or recapitalization of Arctic Glacier, the operations of Arctic Glacier, and the ability of Arctic Glacier to meet its obligations are forward looking. These forward-looking statements reflect management's current views and are based on certain assumptions including assumptions as to future operating conditions and courses of action, sale or recapitalization alternatives, economic conditions and other factors management believes are appropriate. Such forward looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those contained in these statements, including the risk that sale or recapitalization alternatives may not be available to Arctic Glacier or may not be available on terms favourable to Arctic Glacier and its security holders or that any such sale would yield proceeds sufficient for any distribution to Arctic Glacier's unitholders, as well as those risks and uncertainties identified under the heading "Risks Management" in Arctic Glacier's management's discussion and analysis for each of the year ended December 31, 2010, and for the third quarter ended September 30, 2011 available at www.sedar.com. These forward-looking statements are made as at the date of this news release, and the Fund assumes no obligation to update or revise them, either publicly or otherwise, to reflect new events, information or circumstances.

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