



Newport Partners Income Fund to sell Peerless Garments

Toronto – August 19, 2010 – Newport Partners Income Fund (the "Fund") (TSX:NPF.UN, NPF.DB and NPF.DB.A) announced today that its wholly-owned subsidiary, Newport Partners Holdings LP ("Newport"), has agreed to sell to ComWest Enterprise Corp. (TSXV: CWP & CWP.A) (the "Purchaser") its 90% interest in Peerless Garments LP and its 100% interest in its general partner, Peerless Garments GP Inc. for \$22,275,000 in cash, subject to a working capital adjustment. Peerless Garments is a manufacturer of harsh weather outerwear for military personnel.

The transaction is expected to close by August 20, 2010. The net proceeds of the sale will be used to reduce outstanding senior indebtedness.

The unit and share purchase agreement relating to the transaction will be available on SEDAR at www.sedar.com.

About Newport Partners Income Fund

Newport Partners Income Fund is an unincorporated, open-ended trust created to hold, through its investment in Newport Partners Commercial Trust, interests in Newport Private Yield LP, a limited partnership established under the laws of the Province of Ontario. NPF began trading on the TSX on August 8, 2005 under the symbol NPF.UN.

Newport Partners Income Fund is a publicly-traded diversified fund that invests in successful Canadian private businesses. The Fund, following this transaction, will have \$452 million invested in 14 companies representing a diverse cross-section of the Canadian economy.

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