

Clairvest Announces Potential Loan Loss

Toronto, Ontario (July 21, 2006) – Clairvest Group Inc. (TSX:CVG) announced today a loan of \$10 million it made to an unrelated party may be unrecoverable.

The loan was advanced in two tranches of \$5 million in each of December 2005 and May 2006 and was collateralized by treasury bills deposited with a Canadian bank-owned brokerage firm. The loan is in default and Clairvest has learned that the collateral arrangements required for the loan have been mishandled by one or more third parties.

Clairvest is investigating the circumstances of the default and the mishandling of the collateral arrangements and is pursuing all avenues to recover the funds. The circumstances surrounding this potential loss are limited to these particular loans, and have no impact on any of Clairvest's other assets or investments or the partnerships that Clairvest manages.

In the event that the loan cannot be recovered, Clairvest will realize a loss on this loan amounting to \$0.52 per share. Clairvest's book value at March 31, 2006 was \$13.10 per share.

Clairvest Group Inc. is a Canadian merchant bank that invests its own capital, and that of third parties through Clairvest Equity Partners Limited Partnership and Clairvest Equity Partners III Limited Partnership, in businesses that have the potential to generate superior returns. In addition to providing financing, Clairvest contributes strategic expertise and execution ability to support the growth and development of its investee partners. Clairvest realizes value through investment returns and the eventual disposition of its investments.

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This news release contains forward-looking statements with respect to Clairvest Group Inc., its subsidiaries and their investments. These statements are based on current expectations and are subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Clairvest, its subsidiaries and their investments to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. In particular, the estimated loss per share assumes that the loan will be fully unrecoverable. If the efforts to recover the funds are fully or partially successful then the

loss would not be as large. Clairvest will incur expenses in its recovery efforts and there can be no assurance that the efforts will result in any recovery for the company.

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