

PREMIUM BRANDS HOLDINGS CORPORATION ANNOUNCES ACQUISITION OF SPECIALTY PASTA MANUFACTURER

VANCOUVER, B.C., March 31, 2010. Premium Brands Holdings Corporation (TSX: PBH), a leading producer, marketer and distributor of branded specialty food products, announced today the acquisition of an 80% interest in Vancouver, BC based Duso's Enterprises Ltd. ("Duso's") for approximately \$5.6 million.

Duso's is a specialty manufacturer of high quality branded and private label fresh pastas and sauces. It has annual sales of approximately \$7.0 million and its customers include a variety of retailers across western Canada.

"This transaction is based on our strategy of offering successful entrepreneurs customized ownership solutions that address their estate planning needs while also providing their business with the resources needed for continued growth," said Mr. George Paleologou, President and CEO.

"Founders Mauro and George Duso have done an exceptional job building Duso's from the ground up and we are very pleased to become Mauro's partner as his brother George nears retirement later this year.

"Looking forward, we expect to create significant growth opportunities for Duso's by providing it with access to our foodservice distribution network as well as our distribution facilities," stated Mr. Paleologou. "In addition, we intend to leverage Duso's pasta and sauce expertise to expand the product offerings of our retail sales networks."

"I am delighted to be partnering with Premium Brands," said Mr. Mauro Duso. "Duso's has been a long-term supplier to Premium Brands' retail direct-to-store distribution business and I have no doubt that the cultures of our companies will be a perfect fit.

"I am also very excited about working with Premium Brands to take our business to the next level," added Mr. Duso.

The \$5.6 million purchase price, which is subject to adjustment if Duso's net working capital at closing is above or below a defined level, consisted of \$4.0 million in cash, the issuance of 69,252 shares and a \$0.6 million vendor take back note due three years after closing. Premium Brands will not assume any funded debt under the terms of the transaction.

As part of the transaction, Premium Brands will help Duso's fund the purchase of approximately \$1.0 million in state-of-the-art pasta making equipment.

The transaction is expected to be immediately accretive to both Premium Brands' earnings per share and free cash flow per share.

About Premium Brands

Premium Brands owns a broad range of leading specialty food manufacturing and differentiated food distribution businesses with operations in British Columbia, Alberta, Saskatchewan, Manitoba and Washington State. The Company services over 25,000 customers and its family of brands include Grimm's, Harvest, McSweeney's, Bread Garden Express, Hygaard, Hempler's, Quality Fast Foods, Gloria's Best of Fresh, Harlan's, Creekside Bakehouse, Centennial Foodservice and B&C Foods.

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

www.premiumbrandsholdings.com

Forward Looking Statements

This press release includes forward looking statements with respect to Premium Brands, including its business operations strategy and financial performance and condition. These statements generally can be identified by the use of forward looking words such as “may”, “could”, “should”, “would”, “will”, “expect”, “intend”, “plan”, “estimate”, “project”, “anticipate”, “believe” or “continue”, or the negative thereof or similar variations. Although management believes that the expectations reflected in such forward looking statements are reasonable and represent Premium Brands’ internal expectations and belief as of March 31, 2010, such statements involve unknown risks and uncertainties beyond Premium Brands’ control which may cause its actual performance and results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward looking statements.

Important factors that could cause actual results to differ materially from Premium Brands’ expectations include, among other things: (i) seasonal and/or weather related fluctuations in its sales; (ii) changes in consumer discretionary spending resulting from changes in economic conditions and/or general consumer confidence levels; (iii) changes in the cost of raw materials used for its products; (iv) changes in the cost of products sourced from third party manufacturers and sold through Premium Brands’ proprietary distribution networks; (v) changes in Canadian income tax laws; (vi) changes in consumer preferences for food products; (vii) competition from other food manufacturers and distributors; (viii) new government regulations affecting Premium Brands’ business and operations; (ix) the inability to realize anticipated tax attributes associated with its recent conversion to a corporation; (x) exposure to third party credit/contractual risk and operational risk relating to its recent conversion to a corporation; and (xi) other factors as discussed in Premium Brands’ Management’s Discussion and Analysis for 2009, which is filed electronically through SEDAR and are available online at www.sedar.com. It should be noted that this list of important factors affecting forward looking information may not be exhaustive.

Unless otherwise indicated, the forward looking information in this document is made as of March 31, 2010 and, except as required by applicable law, will not be publicly updated or revised. This cautionary statement expressly qualifies the forward looking information in this document.