



TSX: CKI, CKI.DB; CKI.DB.A

CLARKE INC. ANNOUNCES SUBSTANTIAL ISSUER BID FOR ITS COMMON SHARES

Halifax, Nova Scotia – March 5, 2010 - Clarke Inc. ("**Clarke**" or the "**Company**", TSX-CKI, TSX-CKI.DB, TSX-CKI.DB.A) announced a substantial issuer bid (the "**Offer**") today pursuant to which the Company will offer to purchase for cancellation up to 3,500,000 of the issued and outstanding common shares ("**Common Shares**") of the Company from shareholders (the "**Shareholders**") at the purchase price of \$3.60 per Common Share (the "**Purchase Price**").

If more than 3,500,000 Common Shares (or such greater number of Common Shares as the Company may determine it is willing to take-up and pay for) are properly tendered to the Offer, the Company will take-up and pay for at the Purchase Price the deposited Common Shares on a pro-rata basis according to the number of Common Shares deposited (or deemed to be deposited) by the Shareholders (with adjustments to avoid the purchase of fractional Common Shares). The Company has reserved the right to at any time and from time to time to amend its offer to increase or decrease the maximum number of Common Shares the Company may purchase pursuant to the Offer. The Offer is not conditional on any minimum number of Common Shares being deposited, other than the Locked-Up Shares (as defined below). The Company will fund any purchases of the Common Shares pursuant to the Offer from cash available on hand and available credit facilities.

As of March 5, 2010, there were 26,159,602 Common Shares issued and outstanding, and accordingly, the Offer is for up to approximately 13.38% of the total number of issued and outstanding Common Shares. The Offer is subject to various conditions typical of transactions of this nature. It is anticipated that the offer to purchase and issuer bid circular and other related documents (the "**Offer Documents**"), containing the terms of the Offer and the instructions for tendering the Common Shares will be mailed to Shareholders and filed with applicable securities regulators on or about March 10, 2010. The Offer will remain open for acceptance for at least 35 days after the date of commencement, unless withdrawn or extended by the Company.

Andlauer Management Group Inc. has agreed, pursuant to a lock-up agreement with the Company dated March 5, 2010, to tender 2,500,000 Common Shares (the "**Locked-Up Shares**") to the Offer.

National Bank Financial Inc. ("**NBF**") was engaged by the Board of Directors of Clarke to prepare a liquidity opinion with respect to the Common Shares (the "**Opinion**"). A copy of the Opinion of NBF will be attached to the Offer Documents.

The directors of the Company believe that the purchase of Common Shares under the Offer represents an effective use of the Company's financial resources and is in the best interests of its Shareholders as the recent trading price range of the Common Shares is not fully reflective of the value of the Company's business and future prospects. The repurchase of Common Shares is not expected to preclude the Company from pursuing its foreseeable business opportunities or the future growth of its business.

In accordance with applicable Canadian securities laws, Clarke will suspend purchases of its Common Shares pursuant to its normal course issuer bid announced on August 14, 2009 until after the Expiration Date or date of termination of the Offer. As of the date hereof, Clarke has acquired 217,000 Common Shares.

In addition, Clarke will suspend purchases of its 6.0% convertible unsecured subordinated debentures due December 31, 2012 (the "**2012 Debentures**") pursuant to its normal course issuer bid announced on December 9, 2009 until after the Expiration Date or date of termination of the Offer. As of the date hereof, Clarke has acquired an aggregate principal amount of \$190,000 of the 2012 Debentures.

In addition, Clarke will suspend purchases of its 6.0% convertible unsecured subordinated debentures due December 31, 2013 (the "**2013 Debentures**") pursuant to its normal course issuer bid announced on March 12, 2009 until after the Expiration Date or date of termination of the Offer. As of the date hereof, Clarke has purchased an aggregate principal amount of \$8,323,000 of the 2013 Debentures.

In addition, neither the Company nor its Board of Directors makes any recommendation to Shareholders as to whether to tender or refrain from tendering their Debentures to the Offer. Shareholders are strongly encouraged to review the Offer Documents carefully and to consult with their financial and tax advisors prior to making any decision with respect to the Offer.

About Clarke

Halifax-based Clarke Inc., led by an entrepreneurial team of investment professionals, is an activist and catalyst investment company that creates shareholder value by identifying businesses with the potential for improved performance, and working actively to uncover the value. Clarke's securities trade on the Toronto Stock Exchange (CKI, CKI.DB, CKI.DB.A); for more information about Clarke Inc., please visit our website at www.clarkeinc.com.

Forward-Looking Statements

This press release may contain or refer to certain forward-looking statements relating, but not limited to, Clarke's expectations, intentions, plans and beliefs with respect to Clarke. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "does not expect", "is expected", "budget", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or equivalents or variations, including negative variations, of such words and phrases, or state that certain actions, events or results, "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. These forward-looking statements include, but are not limited to, statements regarding: the trading price of the Common Shares not fully reflecting the value of the Company's business and future prospects and the repurchase of the Common Shares not being expected to preclude the company from pursuing its foreseeable business opportunities.

Forward-looking statements rely on certain underlying assumptions that, if not realized, can result in such forward-looking statements not being achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause the actual results of Clarke to be materially different from the historical results or from any future results expressed or implied by such forward-looking statements. Risks and uncertainties include, among others, the Company's investment strategy, legal and regulatory risks, general market risk, potential lack of diversification in the Company's investments, and interest rates and foreign currency fluctuations. Although Clarke has attempted to identify important factors that could cause actual actions, events or results or cause actions, events or results not to be estimated or intended, there can be no assurance that forward-looking statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Other than as required by applicable Canadian securities laws, Clarke does not update or revise any such forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events. Accordingly, readers should not place undue reliance on forward-looking statements.

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