



NEWS RELEASE

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THE NORTH WEST COMPANY SET TO START CONSTRUCTION OF NEW NORTHMART STORE IN CROSS LAKE!

WINNIPEG — Cross Lake residents can look forward to the opening of a 26,000 square foot 'NorthMart' store in their community next spring. In a groundbreaking ceremony held today, representatives from The North West Company ("North West") and the Cross Lake Band officially kicked-off the construction phase of what will be a \$5.5 million project. The 'NorthMart' store will replace a smaller 'Northern' store operated by North West in Cross Lake.

"We recognize the growing needs of the community of Cross Lake," commented North West Company President and CEO Edward Kennedy. "The new NorthMart will offer an expanded mix of fresh food, family apparel and home products while allowing us to bring new services to the community, like a hot deli and a pharmacy."

"The addition of the pharmacy will provide our customers with the ability to consult with a health expert to ensure we meet their healthy living requirements in nutritional foods, health and beauty aids and medical supplies," said Dave Huston, Director, Pharmacy Operations.

"The establishment of a NorthMart that will include a pharmacy, bakery, and a variety of other departments will benefit the community," stated Councilor Alex James Robinson. "This will also accommodate our community's economic development and will assist in decreasing the unemployment rate."

The existing 'Northern' store employs 50 people and the new 'NorthMart' will create 15 new positions for a total employment of 65. New jobs will include customer service representatives, department managers, pharmacy technicians and pharmacists. The construction phase will also bring employment opportunities for local trades people and companies like Mid-North Development Corporation, which is owned by the Cross Lake Band.

Cross Lake is a first nation community located in central Manitoba approximately 800 kilometers by road north of Winnipeg, MB and 250 kilometers by road south of Thompson, MB.

The North West Company Inc. is a leading retailer of food and everyday products and services to rural communities and urban neighborhoods across Canada and Alaska. North West operates 199 stores under a number of trading names, including Northern, NorthMart, Giant Tiger and AC Value Center, and provides catalogue shopping services through its *Selections* catalogue in northern Canada.

The units of the Fund trade on the TSX Toronto Stock Exchange under the symbol "NWF.UN".