

NEWS RELEASE

October 23, 2009

PrimeWest Mortgage Investment Corporation - Announces Resignation of Darryn Knibbs

Saskatoon - **PrimeWest Mortgage Investment Corporation ("PrimeWest")**, a Saskatchewan based mortgage investment corporation, announced today that Darryn Knibbs resigned as a director of PrimeWest effective September 1, 2009. Mr. Knibbs, who has been a valued a director of PrimeWest since May of 2006, has stepped down in order to focus more on his own business interests.

PrimeWest Announces Increase in Line of Credit

PrimeWest also announced today that it has increased its line of credit with the Canadian Western Bank to \$10,500,000 and has negotiated a decrease in the base interest rate from 5.0% to 4.75%.

PrimeWest Announces Pursuit of Commercial Lending

PrimeWest also announced today that it has acquired access to \$3,500,000 in new loan facilities from three Saskatchewan investors, for the express purpose of pursuing commercial lending on a short-term (3 to 12 months) basis. *"Using these types of lenders, enables PrimeWest to take on commercial loans without using up significant operating capital that is used in our main business of residential mortgages"* say's Al W. Zack, President and CEO. \$1.5 million of the \$3,500,000 loan is secured by a debenture issued to Paradigm Managed Accounts, which ranks second in priority to the Canadian Western Bank. The term of the \$3,500,000 in loans will be based on the timing for PrimeWest to make commercial loans to third parties, all of which provides opportunity for a beneficial rate of return for PrimeWest's shareholders.

About PrimeWest Mortgage Investment Corporation

PrimeWest is based in Saskatoon, Saskatchewan, and is the only mortgage investment corporation in the Province of Saskatchewan funded by a public offering. PrimeWest is a reporting issuer in the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba and Ontario. The securities of PrimeWest are not listed or posted for trading on any exchange.

Launched in October 2005, PrimeWest has raised over \$14 million in capital through a combination of public and private equity placements, providing an average three year return of 8.17%, and has in excess of 400 beneficial shareholders across western Canada and Ontario.

Overseen by an experienced Board of Directors representing many sectors within the real estate and investment industries, PrimeWest offers a steady quarterly income, the security of a mortgage-based investment, low volatility, RRSP eligibility and an attractive alternative to income trusts.

FOR FURTHER INFORMATION CONTACT:

Al. W. Zack, President and CEO
Primewest Mortgage Investment Corporation
Phone: (306) 651 4408
Email: azack@primewest.ca