

January 18, 2017
Saskatoon, Saskatchewan

FOR IMMEDIATE RELEASE

PrimeWest Mortgage Investment Corporation announces additional financing made available

Saskatoon, January 18, 2017/CNW/ – PrimeWest Mortgage Investment Corporation ("**PrimeWest**" or the "**Corporation**") announced today that it has obtained an additional \$500,000 of financing made available to it by 1621 Albert Street Development Corp, a related third party lender, making the total secured debenture financing in the sum of \$1,500,000 with a maturity date of July 31, 2017.

Since June 2016 PrimeWest has recovered through mortgage payouts, sale of redundant assets and foreclosure proceedings the sum of \$2,367,000. The Line of Credit with Conexus Credit Union has been paid down \$2,894,000 with the balance as of December 31, 2016 being reduced to \$4,321,000. Committed sales for two foreclosed properties exist, wherein as of March 31, 2017 proceeds in the sum of \$164,000 are to be received. Conditional sales have also been obtained, which conditions when met, will result in the Corporation receiving on or about March 31, 2017 a further \$1,200,000.

Management continues to assess all aspects of the mortgage portfolio, including geographic location, maturity dates, security and valuation. There are currently 44 loans in the portfolio, four of which are large delinquent loans (\$7,097,000). Specific emphasis is being made by Management to collect arrears and realize on the loan security.

The Corporation has taken strides to stabilize its financial condition, and Management will utilize the additional financing to maintain the line of credit in covenant, and to meet current obligations, inclusive of professional costs for foreclosure proceedings.

The December 31, 2016 year-end financial statements will be finalized in March 2017 which will include an estimated amount for:

- Provision for mortgage losses: \$4,279,000
- Losses on Assets taken: \$ 940,000
- \$5,219,000

Management, taking into account the loss provisions to date, estimates that the net asset value (NAV) of PrimeWest at December 31, 2016 to be \$7.60 per share.

As the annual financial statements will be available on or about March 31, 2017, the Board and Management are now looking to fix the record date for the annual general shareholders meeting to be scheduled in April 2017.

About PrimeWest

PrimeWest was incorporated as a Mortgage Investment Corporation in 2005 and is based in Saskatoon, Saskatchewan. PrimeWest is a reporting issuer in the Provinces of British Columbia,

Alberta, Saskatchewan, Manitoba and Ontario. The Corporation's Class A common shares are listed for trading on the Canadian Securities Exchange under symbol PRI.

FOR FURTHER INFORMATION CONTACT:

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