

November 15, 2016
Saskatoon, Saskatchewan

FOR IMMEDIATE RELEASE

PrimeWest Mortgage Investment Corporation provides an update effective November 15, 2016

Saskatoon, November 15, 2016/CNW/ – PrimeWest Mortgage Investment Corporation ("**PrimeWest**" or the "**Corporation**") announced today that its Court application to have a third party Inspector appointed by the Court was argued before the Queen's Bench Court, Saskatoon on November 10, 2016 with the decision to be rendered by Judge S. Smith the week of November 21, 2016.

The ongoing review of the Corporation's mortgage portfolio has revealed a further increase in loan loss provisions in the sum of \$2,086,000.00 bringing loan loss provisions to \$4,278,000. This increase continues to arise from the wrongful actions of the former CEO, with one large commercial mortgage resulting in a substantial portion of the additional loss.

The Corporation, as part of its governance framework has adopted a Shareholders Engagement Policy which is filed on Sedar and which will be placed on the Corporation's website. A Shareholders Information Bulletin, published for the November 2016 period contains updated information on the Corporation's activities. The highlights of the Information Bulletin include:

- Foreclosure has been initiated on 14 non-performing mortgages.
- Property realizations and mortgage recoveries for the period June/2016 to November/2016 have returned \$1,875,000.00 to the Corporation.
- Additional loan loss provisions of \$2,086,000.00 have been made, with losses continuing to arise due to the wrongful actions of the former CEO. A substantial portion of the increased loan loss provision arises from a commercial mortgage where inadequate security was obtained.
- Interest revenue and fees are being earned from performing assets and expenses are being limited so as to maximize earnings to the Corporation.
- Notice of Claim has been made to the Corporation's insurer.
- Action and insurance claims are being initiated as against a rogue mortgage broker.
- An application for a Court Appointed Inspector to review past mortgage lending practices has been made to the Queen's Bench Court and the decision of Judge S. Smith is to be rendered the week of November 21, 2016.
- The Board of Directors has implemented a Shareholder Engagement Policy which is focused on providing timely information to shareholders. It is intended that shareholder dialogue occur, as a supplement and not as a replacement or substitute for disclosure that occurs under National Instrument 45-102 and under the Canadian Securities Exchange filings.

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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