



NEWS RELEASE

FOR IMMEDIATE RELEASE

North West Company Confirms Interest in Barbados Retail Market

Winnipeg, Canada, July 15, 2008: The North West Company (North West) confirmed today that it is assessing the feasibility of making a new Cost-U-Less store investment in Barbados.

In a release issued by the Canadian-based company, CEO and President Edward Kennedy said they were in the process of completing a review of the market size and availability of suitable locations in Barbados and, as part of that process, had spoken with government officials and potential local partners.

"Cost-U-Less is a successful, low-price warehouse store format that we operate in several Caribbean and South Pacific locations; since acquiring this business, we have been studying the prospects for further growth in both of these regions, including Barbados, Aruba, Dominica, Saipan and Guam," explained Kennedy.

He added: "We do not charge membership fees and believe we can offer low prices to Barbados shoppers, just as we have in our most recent store opening in the Cayman Islands, which was also a partnership with local business people. We have made this point to the Barbados government but we have also said that we need to complete our market assessment to ensure that it is a viable business venture for all concerned."

In specific reference to accusations reported against Cost-U-Less, Kennedy stressed that North West and Cost-U-Less have always complied with the spirit and intent of labour, environmental and other legal standards. "With nearly 7,000 employees, I can't pretend that every situation has always been perfect. But I am proud to say that we have earned a reputation as a leading employer and retailer measured by the way we treat our employees and the way we tailor our stores to the unique needs of customers and communities we serve," he stated.

North West is one of the oldest continuing retail companies in the world and traces its beginnings to 1668. It retails food and everyday products and services to rural communities and urban neighbourhoods in Canada, Alaska, California, the South Pacific and the Caribbean. Cost-U-Less is its most recent addition and has been serving island markets since 1990. North West operates 221 stores under the trading names Northern, NorthMart, Giant Tiger, AC Value Center and Cost-U-Less.

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

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For more information, see the attached background sheet on North West or please contact:

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THE NORTH WEST COMPANY

(Backgrounder)

- The North West Company ("North West") is a leading retailer and distributor of everyday consumer goods and services to remote communities, island markets, rural towns and urban neighbourhoods. North West operates 221 stores with total sales of approximately \$1.4 billion. The Company employs nearly 7,000 people and is the largest private sector employer of Aboriginal people in Canada and Alaska.
- North West's purpose is to enhance peoples' lives by offering them shopping choices that are more convenient, more affordable and more dependable, while meeting their lifestyle needs better than any other retailer.
- North West began in 1987 when it acquired the Northern Stores Division of the Hudson's Bay Company. This enterprise traced its roots to the first trading post in North America, established at Waskaganish (formerly named Rupert's House) on the shores of James Bay in 1668. Today North West still operates a store at this site, making it one of the oldest continuous businesses in the world.
- North West stores specialize in everyday needs with a focus on food. Some stores have warehouse product sections, similar to Cost-U-Less, and others, like Giant Tiger, have fashion apparel departments. Other products sold in North West stores include furniture, all-terrain vehicles, toys, prepared food and electronics.
- North West has a record of innovation and performance in meeting the expectations of its stakeholders. As customer needs have changed, North West has been at the forefront, increasing its focus on food retailing, financial services and wellness-related products. More recently, the Company's Giant Tiger and Cost-U-Less discount stores have successfully introduced affordable neighbourhood retailing to western Canada and to island markets in the Caribbean and South Pacific.
- At North West, customer service is the first priority in our stores. Store managers and their teams are counted on to select items that will sell in their local market. Every store is unique!
- Community relations are also a core value of the Company and this is reflected through a range of local support initiatives. More broadly North West is an active, leading donor to the United Way and is a leading corporate promoter of healthy living and fundraising for diabetes prevention through annual *Team Diabetes-North West* marathon teams.

The North West Company (Background) continued

- North West is proud to have been recognized for its' community service, most recently as a recipient of the Lieutenant Governor of Manitoba Award for the Outstanding Contribution to the Community by a Manitoba Business (2001), the Ivan Ahenakew Award for Outstanding Contribution to the Employment of Aboriginal People (2003), the Canadian Diabetes Association Outstanding Corporate Partner Award (2003 and 2007), and the Manitoba Business Magazine's Best in Business Practices Award (2005). Edward Kennedy, President and CEO of North West, was the recipient of the Retail Council of Canada's Distinguished Canadian Retailer of the Year Award in 2006 and the University of Alberta's School of Retailing Henry Singer Award in 2007.
- North West is a public company with several thousand stockholders, including over 500 employee stockholders. No one single person or company owns control of North West.