NORTH WEST COMPANY FUND

PRESS RELEASE

FOR IMMEDIATE RELEASE

"NORTH WEST COMPANY FUND REPORTS FIRST QUARTER RESULTS"

Winnipeg, May 30, 2002: North West Company Fund (the "Fund") today reported 2002 first quarter earnings for the period ended April 27, 2002.

CONSOLIDATED RESULTS

The North West Company Fund reported first quarter revenues of $172.2 million, up 7.2% (1.7% on a same store basis) from 2001. Growth was driven by market share gains in Alaska, continued increases in core Canadian food sales and the contribution from two Giant Tiger stores opened over the past year. Net earnings for the quarter were $6.3 million up 26.9% over last year. Earnings per unit were $0.39, up 14.7% net of the dilution affect from the sale of 1.4 million treasury units in November 2001.

First quarter trading profit or earnings before interest, income taxes and amortization was up 5.0% to $14.3 million, with increases in both Canadian and Alaskan operations. Amortization expenses were 3.3% ahead of last year and interest costs at $1.6 million were down 48.6% due to lower debt levels and lower interest rates. Reduced interest expenses are expected to have less impact on earnings in future quarters due to higher trading profit levels and likely interest rate increases. Earnings before taxes were $7.0 million up 39.1% over last year's first quarter. The Company incurred an income tax expense of $744,000 compared to $104,000 last year due to higher taxable earnings.

"Results were generally positive for the first quarter. We achieved our seventh consecutive quarterly increase in trading profit, led by gains in Alaska and in our Canadian food business," said Edward Kennedy, North West's President and CEO. "The only weak link was our seasonal general merchandise business which felt the effect of a cool spring and transition challenges with new alliance partners. Our two test Giant Tiger stores are performing very well. We expect to make a decision in the next few weeks on whether to move forward with opening more stores under a long-term master franchise agreement with Giant Tiger Stores Limited of Ottawa."

CANADIAN OPERATIONS

Canadian revenues were $129.9 million for the quarter, up 5.0% (1.0% on a same store basis) from last year and trading profit increased by 2.1% to $12.9 million.

Food sales in core operations were up 3.2% (up 2.2% on a same store basis). Food sales performance was below recent trends due to an estimated $1 million sales shortfall caused by an exceptionally long winter road travel season. Food inflation was less of a factor compared to the higher levels in last year's first quarter related to increased transportation costs.

General merchandise sales were down 1.3% (-2.2% on a same store basis). Disruptions were experienced in product flow and assortment planning during the transition to new procurement alliances in fashion clothing and home furnishings. These challenges are being resolved for the fall selling season. Cold spring weather throughout most of northern Canada was a negative factor affecting seasonal categories like outerwear, camping and fishing merchandise. Sales of snowmobiles, on the other hand, were very strong. *Selections* catalogue shipments were up 9% despite fewer catalogue pages, reflecting a strategy to focus on best sellers.

Additional expenses were incurred by alliance transition activities. Expenses were otherwise well controlled and in line with expectations.

ALASKAN OPERATIONS (stated in U.S. dollars)

Alaska Commercial Company ("**AC**") sales increased 11.5% in the quarter to $26.7 million. On a same store basis, sales were up 5.3% with food sales increasing 5.0% and general merchandise sales increasing 6.7%. The consolidation of additional markets, market share gains and transportation sales all contributed to this growth. Sales at **AC**'s wholesale business, Frontier Expeditors ("FE"), were up 61.5% in the quarter. Tobacco products were again part of FE's sales base after being discontinued last year due to a punitive municipal tax that has since been repealed. New account growth continued with several large customers being added to FE's core rural base.

AC's trading profit for the quarter was $898,000, increasing $242,000 or 36.9% compared to last year. Staff costs in Alaska increased due to increased health and workers compensation insurance premiums and adjustments to wage and benefit levels for select management level employees.

GIANT TIGER STORE VENTURE

The Company is near completion of the assessment phase of the Giant Tiger Venture. Results to date have been encouraging and we expect that an announcement on Giant Tiger will be made in June. This decision will be based on the Company's assessment of several factors including the performance of two test stores opened within the past year, the significant potential of *Giant Tiger's* junior discount store format in western Canada and the lower product costing that the venture brings to the Company's core northern retail business.

BALANCE SHEET AND CASH FLOW

Assets employed at the end of the first quarter were $375.3 million compared to $378.1 million last year and $371.1 million at the end of the last fiscal year. Cash balances were reduced by 6.3% from last year due to continued refinement of cash requirement in the stores. Accounts receivable at $58.1 million have been reduced from year-end balances but are $7.9 million or 15.6% over last year. The increase was due to increased extended term accounts and increased credit granted to Bands. Inventories have increased by 7.3% over last year and are well balanced with the majority of the increase related to food.

The future income tax asset is consistent with the year end balance. These assets were less than last year due to the recovery of the US tax loss carryforwards and the increased current balance anticipates the recovery of the tax losses carry forwards from Canadian operations as explained in the annual report.

The decrease in bank advances and short-term notes from the last year was mainly due to the receipt of the net proceeds from the equity issue in December 2001. The $112.0 million in bonds are reported as a current liability as they are now due August 28, 2002. We expect the refinancing of this debt to be completed by the end of this quarter.

Capital expenditures were $3.7 million in the quarter and mainly related to the acquisition of two stores, reprofiling expenditures and general expenditures on computer equipment, fixtures and equipment for store operations.

The average units outstanding for the quarter were 16,113,000 compared to 14,691,000 last year. Cash distributions were paid to unitholders on March 15th of $0.375 per unit compared to $0.36 per unit last year.

OTHER HIGHLIGHTS

- The Company announced that it has entered into an agreement with A. de la Chevrotiere Ltee. to provide food distribution services to most of the Company's stores in eastern Canada. The benefits are improved regional food assortments, lower transportation costs and better inventory productivity.

- H&R Block tax preparation services were successfully offered to Canadian customers at Northern and NorthMart stores after a test phase in 2001. The service was well received and is expected to continue to grow in future years.

- New Northern stores were opened in God's River, Manitoba and in Ft. Ware, British Columbia and a replacement store was opened in Poplar Hill, Ontario. One Quickstop convenience store was sold during the quarter.

- The Company is near finalization of agreements to refinance its $112,000,000 senior bonds payable August 28, 2002 with new notes and bank debt.

- A quarterly cash distribution of $0.375 per unit will be paid June 15, 2002 to unitholders of record on May 15, 2002.

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The North West Company Inc. (NWC) is the leading retailer of food and everyday products and services to northern communities across Canada and Alaska. NWC operates 177 stores under a number of trading names, including *Northern, NorthMart* and *AC Value Center*, and provides catalogue shopping services through its *Selections* catalogue in Canada.

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

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CONSOLIDATED BALANCE SHEETS
(unaudited, in thousands of Canadian dollars)

	April 27 2002	April 28 2001	January 26 2002
ASSETS			
Current assets			
Cash	**$ 14,376**	$ 15,335	$ 8,884
Accounts receivable	**58,100**	50,249	65,867
Future income taxes	**8,177**	2,514	8,171
Inventories	**136,767**	127,425	134,392
Prepaid expenses	**1,881**	2,414	1,500
	219,301	197,937	218,814
Capital assets	**190,536**	192,799	194,025
Future income taxes	**9,425**	19,648	9,358
Other assets	**10,034**	10,392	9,836
	$ 429,296	$ 420,776	$ 432,033
LIABILITIES			
Current liabilities			
Bank advances and short-term notes	**$ 34,118**	$ 60,270	$ 26,037
Accounts payable and accrued	**50,305**	42,527	57,849
Income taxes payable	**3,736**	164	3,079
Bonds due within one year (Note 2)	**112,000**	-	112,000
Current portion of long-term debt	**2,017**	1,718	3,910
	202,176	104,679	202,875
Long-term debt (Note 2)	**9,260**	124,970	9,634
	211,436	229,649	212,509
EQUITY			
Capital (Note 4)	**163,309**	145,526	165,205
Retained earnings	**49,360**	41,150	49,142
Cumulative currency translation adjustments	**5,191**	4,451	5,177
	217,860	191,127	219,524
	$ 429,296	$ 420,776	$ 432,033

CONSOLIDATED STATEMENTS OF EARNINGS AND RETAINED EARNINGS
(unaudited, in thousands of Canadian dollars)

	13 Weeks Ended April 27 2002	**13 Weeks Ended April 28 2001**
SALES AND OTHER REVENUE		
Canadian operations	**$ 129,904**	$ 123,686
Alaskan operations	**42,329**	36,972
	$ 172,233	$ 160,658
Cost of sales, selling and administrative expenses		
Canadian operations	**$(117,006)**	$(111,058)
Alaskan operations	**(40,903)**	(35,958)
Earnings before interest, income taxes and amortization		
Canadian operations	**12,898**	12,628
Alaskan operations	**1,426**	1,014
Amortization		
Canadian operations	**(4,846)**	(4,745)
Alaskan operations	**(913)**	(832)
EARNINGS BEFORE INTEREST & INCOME TAXES	**8,565**	8,065
Interest	**(1,555)**	(3,024)
Earnings before income taxes	**7,010**	5,041
Provision for income taxes (Note 3)	**(744)**	(104)
EARNINGS FOR THE PERIOD	**6,266**	4,937
Retained earnings, beginning of period	**49,142**	41,502
Distributions	**(6,048)**	(5,289)
RETAINED EARNINGS, END OF PERIOD	**$ 49,360**	$ 41,150
EARNINGS PER UNIT, BASIC AND DILUTED	**$ 0.39**	$ 0.34
Weighted Average Number of Units Outstanding (000's)	**16,113**	14,691

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Accounting Presentations and Disclosures

These interim financial statements follow the same accounting policies and their methods of application as the 2001 annual financial statements. Not all disclosures required by generally accepted accounting principles for annual financial statements are presented, and accordingly, the interim financial statements should be read in conjunction with the 2001 Annual Report.

2. Long-Term Debt

The Company's bonds become due and payable on August 28, 2002. Accordingly, $112,000,000 of bonds have been reclassified to current liabilities. It is the Company's intention to refinance a large portion of the bonds as long-term debt.

3. Income Taxes

Certain interest amounts deducted by The North West Company Inc. are included as taxable income to unitholders of North West Company Fund upon distribution. The income tax benefit of loss carryforwards to the Company have been recorded in these financial statements as a future income tax asset.

4. Capital

During the year the Company issued loans to officers to purchase units under the unit purchase loan plan. These loans are non-interest bearing and repayable from the after tax distributions or if the officer sells the units or leaves the Company. The loans are secured by a pledge of 99,600 units of the Company with a quoted value at April 27, 2002 of $1,921,000. Loans receivable at April 27, 2002 of $1,896,000 are recorded as a reduction of capital.

5. Net Identifiable Assets (in thousands of Canadian dollars)	**April 27 2002**	April 28 2001
Canadian operations	**$ 293,854**	$ 300,280
Alaskan operations	**81,402**	77,805

6. Comparative Amounts

The comparative amounts have been reclassified to conform with the current year's presentation.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited, in thousands of Canadian dollars)

	13 Weeks Ended April 27 2002	13 Weeks Ended April 28 2001
CASH PROVIDED BY (USED IN)		
Operating Activities		
Earnings for the period	**$ 6,266**	$ 4,937
Non-cash items		
Amortization	**5,759**	5,577
Future income taxes	**(146)**	(147)
Amortization of bond warrant proceeds and interest rate fixing payment	**(311)**	(311)
Loss on disposal of capital assets	**10**	-
Cash flow from operations	**11,578**	10,056
Change in other non-cash items	**(2,884)**	(5,415)
Operating activities	**8,694**	4,641
Investing Activities		
Purchase of capital assets	**(3,673)**	(2,794)
Proceeds from sale of capital assets	**507**	-
Investing activities	**(3,166)**	(2,794)
Financing Activities		
Change in bank advances and short-term notes	**8,081**	10,291
Repayment of long-term debt	**(173)**	(102)
Purchase of units for unit purchase loan plan	**(1,896)**	-
Distributions	**(6,048)**	(5,289)
Financing activities	**(36)**	4,900
CHANGE IN CASH	**5,492**	6,747
Cash, beginning of period	**8,884**	8,588
CASH, END OF PERIOD	**$ 14,376**	$ 15,335
Supplemental Disclosure of Cash Flow Information		
Cash paid during the period for		
Interest expense	**$ 4,055**	$ 6,095
Income taxes	**274**	190
Cash Flow From Operations Per Unit	**$ 0.72**	$ 0.68