

NEWS RELEASE – FOR IMMEDIATE RELEASE

The North West Company Inc. enters into Letters of Intent to acquire majority ownership position in Roadtown Wholesale Trading Ltd. (operating as Riteway Food Markets)

Winnipeg, Manitoba, May 2, 2016 (TSX: NWC) – The North West Company Inc. (“North West”) has entered into letters of intent to acquire the majority of the shares of Roadtown Wholesale Trading Ltd. (“RTT”), operating primarily as Riteway Food Markets in the British Virgin Islands (“BVI”). The proposed transaction is subject to a number of conditions, including a definitive purchase agreement and government approvals.

RTT is a privately-held company with seven retail outlets, one Cash and Carry, and one wholesale operation serving the British Virgin Islands. North West is a Canadian-based, widely-held public retailer that specializes in serving smaller countries and regions. North West’s retail presence in the Caribbean includes Cost-U-Less stores in Cayman Islands, Barbados, Curaçao, Sint Maarten, St. Thomas and St. Croix.

“We are very positive about the benefits that we can bring to Virgin Islander shoppers and to the BVI as a whole, building on the accomplishments and strengths of RTT,” said North West President and CEO, Edward Kennedy. “We’ve been in business for a very long time because we respect every market we serve as being unique. The track record of our new stores in Cayman and Barbados are good examples of this. In both countries, we have created jobs, expanded the retail economy by keeping more sales on-island and helped bring down the cost of living, while being a constructive presence within the broader society.”

Commitment to BVI

As North West continues to understand where it can make a positive difference in the BVI, the following areas have been identified:

- A broader range of products will be offered to attract more of the provisioning and other retail spending that occurs outside of the BVI.
- North West will continue to operate the business under the trade names, Riteway Food Markets and Roadtown Wholesale Trading.
- Certain BVI shareholders will continue to be part of RTT’s ownership and will be represented on RTT’s Board of Directors.
- With an established office and recognizing the strength of BVI’s workforce, RTT will become an administration headquarters for North West’s stores across the Caribbean. This is expected to create positions in the departments of technology, human resources and store support.
- Enhanced community support will be a key tenet of RTT and Riteway’s corporate social responsibility to the BVI, consistent with North West’s leading practices.

Forward Looking Information

Certain information included in this press release is forward looking, within the meaning of applicable securities laws. Readers are cautioned not to place undue reliance on forward looking statements. Actual results and developments may differ materially from those contemplated by these statements.

There is no assurance that this transaction will close. North West does not intend to provide further updates regarding this transaction unless and until there are material developments, in which case North West will disclose those developments in accordance with its disclosure obligations under applicable law.

About The North West Company Inc.

The North West Company Inc. is a leading retailer of food and everyday products and services to rural communities and urban neighbourhoods in Canada, Alaska, the South Pacific and the Caribbean. North West operates 228 stores under the trading names Northern, NorthMart, Giant Tiger, AC Value Center and Cost-U-Less.

The common shares of North West trade on the Toronto Stock Exchange under the symbol "NWC".

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