

THE NORTH WEST COMPANY

COMMUNIQUÉ

March 21, 1997

THE NORTH WEST COMPANY ANNOUNCES SHAREHOLDERS APPROVE PLAN OF ARRANGEMENT

Winnipeg -- The North West Company (the "Company") announced today that its shareholders have approved the previously announced Plan of Arrangement (the "Plan").

Pursuant to the terms of the Plan, shareholders will effectively exchange their shares, on a one-for-one basis, for units of the North West Company Fund (the "Fund"), a newly-established trust, which will own NWC on completion of the Plan. The sole asset of the Fund will be debt and equity securities of NWC.

The Company will apply to the Court of Queen's Bench of Manitoba on March 26, 1997, for the final order approving the Plan of Arrangement. Closing of the Plan is expected to take place on March 27, 1997.

The North West Company, operating in Canada as **Northern** and in Alaska as **AC Value Centers**, is North America's leading retailer of food, family apparel and general merchandise in northern communities. The Company trades on the Toronto and Winnipeg Stock Exchanges under the symbol "NWC".