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FIRST NATIONS BANK OF CANADA REPORTS STRONG RESULTS FOR FISCAL 2010

Saskatoon, Saskatchewan, January 7, 2011 – For First Nations Bank of Canada ("First Nations Bank") fiscal year 2010 was a success, marked by strong financial results and the expansion of the Bank into Inuit territory with the opening of a full service branch in Iqaluit, Nunavut.

“Our Aboriginal controlled Bank’s primary objective is to serve the financial services needs of Aboriginal people, businesses and governments,” said Keith Martell, Chairman and Chief Executive Officer of the Bank. “Our Board, Management and Staff are focused on establishing realistic goals consistent with the objectives of our Shareholders. As we continue to grow, increase profit and deliver value to our customers, we prove that we are meeting those goals and are a sustainable successful venture that our Shareholders can be proud to own.”

“I am pleased that while continuing with our branch expansion and the transition to our own banking platform, we also delivered an increase in the financial performance of the Bank,” said Mr. Martell.

For the year ended October 31, 2010, loan volumes grew by 21.9% to \$195.3 million, with total assets increasing by 11.0% to \$295.8 million. Total deposits grew to \$239.9 million, an increase of \$22.5 million or 10.4% over prior year.

Net interest income grew by \$734 thousand to \$7.69 million with other income increasing by \$408 thousand to \$2.87 million. This resulted in net interest and other income increasing to \$10.2 million, an improvement of \$1.1 million or 12.1% over prior year. The strong results offset the year over year increase in non interest expense of \$848 thousand which resulted in income before taxes increasing by 21.4% to \$1.44 million. The increase in non-interest expenses was expected with the Bank opening its seventh full service branch in Iqaluit, Nunavut (June 2010). Net income increased by \$152 thousand to \$958 thousand, an improvement of 18.9% over prior year.

“Bank results for fiscal 2010 are very positive as they continue to reflect our growing presences in the Aboriginal marketplace,” said Arden Buskell, President and Chief Operating Officer. “The opening of our branch in Iqaluit is a key highlight in 2010 that underscores our Bank’s goal of addressing the financial services needs of Aboriginal people across Canada.”

About First Nations Bank of Canada:

First Nations Bank of Canada is a domestic, federally chartered bank with branches in Saskatchewan, Ontario, Manitoba, Yukon, Nunavut and Quebec, and executive offices in Saskatoon, Saskatchewan. The Bank offers a full range of personal and business banking services with a primary focus on Aboriginal customers. First Nations Bank was founded in 1996.

The Bank's Aboriginal shareholders include groups from Nunavut, Northwest Territories, Yukon, Saskatchewan, Manitoba and Quebec who together own 80.1% of the Bank. Our Aboriginal shareholders are progressive like-minded organizations, culturally and linguistically diverse and are all respected leaders in their regional economies.

With the support of its Aboriginal shareholders, the Bank has demonstrated consistent growth and profitability. Bank services are available through a network of seven full service branches (three on reserve), three community banking centres and through all TD Canada Trust branch and electronic banking channels.

The Bank is a member of the Canada Deposit Insurance Corporation, the Canadian Payments Association and is an approved lender with Canada Mortgage and Housing Corporation.

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