

FIRST NATIONS BANK

OF CANADA

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FIRST NATIONS BANK OF CANADA REPORTS FINANCIAL RESULTS FOR FISCAL 2011

Saskatoon, Saskatchewan, January 17, 2012 –First Nations Bank of Canada ("First Nations Bank") has again delivered strong financial results through continued focus on serving the financial service needs of the domestic Aboriginal market.

“For the 14th straight year, our total assets have grown; this year topping \$300 million,” said Keith Martell, Chairman and Chief Executive Officer of the First Nations Bank. “Growth is coming from both our long standing and our newly established branches, including our newest branch in Iqaluit, Nunavut. Our branch in Iqaluit has displayed in its first full year of operations the kind of growth that we expected from that market,” said Mr. Martell.

“We have grown our deposit and loan volumes, increased our profitability while at the same time investing in branches, infrastructure and people” said Mr. Martell. “Steady profitable growth of the Bank and low loan losses, will continue to drive positive shareholder return.”

Net income for the year ended October 31, 2011 increased by \$320 thousand to \$1.27 million, an improvement of 33.4% over last year. Net interest and other income increased to \$11.5 million, an improvement of \$1.3 million (12.8%) over the prior year while business growth and expanded branch operations (Iqaluit, Nunavut branch opened in June 2010) increased non-interest expense by \$904 thousand.

For the year ended October 31, 2011, loan volumes grew by 10.7% to \$216.1 million, while total assets increased by 8.2% to \$311.9 million. Total deposits grew to \$278.8 million, an increase of \$38.9 million or 16.2% over prior year.

“Good financial results occur when you have stable, knowledgeable staff who focus on what our Bank does best, lending to Aboriginal government, business and individuals,” said Arden Buskell, President and Chief Operating Officer. “As the Bank grows, we are more able to serve our customers, provide opportunities for our people and drive value for our shareholders.”

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 electronic banking and a network of seven full service branches (three on reserve) and three community banking centres.

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.

For more information contact:

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or visit;

www.firstnationsbank.com