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FOR IMMEDIATE RELEASE

49° North Announces Major Expansion Project

It has only been 5 short years since the completion of the massive Sunrise Basin project that included 19 new runs and a quad chairlift, and 2 years since new terrain was added on Angel Peak, but 49° North Mountain Resort is getting ready for yet another major resort expansion. The ski area announced today that they have acquired a new double chair for Angel Peak. Building the new Angel Peak lift is slated to begin next year, as is the construction of the Mid-Mountain Lodge and adding the finishing touches on the new North parking area. Work on the expansion is scheduled to begin during the summer of 2012 and should be completed prior to the start of the 2012-13 ski & snowboard season.

Washington Trust Bank, a long-time supporter of the ski area and the community, is working with the resort to provide funding for the expansion, which is one of the 5 phases of the resort's \$15 million Master Plan that was developed in partnership with the United States Forest Service in 2006.

"We are extremely pleased to be able to get this project going with private funding, and to partner with the United States Department of Agriculture," said John Eminger, President & CEO of 49° North.

The initial construction phase of the project will employ approximately 12 people, and the resort expects to add an additional 6-8 employees to work as lift operators on the Angel Peak chair and food and beverage handlers at the mid mountain lodge. Adding the new chair lift and lodge will also serve to increase annual skier visits to the resort, which will result in additional tax revenue for the state and county. Additionally, local businesses in Stevens and Pend Oreille counties should see more visitor traffic in their establishments as the number of snow sports enthusiasts travelling to the resort increases.

The Angel Peak chairlift is a fixed grip double chair and was purchased from Copper Mountain Resort, CO this spring, and is approximately 1,150 vertical feet with about 4,400 feet of slope length. A 200 horsepower drive station will be placed on the summit of Angel Peak, and the tensioning of the lift will be at the return terminal which will be located about 150 feet to the east of the bottom of Chair #4. In addition to the drive and return terminals, the new chairlift will have approximately 14 towers and will be the 4th longest of the 7 lifts owned and operated by 49° North. Once completed, the Angel Peak chairlift will be able to transport about 1,100 people per hour to the summit, with a ride time of just under 10 minutes. Installation of the Angel Peak chair lift will begin during the summer of 2012. Trail construction on Angel Peak was started in August of 2009, and included the addition of 7 runs and nearly 200 acres of glade terrain. For the last 2 years, access to the upper reaches of Angel Peak has only been possible by those willing to make a 10-15 minute hike from the intersection of Lost Dutchman and the 4800' Road. With the new chair in place, skiers and riders will have nearly unlimited access to some of the finest terrain 49° North has to offer.

"The upper half of Angel Peak has, for the most part, seen very little traffic over the last 2 seasons," said Brad Northrup, Director of Sales and Marketing. "Obviously, adding a chairlift to the summit of Angel Peak will change that dynamic entirely. The new chairlift will give skiers and riders a great opportunity become familiar with the new terrain, but it will also spread folk out a bit more across the entire mountain," said Northrup.

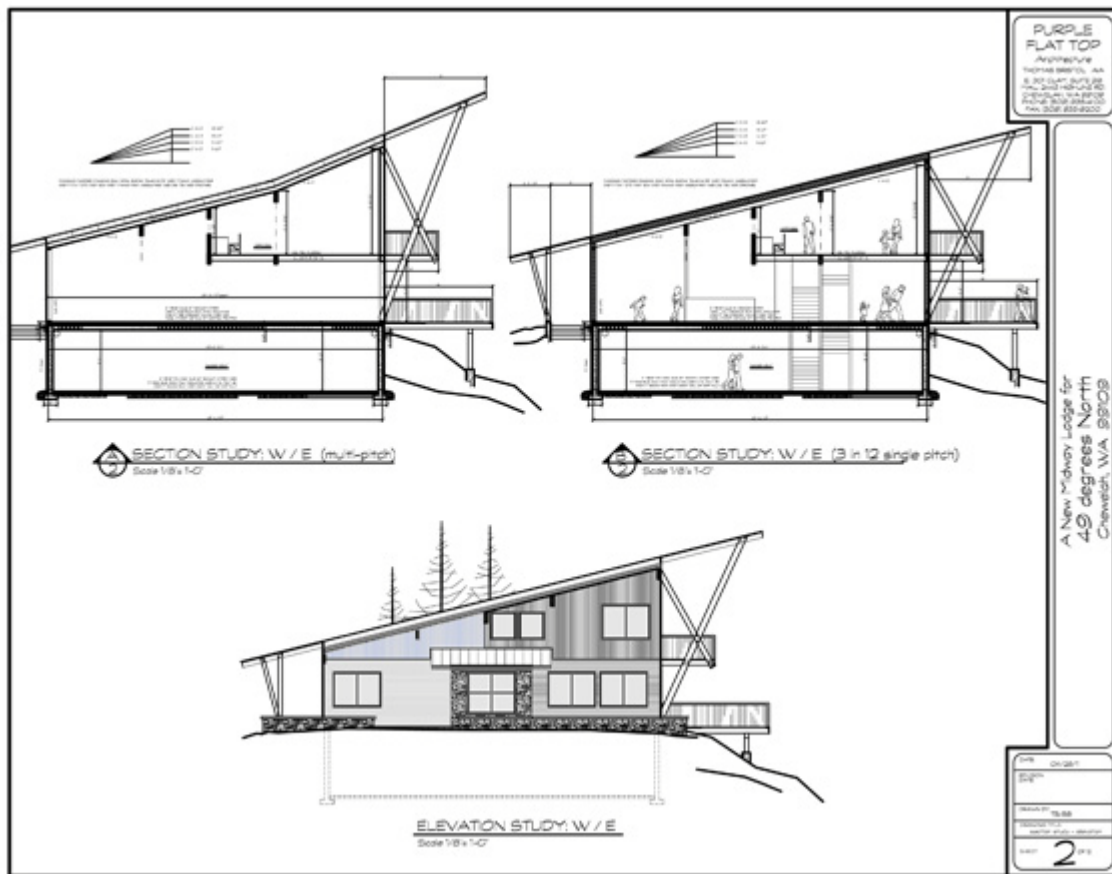
The Angel Peak project area sits adjacent to the proposed Quartzite Wilderness Area, the southern-most unlogged drainage in the Colville National Forest. Gazing into this rugged area, one can see massive stands of old-growth Douglas fir, ponderosa pine, western hemlock, and western cedar. Needless to say, the sight is breath-taking.

"We are incredibly fortunate to have a proposed wilderness area right next to the resort," said Eminger. "From

the top of Angel Peak, our guests will have the opportunity to view one of the most pristine ecosystems in the Colville National Forest, and hopefully folks will take interest in this amazing resource. We could not be more supportive in the effort to have this space designated as wilderness," said Eminger.

The new Mid-Mountain Lodge will be located at the top of the Blastface and Silver Ridge trail junction, overlooking the Pend Oreille valley and the East Basin. The facility will be two stories, and includes easy access from Silver Ridge, a heated deck, a meeting area in the day-light basement, indoor restrooms with handicap access, a dining area with in-floor heating, a first aid room, a great menu that will include beer and wine, and stunning views of the Sunrise Basin and the surrounding mountains of Northeast Washington. After reviewing several architectural designs, 49° North's management team has selected a design that is both efficient and aesthetically pleasing to guests (see sketch below).

"Having a satellite lodge in place up on the mountain will not only provide our guests with convenient food and beverage service in a beautiful setting, but should also take pressure off of the base area lodge during busy weekends and holidays," said Eric Bakken, 49° North's Mountain Manager.



View of Mid Mountain Lodge from upper Silver Ridge, facing East from the top of Blastface

The new North parking lot was cleared as part of the 2009 Angel Peak terrain expansion project, and is located just west of the ski area entrance road across from the Nordic Center. The summer of 2012 will witness the final construction phase of the lot. Once finished, the new 5 acre North parking lot will be capped with crushed rock and will accommodate an additional 640 cars. For the 2012-13 ski and snowboard season, guests parking in the North lot will be shuttled to the Calispel Creek lodge via the existing ski area shuttle service. Due to the resort's popularity, a small portion of the new North lot was used to handle a massive volume of vehicles during the 2010-11 season.

Celebrating 75 years of skiing tradition this next season, 49° North Mountain Resort is Washington State's 2nd largest ski & snowboard resort, and is located 10 miles east of the town of Chewelah in the Colville National Forest. President Teddy Roosevelt created the Colville Forest Reserve on March 1, 1907, midway through his

second term in office. Presently, the Colville National Forest has 1.1 million acres in north eastern Washington and includes the Kettle River, Selkirk mountain ranges, and the upper reaches of the Columbia River. Residents and visitors enjoy the Colville National Forest's wild huckleberries, camping, hiking trails (486 miles), OHV trails, mountain biking, horse trails, lakes, rivers, and streams. The forest also boasts exciting wildlife such as the grizzly and black bears, cougars, bald eagles and the last remaining herd of mountain caribou in the U.S.

"We are very fortunate to be able to operate a business in such a beautiful setting, and we are optimistic that the expansion project will not only bring additional dollars to our local economy, but a sense of appreciation for our outdoor resources as well," said Eminger. "Conducting business with this type of philosophy is what has made us successful in the past, and should prove to be successful in the future as we move forward with additional expansion projects."