

Arctic Beverages Purchased by Three Successful Aboriginal-Owned Organizations

Winnipeg, MB. Athabasca Basin Development, Prince Albert Development Corp, and Paskwayak Business Development announced today that they have entered into an agreement to purchase Arctic Beverages, a Pepsi franchise company servicing Northern Manitoba, portions of Northern Saskatchewan, Northwestern Ontario and Nunavut.

The three successful Aboriginal-owned companies have formed a strong governance team with years of management and leadership experience that will work closely with Arctic's management and employees. Marv Tiller, a former CEO of Northwest Company, has initiated and completed a large portfolio of acquisitions and investments throughout his career, and will bring his expertise as the new Board Chair of Arctic Beverages. Tiller, who oversaw the purchase of Arctic Beverages in the early 90s, is very familiar with the company. "The new ownership is a natural fit and brings a lot to the table for Arctic," says Tiller. "The collective team's experience and expertise, capital resources, and strong track records of success will bring renewed strength to the company and will help grow Arctic Beverages to new levels of success."

Existing management and employees will continue to operate the business as usual, and in addition to the existing team, a CEO position has been created to lead the company. Sean Post, who previously led Arctic Beverages for eight years, will be returning as Arctic's CEO. It was during Post's time that the company expanded its territory to include over 20% of Canada, diversified its product line, and received multiple awards from Pepsi. "I am excited to be returning to Arctic Beverages and working with the excellent team that is in place," says Post. "Over the years, Arctic Beverages has enjoyed excellent relationships with its customers, as we not only provide them with quality in-demand products, but we also have a unique understanding of the logistics involved in supplying our products to northern locations. The new ownership really understands the market we serve, and is well equipped to work with us to grow this company."

"We have enjoyed a successful relationship with Arctic Beverages for many years," says Richard Glover, President, PepsiCo Beverages Canada. "Arctic Beverages has always held a proud position as Canada's only First Nations owned Pepsi franchise and we're very pleased that they'll continue to build on this rich legacy. We were impressed by the results achieved by these three First Nations investment companies, and we believe that the new ownership and governance of Arctic Beverages will enable the organization to continue serving as a great PepsiCo partner for many years to come."

Athabasca Basin Development, an investment company owned by the seven Athabasca communities in Northern Saskatchewan, will be one of the new owners of the company. "Our three groups form a very solid partnership who share a strong commitment to Arctic Beverages' long term success," says Geoff Gay, CEO of Athabasca Basin Development. "As owners of numerous successful companies, all three of our organizations' shareholders have a true understanding of the challenging logistics in Northern Canada. I am confident that the experienced management team and governance structure, along with the collective financial capacity of all three owners, will restore confidence in Arctic's customers, suppliers and employees, and we look forward to pursuing opportunities to grow this company to its full potential."

The acquisition is subject to final approval of the Manitoba Court, which is expected to be received on May 12, 2014.

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About Arctic Beverages

Arctic Beverages is the only First Nations owned Pepsi franchise in Canada. Since its formation, the company has expanded to become a distributor of Frito Lay, Canada Bread, Jack Links, Nestle Ice Cream, Parmalat, and Pepsi. Arctic Beverages has customers throughout Northern Manitoba, portions of Northern Saskatchewan, Northwestern Ontario and Nunavut, and has an in-depth knowledge of the northern Canadian market and the local distribution infrastructure. Arctic Beverages has been named Pepsi's Canadian Bottler of the Year three times since 1998 and was the North American Bottler of the Year in 2007.

About Athabasca Basin Development

Athabasca Basin Development is an investment company committed to building and investing in successful businesses. Owned by the seven communities in northern Saskatchewan's Athabasca Basin, the aboriginal-owned company has grown to include complete or partial ownership in eleven companies providing a wide range of services. The company has grown exponentially since its establishment in 2002, with recent consolidated revenues of over \$145M, and a current book value of over \$65M. With a focus on wealth creation and reinvestment, an experienced management team, no debt, and a strong balance sheet, Athabasca Basin Development is well positioned to continue to acquire, build and grow successful businesses.

About Prince Albert First Nation Business Development Limited Partnership (PADC)

PADC is the business development division of the Prince Albert Grand Council (PAGC), representing twelve First Nations in northern Saskatchewan. Established in 1984, PADC today has a book value of over \$20M, carries no debt, and holds a number of business investments in various industries, including aviation, hospitality (hotels), manufacturing, camp services, and real estate.

About Paskwayak Business Development (PBDC)

Founded in 1987, PBDC is the commercial holding company owned by the Opaskwayak Cree Nation (OCN) located in the trading areas of The Pas and Flin Flon, Manitoba. PBDC plans and implements commercial developments and business investment initiatives and controls short and long term growth of business portfolios. Current portfolios include eleven companies in retail outlets, service outlets, property management, and construction, with consolidated revenues of nearly \$39M.

About PepsiCo Beverages Canada

PepsiCo Beverages Canada (PBC), a business unit of PepsiCo Canada ULC, manufactures, distributes, markets and sells a broad range of beverages. Employing approximately 5,000 associates across the country, PepsiCo Beverages Canada's beverage portfolio of brands includes Pepsi, Diet Pepsi, 7UP, Aquafina, Lipton, Tropicana and Gatorade.

