

NEWS RELEASE

October 14, 2009

PrimeWest Mortgage Investment Corporation - Completes Private Placement

Saskatoon - **PrimeWest Mortgage Investment Corporation ("PrimeWest")**, a Saskatchewan based mortgage investment corporation, announced today that effective October 9, 2009 it completed a brokered private placement of 100,900 Class A Shares of PrimeWest (the "**Shares**") for a total subscription price of \$1,009,000 (the "**Subscription Price**") with Paradigm Portfolio Management Corporation ("**Paradigm**"), of Saskatoon, Saskatchewan. Paradigm received a commission of 5% on the sale of the Shares (i.e. \$0.50 per Share) for an aggregate commission of \$50,450.

The Shares are subject to a four-month hold period, expiring on February 10, 2010.

The net proceeds raised under the private placement will be used primarily for the purpose of making loans secured by mortgages on real property primarily located in Saskatoon and Regina, Saskatchewan.

About PrimeWest Mortgage Investment Corporation

PrimeWest is based in Saskatoon, Saskatchewan, and is the only mortgage investment corporation in the Province of Saskatchewan funded by a public offering. PrimeWest is a reporting issuer in the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba and Ontario. The securities of PrimeWest are not listed or posted for trading on any exchange.

Launched in October 2005, PrimeWest has raised over \$13.5 million in capital through a combination of public and private equity placements, providing an average three year return of 8.17%, and has in excess of 400 beneficial shareholders across western Canada and Ontario.

Overseen by an experienced Board of Directors representing many sectors within the real estate and investment industries, PrimeWest offers a steady quarterly income, the security of a mortgage-based investment, low volatility, RRSP eligibility and an attractive alternative to income trusts.

FOR FURTHER INFORMATION CONTACT:

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