



IT PAYS TO BELONG

EASTALTA CO-OP LTD.

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Administration: 780-853-5335 Fax: 780-853-6563

Serving Over 14,000 Members

The Mission of Eastalta Co-op Ltd is to improve the economic position and quality of life of it's member-owners.

May 11, 2011

To our Members and Customers:

A New Focus for Eastalta Co-op in Vermilion

In keeping with our mission statement, we continually evaluate the performance of each of our operations in an effort to maintain a financially sound co-operative that can be of economic benefit to our member-owners. In order for us to move ahead successfully we have to make sure that we are invested in profitable and sustainable operations.

Eastalta Co-op has been operating a Food Store, Gas Bar, Bulk Petroleum, Hardware Store and Furniture Store in Vermilion for a number of years. Although competition and economic circumstances have impacted all our operations to an extent, the Food Store, Gas Bar and Bulk Petroleum continue to be successful and sustainable.

The Hardware Store and Furniture Store have both seen sales decline and expenses increase to the point where they are operating at a loss and pose a financial strain on our organization. Both these buildings require significant upgrades and incurring these additional costs will result in further operating losses.

After carefully considering all pertinent factors, the Board of Directors and Management have made the difficult decision that the operational losses at the Vermilion Furniture and Hardware Stores can no longer be absorbed by our other operations.

The Vermilion Furniture Store property will be sold, inventory liquidation will begin immediately and the Store will close by June 14, 2011. The new owner is planning to redevelop this facility for a new retail venture.

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The Vermilion Hardware Store inventory liquidation will begin immediately and the store will be closed when the inventory has been depleted. The building will be removed to allow us to move ahead with expansion and renovation plans for the Vermilion Food Store as well as improving parking for our Food Store customers.

Our employees in the Furniture Store and Hardware Store have worked hard to improve the results in each of these stores and are to be commended for their dedication. We will make every effort to find employment elsewhere in our organization for these individuals.

We want to thank all our members who have supported our Hardware Store and Furniture Store in Vermilion over the years. We are confident that the decision to discontinue these operations is in the best interest of our membership and the long term viability of our co-operative.

Please visit these stores to take advantage of the opportunity to purchase merchandise at significantly reduced prices as we proceed with the inventory liquidation. **Effective immediately all merchandise will be sold at 25% off the regular price at both the Vermilion Furniture Store and Hardware Store!**

We will continue providing Food and Petroleum products in Vermilion with a focus on product quality, personalized service, convenient facilities, competitive pricing, community support and an ongoing Equity and Cash Back program. We believe that Eastalta Co-op has a bright future in Vermilion as we focus on those operations that can help us move ahead as a financially sound co-operative working for your community.

Eastalta Co-op is owned by local members in the communities of Wainwright, Vermilion, Mannville, Dewberry and surrounding areas. In addition to the operations in Vermilion, Eastalta Co-op also operates a Food Store, Home Centre, Gas Bar and Cardlock in Wainwright as well as Food Stores in Mannville and Dewberry.

Co-operatively,


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You can also find us on Facebook by searching for "Eastalta Co-op Ltd" or visit our website at www.eastalta.com

Eastalta Co-op . . . We're Moving Ahead!