



# All in West!

## Capital Corporation

### **ALL IN WEST! CAPITAL CORPORATION PROPOSES RIGHTS OFFERING**

Winnipeg, Manitoba (May 27, 2009) All in West! Capital Corporation (the "Corporation") (TSX-V: ALW) announced its intention to raise additional funds from its shareholders ("Shareholders") pursuant to a proposed rights offering of senior convertible debentures (the "Proposed Rights Offering"), subject to receipt of all regulatory approvals.

As a result of various factors, including a dramatic downturn in natural gas prices, the negative consequences of a new royalty tax regime applicable to natural gas drilling operations in Alberta, a general reduction in tourism in Alberta, and the recent general economic downturn, the occupancy levels at the Corporation's hotels, and the revenues of the Corporation, have been significantly impacted. While the Corporation was only slightly cash flow negative for the three-month period ended March 31, 2009, the Corporation has been significantly cash flow negative since March 31, 2009. As a result, the Corporation determined that it was appropriate to include a "going concern" note in its interim financial statements for the three-month period ended March 31, 2009.

Management and the board of directors of the Corporation have identified an immediate and urgent need to raise additional funds and have determined that it is in the best interests of the Corporation to conduct the Proposed Rights Offering.

The Proposed Rights Offering is subject to the approval of the TSXV and applicable securities regulatory authorities. While the Corporation believes that the terms and conditions of the Proposed Rights Offering will be as set forth in the summary below, such terms and conditions are subject to change. There can be no assurance that the Proposed Rights Offering will be approved by the TSXV and applicable securities regulatory authorities on the terms and conditions described herein or at all. The definitive terms of the Proposed Rights Offering will be set forth in the applicable offering document to be delivered to shareholders. The Corporation will disseminate a news release disclosing the terms and conditions of the Proposed Rights Offering once such terms and conditions are settled.

The Corporation will propose to carry out the Proposed Rights Offering on the following terms and conditions:

#### ***Number of Rights to be Granted***

One right will be granted to shareholders on the basis of one right for each issued and outstanding common share. There are 17,266,881 common shares issued and outstanding on the date hereof.

#### ***Securities Entitled to be Purchased***

Every one hundred (100) rights will entitle the holder thereof to purchase senior convertible debentures ("Senior Convertible Debentures") in the aggregate principal amount of \$15.00.

The Senior Convertible Debentures will be a direct obligation of the Corporation, will bear interest at a rate of 8% per annum (or such other interest rate as may be required and approved by the TSXV and/or applicable securities regulatory authorities) and will rank senior to the Corporation's outstanding Series A convertible debentures and Series B convertible debentures. The Senior Convertible Debentures will be convertible into Shares at a price of \$0.05 per Share (or such higher amount as may be required by the TSXV and applicable securities regulatory authorities).

### ***Rights Offering Record Date***

The record date for the Proposed Rights Offering will be determined following the approval of the Proposed Rights Offering by the TSXV and applicable securities regulatory authorities. There can be no assurance that the TSXV and applicable securities regulatory authorities will approve the Proposed Rights Offering on the terms and conditions set forth herein or at all.

### ***Expiry of Exercise Period***

Shareholder will be given a period of not less than 21 calendar days to exercise their rights. The exercise period will be set forth in the offering document.

### ***Subscription Privilege***

Shareholders will be provided with a basic subscription privilege which will entitle them to subscribe for Senior Convertible Debentures on a pro rata basis based upon the number and percentage of Shares owned by them on the Rights Offering Record Date. Shareholders will be provided with an additional subscription privilege which will entitle them to subscribe for additional Senior Convertible Debentures in the event that less than all of the Shareholders exercise their rights.

### ***Maximum Number of Senior Convertible Debentures to be Issued***

Based upon the number of Shares outstanding on the date hereof, the maximum principal amount of Senior Convertible Debentures which may be purchased pursuant to the exercise of rights will be \$2,590,050.

To the knowledge of the Corporation, on the date hereof, the persons who beneficially own, directly or indirectly, or exercise control or direction over the largest number of Shares are: (i) First Nations Financial Services Inc. ("FNFS"); (ii) Allan McLeod, the Chief Executive Officer of FNFS and a director of the Corporation; (iii) Cornelius Martens and his associates; and (iv) Armin Martens and his associates. TSXV policies generally require that listed issuers obtain the approval of shareholders with respect to a person who becomes, or may become, a "control person" of the listed issuer. A control person is a person or group of persons who owns more than 10% of all outstanding shares. At its upcoming annual and special meeting of Shareholders to be held on June 19, 2009, the Corporation will seek: (i) disinterested Shareholder approval of each of FNFS and the FNFS Officer as a control person of the Corporation in the event that FNFS acquires beneficial ownership of, or the FNFS Officer acquires control or direction over, a sufficient number of securities of the Corporation to become a control person(s) of the Corporation; and (ii) disinterested Shareholder approval of either or both of: (i) Cornelius Martens, President and Chief Executive Officer of the Corporation, and his associates; and (ii) Armin Martens, a director of the Corporation, and his associates, as a control persons of the Corporation in the event that they become control persons of the Corporation.

### ***Use of Proceeds***

The Corporation intends to use the proceeds of the Proposed Rights Offering for working capital and to allow the Corporation to meet all of its ongoing obligations and commitments with respect to the properties. If sufficient proceeds are raised, the Corporation may use a portion of the funds to convert the Black Bear Inn hotel property into a franchised hotel property.

### ***Outlook***

During the fourth quarter of 2008, the Canadian economy fell into a recession along with most of the world. The financial markets declined severely and the prospect of growth for the economy in 2009 is considered very slim. The Bank of Canada has forecast that the Canadian economy will rebound in the fourth quarter of 2009. However, much uncertainty remains. The four hotels in the Corporation's portfolio are located in Northwestern Alberta. Their performance is heavily influenced by the local economic activity, specifically the exploration and drilling for commodities, primarily natural gas. However, this economic activity is linked to demand for such commodities, which has weakened dramatically as a result of the current global recession. As a result, it is anticipated that the Corporation will continue to experience lower occupancies and revenues throughout 2009. In the short term, this year's "Spring

Breakup" (a term used by participants in the oil and gas industry to describe the period of time when the terrain is no longer frozen but not yet dry and when road bans are in place, making it difficult for crews to work) is expected to be particularly weak. However, a rebound is expected during the summer tourism season. A global economic rebound is expected by both the Bank of Canada and the Organization for Economic Co-operation and Development (OECD) for 2010. On March 3<sup>rd</sup>, 2009, the Alberta government announced an incentive program to stimulate its energy sector. These lend to optimism that in the medium and long term horizons, demand for natural gas and the corresponding demand for lodging will return to previously experienced levels.

For further information, contact Mr. Cornelius Martens, President and Chief Executive Officer, or Cornelius William Martens, Investor Relations, Tel: (204) 947-1200.

*The TSX Venture Exchange has not reviewed or approved the contents of this press release and does not accept responsibility for the adequacy or accuracy of its contents.*

*This press release contains forward-looking statements. All statements other than statements of historical fact contained herein are forward-looking statements, including, without limitation, statements regarding future financial position, business strategy and plans and objectives of or involving the Corporation. Prospective investors can identify many of these statements by looking for words such as "believe", "expects", "will", "intends", "projects", "anticipates", "estimates", "continues" or similar words or the negative thereof. There can be no assurance that the plans, intentions or expectations upon which these forward-looking statements are based will occur. Forward-looking statements are subject to risks, uncertainties and assumptions. Although management of the Corporation believes that the expectations represented in such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. Some of the factors and risks which could affect future results and could cause results to differ materially from those expressed in the forward-looking statements contained herein include the impact of general economic conditions, industry conditions, interest rate fluctuations, tax-related risk factors, governmental regulation, environmental risks, competition from other industry participants, stock market volatility, the ability to access sufficient capital from internal and external sources and the risk of fluctuation and variation in actual operating results, which variation may be material. The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included herein are made as of the date of hereof and the Corporation does not undertake any obligation to publicly update such forward-looking statements to reflect new information, subsequent events or otherwise, except as expressly required by applicable securities laws.*