

Newcap signs agreement to acquire 12 radio licences in Ontario

DARTMOUTH, NS, July 28 /CNW/ - Newfoundland Capital Corporation ("NCC" or the "Company") (TSX: NCC.A, NCC.B) is pleased to announce that its wholly-owned subsidiary, Newcap Inc., has entered into an agreement to acquire 12 FM radio broadcasting licences in Ontario from Haliburton Broadcasting Group Inc. for \$18.95 million, subject to approval from the Canadian Radio-television and Telecommunications Commission ("CRTC"). The assets include stations in Muskoka, North Bay and Timmins, Ontario.

President and Chief Executive Officer Rob Steele comments: "This group of licences is the most significant geographical expansion for Newcap since 2002, and considerably expands our reach in Ontario. It meets all of our investment criteria and gives us a presence in growing markets. There is potential for growth and we expect the licences to be cash accretive in the short term. We are very pleased to add Haliburton's skilled radio professionals to Newcap's team and look forward to enhancing our presence in these markets."

About Newfoundland Capital Corporation Limited

Newfoundland Capital Corporation Limited (TSX: NCC.A, NCC.B) is one of Canada's leading radio broadcasters with 76 licences across Canada. The Company reaches millions of listeners each week through a variety of formats and is a recognized industry leader in radio programming, sales and networking.

%SEDAR: 00002995E

-30-

/For further information: REF: Robert G. Steele, President and Chief Executive Officer; Scott G.M. Weatherby, Chief Financial Officer and Corporate Secretary, Newfoundland Capital Corporation Limited, 745 Windmill Road, Dartmouth, Nova Scotia B3B 1C2, Tel: (902) 468-7557, Fax: (902) 468-7558, e-mail: investorrelations@ncc.ca, Web: www.ncc.ca/