

Attention Business/Entertainment Editors:
Newfoundland Capital Corporation signs agreement to purchase Red Deer,
Alberta Radio Stations

DARTMOUTH, NS, Jan. 21 /CNW/ - Newfoundland Capital Corporation ("NCC" or "Company") (TSX: NCC.SV.A, NCC.MV.B) announced today that its wholly-owned subsidiary, Newcap Inc., has signed an agreement to purchase CIZZ-FM and CKGY-FM radio broadcast licences in Red Deer, Alberta from Corus Entertainment Inc., pending approval from the Canadian Radio-television and Telecommunications Commission (CRTC). This demonstrates the Company's continued commitment to growing its broadcast network through acquisitions in strategic markets. The purchase price is \$9.0 million subject to adjustment in accordance with the purchase and sale agreement.

Newfoundland Capital Corporation has a strong presence in Alberta, already serving 22 communities in the province. Red Deer is the third largest city in Alberta and is an important base for the growing provincial economy. These radio stations are the market leaders and the highly dedicated employees have built exceptional goodwill in the community.

"We are very pleased with this acquisition for Newfoundland Capital," says Rob Steele, President and Chief Executive Officer of NCC. "Our objective is to consolidate radio stations and build a national radio network. Not only does this purchase build our presence in Alberta, these assets are accretive to our shareholder value."

About Newfoundland Capital Corporation Limited

Newfoundland Capital Corporation Limited (TSX: NCC.SV.A, NCC.MV.B) is one of Canada's leading small and medium market radio broadcasters with 65 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.

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CO: Newfoundland Capital Corporation Limited

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