



NEWS RELEASE

TRINORTH CAPITAL ANNOUNCES PRIVATE PLACEMENT AND REORGANIZATION

TORONTO, July 19, 2007 – TriNorth Capital Inc. (“TriNorth”) announces that it has engaged Cormark Securities Inc. (as lead agent), Canaccord Capital Corporation, CIBC World Markets Inc. and GMP Securities L.P., (“the Agents”) as agents for a best efforts, private placement of special warrants to be sold by offering memorandum. The Offering is expected to be in an amount of up to \$40 million.

Each special warrant will be exercisable into one common share and one common share purchase warrant for no additional consideration. The offering price of the special warrants and the exercise price of the common share purchase warrant are to be determined in negotiations between TriNorth and the Agents. The financing, which is subject to regulatory and shareholder approval, is expected to close on or about August 15, 2007. The proceeds from the special warrant financing will be held in escrow pending completion of the reorganization and shareholder approval described below.

TriNorth has called a special meeting (the “Meeting”) of its shareholders for August 30, 2007 to approve this financing, as well as a reorganization under which all of TriNorth’s assets and liabilities will be transferred into a new wholly-owned subsidiary (“Newco”) and the shares of Newco will be distributed to TriNorth shareholders. Existing TriNorth shareholders will hold shares of both TriNorth and Newco. Holders of special warrants will not be entitled to the distribution of Newco shares. A management information circular Meeting is expected to be mailed on or before August 3, 2007. It is expected that a record date for the distribution will be fixed in early September, once shareholder approval is obtained.

In addition, all of the present directors other than John Pennal will resign upon the reorganization becoming effective and will be replaced by a new slate of directors to be voted on at the Meeting. The new board will include three independent directors.

As part of the reorganization, TriNorth proposes to change its business strategy, subject to TSX approval, to invest in Canadian public companies, near public companies, global venture capital initiatives and certain commodities. To that end, TriNorth has engaged Lawrence Asset Management Inc. (“Lawrene”) as its investment manager following completion of the reorganization and financing. The appointment of Lawrence is conditional on the completion of the reorganization and the closing of the financing.

Lawrence Asset Management Inc. is a performance-oriented investment firm that manages a growing family of alternative investment funds designed to deliver a combination of capital

appreciation and yield in a tax efficient manner. The Lawrence Partners Fund, a multi-strategy hedge fund managed by Lawrence has earned a compound return of 79.0% since inception in July 2004.

The revitalized TriNorth will be in a better position to utilize the approximate \$140 million of tax pools.

Newco will continue to carry on the business currently carried on by TriNorth, and expects to file a prospectus or seek an exemption order so that the Newco shares are freely tradable. Newco will also explore listing its shares on the TSXV or NEX Canada.

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