



PRESS RELEASE

For Immediate Release

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AltaPacific Bank Announces Continued Profitability and Performance Results for Period Ending September 30, 2010

SANTA ROSA, Calif. – (BUSINESS WIRE) – October 21, 2010 - AltaPacific Bank (OTCBB: ABNK) today reported its ninth consecutive quarter of increased earnings. The bank reported net income for the quarter totaling \$260,000 and year-to-date net income totaling \$658,000 for the period ending September 30, 2010, respectively.

Assets totaled \$78,969,000 at September 30, 2010, representing a decrease of 9.8% over June 30, 2010 and an increase of 2.4% over September 30, 2009. At September 30, 2010, the bank's net loans totaled \$55,278,000 representing a 8.0% decrease over June 30, 2010 and a 1.1% increase over September 30, 2009. Deposits totaled \$51,841,000 at September 30, 2010 representing a 10.0% decrease over June 30, 2010 and a 0.7% increase over September 30, 2009. Included in the change in total deposits is a decrease in Certificates of Deposit totaling \$6.1 million (32.1%) and \$6.6 million (33.7%) for the quarter and twelve month period ending September 30, 2010, respectively.

At September 30, 2010, the bank's Allowance for Loan and Lease Losses totaled \$1,323,000 and represented 2.34% of Gross Loans. At September 30, 2010, all of the bank's loans were performing and there were no loans past due in excess of 30 days. In addition, the bank's total Risk-Based Capital Ratio totaled 40.7% at September 30, 2010, which substantially exceeds the 10% minimum ratio for a well capitalized institution. The bank's regulatory capital ratios continue to be among the highest of any commercial bank operating in California.

"Many of our real estate clients have been able to successfully complete and sell their projects," reported Allen R. Christenson, the Bank's Chief Financial Officer. Continuing, Mr. Christenson stated, "With the prolonged difficulties in our economy, clients are electing to delay new construction projects. As these events resulted in a net decrease in loans, management implemented measures which resulted in a corresponding decrease in Certificates of Deposit."

"We continue to exercise discipline and patience in implementing our business strategy," reported Charles O. Hall, the bank's President and Chief Executive Officer. Continuing, Mr. Hall stated, "We feel we are well positioned for potential opportunities as we plan for our future and continue our search for appropriate acquisition targets."

The company recently received final regulatory approval regarding the formation of AltaPacific Bancorp. The formation process is expected to be completed within the next 30 days. Furthermore, on October 15, 2010, the bank received approval to become a member of the Federal Reserve System.

AltaPacific Bank is an independent business bank headquartered in Sonoma County. The bank is focused on meeting the specialized needs of small to medium-sized businesses and professionals. AltaPacific Bank is located at 3725 Westwind Blvd., Suite 100, Santa Rosa, California and is near the Charles M. Schultz – Sonoma County Airport. For additional information, please contact us at (707) 236-1500 or online at www.apbconnect.com.



The following is a summary of the bank's financial performance (unaudited) as of September 30, 2010:

<i>(Dollars in thousands)</i>	September 30, 2009	June 30, 2010	September 30, 2010
Gross Loans	\$ 55,828	\$ 61,470	\$ 56,601
Allowance for Loan Losses	1,169	1,411	1,323
Net Loans	54,659	60,058	55,278
Total Deposits	51,457	57,599	51,841
Total Assets	77,130	87,578	78,969
Shareholder's Equity	25,011	25,849	26,470

<i>(Dollars in thousands)</i>	Three Month Period Ended		Nine Month Period Ended
	June 30, 2010	September 30, 2010	September 30, 2010
Interest Income	\$1,472	\$1,354	\$ 4,274
Interest Expense	133	126	393
Net Interest Income	1,339	1,228	3,881
Provision for Loan Losses	275	125	685
Noninterest Income	4	2	8
Noninterest Expense	959	945	2,846
Income Tax Benefit	100	100	300
Net Income	208	260	658

This press release includes forward-looking statements that involve inherent risks and uncertainties. AltaPacific Bank cautions readers that a number of important factors could cause actual results to differ materially from those in the forward-looking statements. These factors include economic conditions and competition in the geographic and business areas in which AltaPacific Bank operates, inflation, fluctuations in interest rates, legislation and governmental regulation, credit quality, and competition affecting the bank's businesses generally; the risk of natural disasters and future catastrophic events including terrorist related incidents; and other factors beyond AltaPacific Bank's control. We make no promise to update any forward-looking statement, whether as a result of changes in underlying factors, new information, future events or otherwise.