



NEWS RELEASE

For Further Information

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Katahdin Bankshares Corp. completes preferred stock offering

Houlton Maine. Katahdin Bankshares Corp. (**OTCQX:KTHN**), parent company of Katahdin Trust Company, completed a private placement of \$10 million of non-cumulative perpetual preferred stock to StoneCastle Financial Corp. StoneCastle Financial Corp. is a closed-end management investment company established to make investments in community banks seeking capital for organic growth, acquisitions, share repurchases and other refinancing activities.

Established in 1918, Katahdin Trust Company has nearly \$640 million in assets and provides banking services to individuals and businesses from nineteen offices throughout Maine, and online at KatahdinTrust.com.

Katahdin Bankshares Corp. common stock is quoted on the OTCQX market under the symbol KTHN. Current stock information can be found at otcm Markets.com/stock/KTHN/quote.
