



PRESS RELEASE

For Immediate Release
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AltaPacific Bancorp Terminates Merger Agreement

SANTA ROSA, Calif. – (BUSINESS WIRE) – April 17, 2017 - AltaPacific Bancorp (OTCBB: ABNK), the parent company of AltaPacific Bank, announced today that they have terminated the Agreement and Plan of Reorganization and Merger, dated as of September 1, 2016 (the “Merger Agreement”) previously entered into among AltaPacific Bancorp and Commerce Bank of Temecula Valley (“Commerce Bank”). The decision to terminate the Merger Agreement was made after Commerce Bank’s shareholders did not approve the Merger Agreement at a special meeting of shareholders held on Friday, April 14, 2017. Likewise, a proposal that would have approved an adjournment of the meeting to allow for the solicitation of additional votes did not receive shareholder approval.

Charles O. Hall, Chief Executive Officer of AltaPacific, commented, “Our management team has a long history of successful mergers and we are certainly disappointed that Commerce Bank’s shareholders did not approve this merger. We continue to believe the combination created by the merger of AltaPacific and Commerce Bank would have served the best interests of both company’s shareholders. With the termination of the merger agreement, we will now focus on other potential merger and acquisition candidates while continuing to grow and develop our existing business relationships.”

As a result of the termination of the Merger Agreement, the election period for Commerce Bank shareholders to elect the form of merger consideration in the merger has also been terminated. All Commerce Bank shareholders who have already surrendered their original share certificates in connection with making an election, or who continue to submit original share certificates in connection with making an election, will have their original share certificates returned to them by the exchange agent.

AltaPacific Bancorp is the parent company for AltaPacific Bank. The Company’s stock trades over the counter under the symbol ABNK. AltaPacific Bank is an independent business bank headquartered in Santa Rosa, California and has additional banking offices in Covina, Ontario, Riverside and Temecula, California. The bank is focused on meeting the specialized needs of small to medium-sized businesses and professionals throughout California. For additional information, please contact us at (707) 236-1500 or online at www.apbconnect.com.

Forward-Looking Statements

This press release may contain forward-looking statements about AltaPacific Bancorp and its subsidiaries, including descriptions of plans or objectives of its management for future operations, products or services, and forecasts of its revenues, earnings or other measures of economic performance. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include the words "believe," "expect," "anticipate," "intend," "plan," "estimate," or words of similar meaning, or future or conditional verbs such as "will," "would," "should," "could," or "may." Forward-looking statements, by their nature, are subject to risks and uncertainties. A number of factors — many of which are beyond AltaPacific's control — could cause actual conditions, events or results to differ significantly from those described in the forward-looking statements. Factors that may cause actual results to differ materially from those contemplated by such forward-looking statements include, among others, the following possibilities: (1) competitive pressures among depository and other financial institutions may increase significantly; (2) revenues may be lower than expected; (3) changes in the interest rate environment may reduce interest margins; (4) general economic conditions, either nationally or regionally, may be less favorable than expected, resulting in, among other things, a deterioration in credit quality and/or a reduced demand for credit; (5) legislative or regulatory changes, including changes in accounting standards and tax laws, may adversely affect the businesses in which AltaPacific is engaged; (6) competitors may have greater financial resources and develop products that enable such competitors to compete more successfully than AltaPacific; and (7) adverse changes may occur in the securities markets or with respect to inflation. Forward-looking statements speak only as of the date they are made. Except as required by law, AltaPacific does not undertake to update forward-looking statements to reflect subsequent circumstances or events.