Press Release **For Immediate Release**

Golden Valley Bank Has Record Profits - Increase 12%

CHICO, Calif. - Golden Valley Bank (OTCBB: GVYB), headquartered in Chico, California reported its most profitable quarter and full year since the Bank's 2006 opening. The company earned $906,311 or ($0.44 per share) for the year ended December 31, 2011, up 12% from the $809,253 ($0.39 per share) earned in 2010. For the fourth quarter of 2011the company earned $313,690, up from $233,821 in the fourth quarter of 2010.

In 2011 the Bank recognized income taxes for the first time, an expense that it did not incur in 2010. For the full year, pre-tax income was $1,192,311, up 47% from the pre-tax figure for the same period in 2010.

The Bank's total assets were $110.7 million, up 9% from a year earlier. Deposits were $93.2 million, up 9% from December 31, 2010. Loans ended the year up 8% at $73.1 million compared to a year ago. The company has set aside over $1.5 million in loan loss reserves to protect it from future economic uncertainties. Golden Valley continues to be a well capitalized bank and far exceeds minimum regulatory requirements.

" 2011 was yet another good year for our Bank. We again exceeded virtually all of the budgeted goals we set for ourselves coming into this year," said President and CEO Mark Francis. "All of us sincerely appreciate the continuing support we have had from our customers and the community. I remain optimistic about the economic future of Chico and Redding, and our Bank," Francis continued.

Golden Valley Bank is a locally owned and operated commercial bank serving the needs of individuals and businesses in northern California. The Bank has a full service office in Chico, California and a Loan Production Office in Redding, California. For more information regarding the bank please call at (530) 894-1000 or visit www.goldenvalleybank.com.

Forward-Looking Statements
Statements concerning future performance, developments or events, expectations for growth and income forecasts, and any other guidance on future periods, constitute forward-looking statements that are subject to a number of risks and uncertainties. Actual results are pre-fiscal year-end audit and may differ materially from stated expectations. Specific factors include, but are not limited to, loan production, balance sheet management, expanded net interest margin, the ability to control costs and expenses, interest rate changes and financial policies of the United States government and general economic conditions. The Bank disclaims any obligation to update any such factors.

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Contact:
Golden Valley Bank
Mark Francis
530-894-4920
mfrancis@goldenvalleybank.com
www.MyGVBank.com

Golden Valley BANK

Balance Sheet

Consolidated

Unaudited	Actual Dec 2011	Actual Dec 2010	$ Change	% Change
Assets				
Cash and due from banks	2,958,020	1,543,513	1,414,507	91.6
Interest bearing deposits with banks	16,245,553	16,866,201	(620,648)	(3.7)
Investment Securities - Taxable	15,698,953	13,624,699	2,074,254	15.2
Investment Securities - Tax-exempt	1,065,029	924,048	140,981	15.3
Loans, net of unearned income	73,051,183	67,506,935	5,544,248	8.2
Less: Allowance for loan losses	(1,488,809)	(1,642,879)	154,071	9.4
Premises and equipment, net	763,694	823,005	(59,311)	(7.2)
Accrued interest receivable	310,322	241,462	68,859	28.5
Other real estate	324,000	-	324,000	-
Other assets	1,766,746	1,986,269	(219,523)	(11.1)
Total Assets	**110,694,691**	**101,873,254**	**8,821,438**	**8.7**
Liabilities				
Non-Interest Bearing Deposits	24,243,751	18,138,451	6,105,300	33.7
Interest bearing demand deposits	12,285,204	13,156,196	(870,992)	(6.6)
Savings and Money Market Deposits	39,851,586	37,851,909	1,999,677	5.3
Time Deposits - Retail	16,815,281	16,576,868	238,413	1.4
Total Deposits	93,195,821	85,723,424	7,472,398	8.7
Accrued expenses and other liabilities	947,079	739,820	207,259	28.0
Total Liabilities	**94,142,900**	**86,463,244**	**7,679,656**	**8.9**
Equity				
Common stock	15,447,804	15,435,818	11,986	0.1
Capital surplus	884,210	838,706	45,504	5.4
Retained earnings	(885,788)	(1,695,041)	809,253	47.7
Accumulated other comprehensive income (loss)	199,253	21,274	177,979	836.6
Net Income	906,311	809,253	97,059	12.0
Total Equity	**16,551,791**	**15,410,010**	**1,141,781**	**7.4**
Total Liabilities & Equity	**110,694,691**	**101,873,254**	**8,821,438**	**8.7**

Golden Valley BANK

Income Statement

Consolidated

Unaudited	YTD Actual Dec 2011	YTD Actual Dec 2010	$ Change	% Change
Interest Income				
Interest on Loans	4,391,346	4,061,802	329,544	8.1
Fees on Loans	73,973	86,895	(12,923)	(14.9)
Interest on deposits with banks	128,267	159,494	(31,227)	(19.6)
Investment Securities - Taxable	425,586	404,621	20,965	5.2
Investment Securities - Tax-exempt	37,496	12,801	24,695	192.9
Total Interest Income	5,056,667	4,725,614	331,054	7.0
Interest Expense				
Interest bearing demand deposits	14,659	15,970	(1,311)	(8.2)
Savings and Money Market Deposits	188,874	203,038	(14,164)	(7.0)
Time Deposits - Retail	149,718	182,290	(32,572)	(17.9)
Total Interest Expense on Deposits	353,251	401,298	(48,047)	(12.0)
FHLB Advances	-	1,040	(1,040)	(100.0)
Interest on other borrowings	133	8	124	1544.3
Total Interest Expense	353,383	402,345	(48,962)	(12.2)
Net Interest Income	**4,703,284**	**4,323,269**	**380,016**	**8.8**
Provision for loan losses	310,300	876,775	(566,475)	(64.6)
Net In. Inc. After Prov. for Loan Losses	**4,392,984**	**3,446,494**	**946,491**	**27.5**
Non Interest Income				
Service charges and fees	108,845	137,117	(28,273)	(20.6)
Securities gains (losses), net	1,122	206,033	(204,912)	(99.5)
Other noninterest income	265,593	516,221	(250,628)	(48.6)
Total Non Interest Income	375,560	859,372	(483,812)	(56.3)
Non Interest Expense				
Salaries and employee benefits	2,108,426	2,018,780	89,646	4.4
Occupancy	338,077	387,750	(49,673)	(12.8)
Other noninterest expense	1,129,730	1,090,083	39,647	3.6
Total Non Interest Expense	3,576,232	3,496,613	79,620	2.3
Income Before Taxes	**1,192,311**	**809,253**	**383,059**	**47.3**
Income taxes	286,000	-	286,000	-
Net Income	**906,311**	**809,253**	**97,059**	**12.0**