
CANADIAN WESTERN BANK DECLARES STOCK DIVIDEND EFFECTING 2 FOR 1 STOCK SPLIT

Edmonton, December 7, 2006 – Canadian Western Bank (CWB on TSX) today announced that its Board of Directors has declared a stock dividend of one common share for each common share held, effectively achieving a two-for-one split of its common shares. The stock dividend is payable on January 18, 2007 to shareholders of record on January 11, 2007. By doubling the number of common shares outstanding, it is expected there will be a corresponding reduction in the market price per share.

“This stock dividend helps make our common shares more affordable for retail investors and should enhance overall market liquidity,” said Larry Pollock, President and CEO.

Trading of the Bank’s common shares on a post-stock dividend basis on the Toronto Stock Exchange is expected to commence on January 9, 2007. Share certificates representing the stock dividend will be mailed to registered shareholders of record on or about January 17, 2007. Existing share certificates should be retained by the holders and not returned to the Bank or its transfer agent.

The Bank is ascribing essentially no monetary value to the stock dividend. Accordingly, there will be no Canadian tax payable by shareholders in respect of the dividend. For additional information, shareholders are advised to consult a tax advisor.

The Bank also today announced a quarterly cash dividend of 16 cents per common share to be paid prior to the stock dividend. This dividend would be the equivalent of 8 cents per share on a post-stock dividend basis and represents a 14% increase over the previous quarterly dividend.

About Canadian Western Bank

Canadian Western Bank offers highly personalized service through 33 branch locations and is the only publicly traded Schedule I chartered bank headquartered in and regionally focused on Western Canada. The Bank, with total balance sheet assets of \$7.3 billion and assets under administration of \$3.3 billion, specializes in mid-market commercial lending and offers a full range of retail services. Trust services to independent financial advisors, corporations, income trusts and individuals are also provided through the Bank’s wholly owned subsidiaries, Canadian Western Trust Company and Valiant Trust Company. Canadian Direct Insurance Incorporated is a wholly owned subsidiary providing personal auto and home insurance directly to customers in BC and Alberta. The common shares of Canadian Western Bank are listed on the Toronto Stock Exchange under the trading symbol of ‘CWB’. For more information see the Bank’s website at www.cwbankgroup.com.

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