
Company Press Release – July 14, 2017

Custer Bancorp. and its wholly-owned bank subsidiary, First State Bank of Colorado, announces merger with TIG Bancorp

Denver, Colorado – Custer Bancorp., the holding company for First State Bank of Colorado (“FSBCO”), announced it has entered into an agreement to merge into TIG Bancorp, a newly formed Colorado-based bank holding company. Financial terms of the transaction have not been disclosed.

Based on financial results as of June 30, 2017, FSBCO had approximately \$220 million in total assets, \$188 million in total deposits and \$140 million in total gross loans. Following the closing of the transaction, FSBCO will continue to operate under the First State Bank of Colorado brand name through its seven Colorado locations – four in Delta County (Hotchkiss, Delta, Paonia, and Crawford) as well as locations in Denver, Fountain, and Westcliffe. FSBCO will continue to operate and service its markets with no immediate changes to the current operations.

TIG Bancorp, formed by a group of regional investors, was established by long-time community banking executives Boyd Hodges and Gary Webb specifically for the purpose of completing a merger with Custer Bancorp. Messrs. Hodges and Webb have amassed over 60 years of combined community banking experience and have established a reputation for building and growing successful community banking franchises in the western United States – specifically, in Colorado and Texas.

“I am excited to be a part of the continued growth and success of First State Bank of Colorado,” said Boyd Hodges. Gary Webb added, “The opportunity to create a regional community bank with deep ties to the larger community presents an exciting opportunity for our investors.”

The partnership between TIG Bancorp and FSBCO results in a strategic, cultural, and financial fit between two well-known and respected community banking groups in the State of Colorado, and combined, is well-positioned to continue serving FSBCO’s customers and communities.

According to Jeffery Walker, President of First State Bank of Colorado, “The opportunity to partner with TIG Bancorp will allow us to continue to serve markets where we currently reside, the ability to grow into new markets, and the ability to accelerate our existing organic growth. The partnership between our two groups will be of minimal impact to the community, the bank, and our employees.”

The Merger was unanimously approved by Custer Bancorp.’s Board of Directors and the transaction is expected to be completed during the fourth quarter of 2017, subject to regulatory approvals and customary closing conditions, including the approval of Custer Bancorp.’s shareholders.

GLC Advisors & Co., LLC acted as financial advisor and Stinson Leonard Street LLP served as legal counsel for Custer Bancorp. Stonecrest Partners acted as financial advisor and Baird Holm LLP served as legal counsel for TIG Bancorp.

About First State Bank of Colorado

Established in 1930, Hotchkiss, Colorado-based First State Bank of Colorado is a \$220 million asset state chartered bank and a subsidiary of Custer Bancorp. In 2010, FSBCO merged three bank charters (Colorado Mountain Bank, Paonia State Bank, and First State Bank of Hotchkiss) to form the current FSBCO franchise of today totaling seven locations in the state of Colorado. FSBCO prides itself in offering premier financial solutions and services to its hometown communities and customers with courtesy, professionalism and integrity. Banking As It Should Be!

About TIG Bancorp, Boyd Hodges, and Gary Webb

Durango, Colorado-based, TIG Bancorp, an investor group established for the sole purpose of merging with Custer Bancorp., is led by community banking executives Boyd Hodges and Gary Webb. Boyd Hodges, most recently the former CEO of Bayfield / Durango, Colorado-based Pine River Valley Bank, has strong ties to the community banking industry in the Rocky Mountain region by serving as CEO for over 20 years for a number of banking franchises in the Colorado communities of Leadville, Olathe, Durango, and Wray. Gary Webb has nearly 30 years of banking, accounting, and financial services leadership experience including executive roles at Abilene, Texas-based First Financial Bankshares, Waco, Texas-based ExTraCo Bankshares, and Arthur Andersen & Co.

Forward-Looking Statements

This news release includes forward-looking statements, which describe management's expectations regarding future events and developments such as the benefits of the business combination transaction involving Custer Bancorp. and First State Bank of Colorado. Future events are difficult to predict, and the expectations described above are necessarily subject to risk and uncertainty that may cause actual results to differ materially and adversely.

For more information, please contact:

Jeffrey A. Walker
President, First State Bank of Colorado
303-951-4234
www.firststatebank-co.com

Boyd B. Hodges
Director and Vice President, TIG Bancorp
(970) 596-3061
twinlakescolorado@hotmail.com