



NEWS RELEASE

Plumas Bancorp Exits TARP With Repurchase of Warrant From U.S. Treasury

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QUINCY, CA -- (Marketwired) -- 05/23/13 -- Plumas Bancorp (NASDAQ: PLBC), a bank holding company and the parent company of Plumas Bank, announced today that on May 22, 2013 it completed the repurchase of the warrant issued to the United States Department of the Treasury (the "Treasury") in 2009 as part of the Treasury's Troubled Asset Relief Program's (TARP) Capital Purchase Program. The warrant provided the Treasury the right to purchase 237,712 shares of the Plumas Bancorp's common stock at a price of \$7.54 per share. Plumas Bancorp (the "Company") and the Treasury agreed upon a repurchase price of \$234,500 for the warrant. As a result of the Company's repurchase of the warrant, the Treasury no longer has any equity interest in the Company.

In April 2013, the Company repurchased, at auction, 7,000 of the 11,949 shares of preferred stock originally sold to the Treasury in 2009. The remaining 4,949 shares were sold by the Treasury to investment firms unrelated to the Company. The Company paid \$7.6 million for the 7,000 shares, resulting in a discount of approximately 7% on the face value of the preferred shares, plus related outstanding dividends.

Andrew J. Ryback, president and chief executive officer of Plumas Bancorp and Plumas Bank, commented, "We are pleased that we were able to repurchase our warrant at a fair price. The repurchase of our warrant not only protects our shareholders against dilution but also brings our relationship with the Treasury to a close. The conclusion of our participation in the TARP program will allow us to focus on the critical tasks of strengthening our customer relationships and maximizing long-term shareholder value."

Founded in 1980, Plumas Bank is a locally owned and managed full-service community bank based in Northeastern California. The Bank operates eleven branches located in the counties of Plumas, Lassen, Placer, Nevada, Modoc

and Shasta. Plumas Bank offers a wide range of financial and investment services to consumers and businesses and has received nationwide Preferred Lender status with the United States Small Business Administration. For more information on Plumas Bancorp and Plumas Bank, please visit our website at www.plumasbank.com.

This news release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act of 1934, as amended and Plumas Bancorp intends for such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. 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.

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." These forward-looking statements are not guarantees of future performance, nor should they be relied upon as representing management's views as of any subsequent date. Forward-looking statements involve significant risks and uncertainties and actual results may differ materially from those presented, either expressed or implied, in this news release. Factors that might cause such differences include, but are not limited to: the Company's ability to successfully execute its business plans and achieve its objectives; changes in general economic and financial market conditions, either nationally or locally in areas in which the Company conducts its operations; changes in interest rates; continuing consolidation in the financial services industry; new litigation or changes in existing litigation; increased competitive challenges and expanding product and pricing pressures among financial institutions; legislation or regulatory changes which adversely affect the Company's operations or business; loss of key personnel; and changes in accounting policies or procedures as may be required by the Financial Accounting Standards Board or other regulatory agencies.

In addition, discussions about risks and uncertainties are set forth from time to time in the Company's publicly available Securities and Exchange Commission filings. The Company undertakes no obligation to publicly revise these forward-looking statements to reflect subsequent events or circumstances.

Source: Plumas Bancorp