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News Release

Gander Mountain, Subsidiaries File for Chapter 11 Reorganization

*Company seeks "going-concern" sale to complete restructuring
Operations remain ongoing during process; employee pay, benefits protected*

ST. PAUL, March 10, 2017 – Gander Mountain Company announced today that, to maximize the opportunity to achieve a "going-concern" sale of its business, it and certain of its subsidiaries have filed voluntary petitions for relief under Chapter 11 of the United States Bankruptcy Code.

Today's action is the result of an in-depth review of the company's strategic options undertaken in recent months to preserve the value of the company and position it for long-term success. Like many retailers, Gander Mountain experienced challenging traffic patterns and shifts in consumer demand resulting from increased direct-to-customer sales by key vendors and accelerated growth of e-commerce. Despite aggressive actions to improve the efficiency of the company's retail operations and support functions, the underlying financial impact from underperforming stores and unproductive, excess inventory hampered efforts to create a sustainable path forward.

The company's strategic review yielded the following conclusions:

- A narrowly focused and lower cost operating model is necessary to position the company for profitable growth;
- The company does not have the financial capacity or time to reset its operations to fully implement the new model and, as a result;
- The best available path forward is to sell the company on a going-concern basis.

The court's protections will enable us to manage the sale process on an expedited basis while protecting the interests of our customers, employees and other stakeholders. Gander Mountain is in active discussions with a number of parties interested in a going-concern sale and expects to solicit bids prior to an auction to be held in late April 2017. The company expects to submit the winning bid to the Court for approval in early May and anticipates a closing of the sale by May 15.

The company generally expects to conduct normal business operations during the pendency of its restructuring. Employee pay will continue to arrive on time and in full, employee benefits will remain in place, retirement accounts are intact and protected. As a product of the company's strategic review, 32 underperforming retail locations will begin a shutdown process in the next several weeks.

The company has obtained a committed debtor-in-possession ("DIP") financing facility underwritten by Wells Fargo. Subject to court approval, this DIP financing, combined with cash from operations, is expected to provide sufficient liquidity to support the company's continuing business operations and to minimize any disruption during the reorganization process.

The petitions were filed in the U.S. Bankruptcy Court for the District of Minnesota. More information about Gander Mountain's restructuring is available online at www.donlinrecano.com/gmc. Court filings and claims information are available at the U.S. Bankruptcy Court website, <http://www.mnb.uscourts.gov/>.

Gander Mountain's advisors in the restructuring are Houlihan Lokey Capital Inc. serving as financial advisor and investment banker, Lighthouse Management Group serving as Chief Restructuring Officer, and Fredrikson & Byron, PA serving as legal advisors.

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About Gander Mountain Company

Gander Mountain is the nation's largest outdoor retail network with stores across 26 states. We are a fully integrated Omni-Channel retailer dedicated to servicing the hunting, camping, fishing, shooting sports, and outdoor products markets. As 'America's Firearms Supercenter', we are a market leader in the shooting sports category with an extensive offering of firearms, ammunition, and accessories. For the nearest store location call 800-282-5993 or visit www.GanderMountain.com.

Gander Mountain is also the parent company of [Overton's \(www.overtons.com\)](http://www.overtons.com), a leading catalog- and Internet-based retailer of products for boating and other water sports enthusiasts.

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For more information: