
GENDIS INC.

NEWS RELEASE

For immediate release

Winnipeg, Manitoba – October 29, 2004 - Gendis Inc. (TSX:GDS) provides this update on the sale of its wholly-owned subsidiary, SAAN Stores Ltd.

Gendis Inc. is in negotiations with an investor group which has interests in other Canadian retail operations that has submitted a written Offer to buy SAAN Stores.

These negotiations follow upon the decision by the Gendis Inc. Board of Directors to reject an offer to buy SAAN submitted by an Offeror associated with Avalon Group, Ltd. SAAN Stores Ltd. has terminated its consulting arrangement with Karabus Management Inc.

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