

PINNACLE BANKSHARES CORPORATION DECLARES CASH DIVIDEND

Altavista, VA, August 11, 2017 - Pinnacle Bankshares Corporation (the “Company”) (OTCQX: PPBN), the one-bank holding company for First National Bank (the “Bank”), announced today that its Board of Directors declared a cash dividend of \$0.10 per share on August 8, 2017, payable September 5, 2017 to shareholders of record as of August 21, 2017.

The cash dividend is equal to the \$0.10 per share paid to shareholders last quarter and marks the twentieth consecutive quarter that a dividend has been declared. Pinnacle previously released its second quarter 2017 earnings on July 24, 2017.

“We continue to be pleased with our solid financial performance in 2017 which has enabled us to provide a cash dividend to our shareholders for the twentieth consecutive quarter,” stated Aubrey H. Hall, III, President and Chief Executive Officer for both the Company and the Bank.

Pinnacle Bankshares Corporation is a locally managed community banking organization based in Central Virginia. The one-bank holding company of First National Bank serves an area consisting primarily of all or portions of the Counties of Campbell, Pittsylvania, Bedford, Amherst and the City of Lynchburg. The Company has a total of eight branches with two located in the Town of Altavista, where the Bank was founded. Other branch locations include Village Highway in Rustburg, Wards Road near the Lynchburg Regional Airport, Timberlake Road in Campbell County, South Main Street in the Town of Amherst, Old Forest Road in the City of Lynchburg and Forest Road in Bedford County. The Bank’s new Odd Fellows Road location in Lynchburg is scheduled to open in September of 2017. First National Bank is in its 109th year of operation.

Cautionary Statement Regarding Forward-Looking Statements

This press release may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are not statements of historical fact and are based on assumptions and describe future plans, strategies, and expectations of management, and are inherently subject to risks and uncertainties. For discussion of risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements, please see “Cautionary Statement Regarding Forward-Looking Statements” in our latest Annual Report available on our website, www.1stnatbk.com, under “Investor Relations—Financial Documents.” These risks and uncertainties should be considered in evaluating forward-looking statements contained herein, and you should not place undue reliance on such statements. We undertake no obligation to update any forward-looking statement to reflect developments occurring after the statement is made.

CONTACT: Pinnacle Bankshares Corporation, Bryan M. Lemley, 434-477-5882 or bryanlemley@1stnatbk.com