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CLIFFSIDE CAPITAL LTD. PROVIDES UPDATE ON SPECIAL COMMITTEE FORMED TO CONDUCT STRATEGIC REVIEW AND ANNOUNCES TEMPORARY SUSPENSION OF QUARTERLY DIVIDEND

TORONTO, February 7, 2023 - Cliffside Capital Ltd. (“**Cliffside**” or the “**Company**”) (TSXV: CEP) announces that the special committee (the “Special Committee”) comprised of independent members of the Board of Directors (the “Board”) of the Company, constituted in December 2022, has now retained Raymond James Ltd., to advise it regarding its mandate to explore and evaluate the various strategic alternatives available to the Company to maximize value for its shareholders and other stakeholders.

No decisions relating to any specific potential strategic transaction has been made as at the date of this news release. The Company does not intend to comment further with respect to the strategic review process unless and until it determines that additional disclosure is appropriate in the circumstances and in accordance with applicable securities laws.

QUARTERLY DIVIDEND PAYMENT

The Company also announces that it will temporarily suspend the payment of quarterly dividends to its shareholders. This decision was made by the Board in light of the strategic review being conducted by the Special Committee and given the current uncertain macroeconomic environment.

About Cliffside

Cliffside is focused on investing in strategic partnerships with parties who have specialized expertise and a proven track record in originating and servicing loans and similar types of financial assets. Cliffside's strategy is to generate revenue as an investor, affording its shareholders an opportunity to invest in the growing alternative lending sector with the potential for attractive yields and minimal operational risk while earning a reliable total return. For more information, see Cliffside's filings on SEDAR at www.sedar.com.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION: This news release includes certain "forward-looking statements" under applicable Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to the business and operations of Cliffside and its partnerships, the ability of management to effectively protect and grow the Company's business in light of recent and ongoing macroeconomic risks and uncertainties, statements relating to the mandate of the Independent Committee, and the Company's strategy regarding future asset acquisitions. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: general business, economic, competitive, political and social uncertainties; the results of operations; potential for conflicts of interests; the availability of appropriate finance receivables that may be purchased by the Company's limited partnerships under existing funding facilities; volatility of common share price and volume; uncertainties relating to the strategic review to be conducted by the Independent Committee and the terms of any definitive agreements that may be entered into in connection with any potential transaction involving the Company.. There can be no assurance that such statements will prove to be accurate or complete, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Cliffside disclaims any intention

or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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