

NOT FOR DISTRIBUTION TO U.S. NEWS WIRE SERVICES OR FOR DISSEMINATION IN THE U.S.

CLIFFSIDE CAPITAL LTD. REPORTS GROWTH IN REVENUE AND ASSETS UNDER MANAGEMENT IN SECOND QUARTER 2017 RESULTS

TORONTO, August 16, 2017 /CNW/ - Cliffside Capital Ltd. (“**Cliffside**”) (TSXV:CEP) is pleased to report results for the second quarter ended June 30, 2017. To date Cliffside has invested \$3.9 million in limited partnership interests in CAL LP and ACC LP III (the “Partnerships”), each of which invests in fully serviced non prime automobile loans and has funding arrangements with institutional lenders.

Cliffside’s total revenue grew by 112% quarter over quarter, with \$507,579 in total revenue in the second quarter, up from \$239,210 in the first quarter of 2017. Cliffside reported its second consecutive quarter of positive net income before write-off and income taxes of \$32,533, bringing the year-to-date total to \$65,827. The write-off occurred in the first quarter and related to transaction costs of \$376,197 for Cliffside’s Qualifying Transaction. After taxes and the one-time write-off, Cliffside recorded a net loss for the quarter of \$26,433, compared to a net loss of \$301,381 in the first quarter. Cliffside’s total consolidated assets grew by 134% in the second quarter, increasing to \$48.8 million from \$20.8 million at the end of the first quarter. As Cliffside’s Qualifying Transaction was completed in the third quarter of 2016, there is no relevant comparable to prior year results.

During the second quarter CAL LP executed and commenced using its funding facility with a Canadian Life Insurance Company which provides a line of credit of \$6 million and \$50 million in long term funding for automobile loans. CAL LP monetized \$20 million in automobile loans in the second quarter of 2017. ACC LP III’s funding facility with a Canadian Schedule 1 Bank provides a line of credit of \$10 million and \$50 million in long term funding for automobile loans. Year to date ACC LP III has monetized \$25 million in automobile loans, \$5 million of which was completed in the second quarter.

The two facilities provide a combined \$100 million in long term funding and \$16 million in short term funding for the ongoing monetization of automobile loans, enabling the generation of leverage on Cliffside’s invested capital in the Partnerships. Cliffside is targeting growth in assets under management and growth in returns, while maintaining an acceptable level of credit risk to ultimately deliver attractive yields to shareholders.

Further information on Cliffside’s June 30, 2017 financial results are available on SEDAR at www.sedar.com.

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. 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; as well as volatility of Cliffside's common share price and volume. 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.

For further information, contact:

Yazdi Bharucha, CFO

(647) 226-4894

ybharucha@cliffsidecapital.ca