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CLIFFSIDE CAPITAL LTD. REPORTS FIRST QUARTER 2017 RESULTS

TORONTO, May 24, 2017 /CNW/ - Cliffside Capital Ltd. (“**Cliffside**”) (TSXV:CEP) is pleased to report results for the first quarter ended March 31, 2017. To date Cliffside has invested \$3.9 million, deploying \$3 million to acquire an 85% limited partnership interest in CAL LP and \$0.9 million for a 60% limited partnership interest in ACC LP III. Each of CAL LP and ACC LP III (the “Partnerships”) has an arrangement with AutoCapital Canada Management Inc. for the ongoing purchase of fully serviced non prime automobile loans, and has entered into monetization arrangements with institutional lenders.

Cliffside began consolidating its interest in the Partnerships in 2017 for accounting purposes, resulting in an overall increase in assets, liabilities, total income and operating costs.¹ Cliffside’s first quarter of 2017 generated \$239,210 in total revenue, with no comparable to prior year as Cliffside’s Qualifying Transaction was completed in the third quarter of 2016. Cliffside’s net loss for the quarter was \$301,381, with net income before write-off and income taxes of \$33,294. The first quarter of 2017 was Cliffside’s first period of positive earnings before taxes excluding the write off of transaction costs of \$376,197 originally capitalized in relation to Cliffside’s Qualifying Transaction. Total assets increased to \$20.8 million from \$5.2 million at December 31, 2016.

ACC LP III’s funding facility with a Canadian Schedule 1 Bank provides a financing line of credit of \$10 million and \$50 million in funding for monetizing automobile loans. ACC LP III has monetized \$21 million in automobile loans, \$6 million of which was completed following the quarter end. CAL LP’s funding facility with a Canadian Life Insurance Company provides a financing line of credit of \$6 million and \$50 million in funding for monetizing automobile loans. CAL LP monetized \$7 million in automobile loans following the quarter end.

The two facilities provide access to a combined \$16 million in short term funding and \$100 million 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 dividend yields to its shareholders.

Cliffside will be holding its Annual Meeting on May 26, 2017 at 10:00am in Toronto, Ontario. Further information on Cliffside’s March 31, 2017 financial results are available on SEDAR at www.sedar.com.

About Cliffside

Cliffside is focused on investing in strategic partnerships with third 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 dividend yields and minimal operational risk while earning a reliable total return. For more information, see Cliffside's filings on SEDAR at www.sedar.com.

¹ Cliffside accounted for its investment in the Partnerships under the equity method prior to December 31, 2016 however with the Partnerships each entering into arrangements with institutional lenders and entering into agreements for the ongoing purchase of loans, management concluded that Cliffside controls the Partnerships for accounting purposes and therefore Cliffside’s interest in ACC LP III has been consolidated from January 31, 2017 and its interest in CAL LP has been consolidated from March 31, 2017.

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.

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