

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

**CLIFFSIDE CAPITAL LTD. ANNOUNCES PRIVATE PLACEMENT AND CONTEMPLATED
FORMATION OF A NEW SPECIAL PURPOSE LIMITED PARTNERSHIP**

TORONTO, ONTARIO, June 14th, 2021 – Cliffside Capital Ltd. (“**Cliffside**” or the “**Corporation**”) (TSXV: CEP) is pleased to announce that it intends to issue units (“**Units**”) on a private placement basis, at \$0.20 per Unit, to raise up to \$4.5 million (herein, the “**Offering**”), with each Unit comprised of one common share in the capital of Cliffside (a “**Common Share**”) and one-quarter of one Common Share purchase warrant (each whole Common Share purchase warrant, a “**Warrant**”). Each Warrant will be exercisable for a three-year period at a price \$0.20 per Common Share.

Cliffside expects that approximately \$3.75 million of the proceeds raised under the Offering will be used by Cliffside to create and fund a new special purpose private partnership formed under the laws of Ontario under the name “C.A.R. LP I”. Cliffside, together with CanCap Management Inc. (“**CCMI**”), a leading consumer loan originator and servicer, intends to use C.A.R. LP I to acquire up to \$180 million of non-prime consumer auto loan receivables (“**NPCALR**”). Cliffside further intends to secure a senior debt and mezzanine debt facility to further fund C.A.R. LP I’s operations as well as assist C.A.R. LP I in raising approximately \$2.5 million in additional equity (again on a private placement basis) directly into C.A.R. LP I, of which CCMI has conditionally agreed to fund \$1.25 million. C.A.R. LP I will be Cliffside’s third limited partnership focused on the NPCALR market.

The balance of funds from the Offering, namely approximately \$750,000, will be used for general working capital purposes. Insiders of the Corporation have conditionally agreed to subscribe for up to \$2.0 million of Units under the Offering. Any issuances of Units to insiders pursuant to the Offering will be considered a related party transaction within the meaning of TSXV Policy 5.9 and Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions (“**MI 61-101**”). The Corporation intends to rely on exemptions from the formal valuation and minority approval requirements in sections 5.5(b) and 5.7(b) of MI 61-101 in respect of any such insider participation.

The Corporation intends to close the Offering on or before June 25th, 2021. The Offering is subject to a number of conditions including, but not limited to, obtaining TSX Venture Exchange approval.

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, visit www.cliffsidecapital.ca.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION:

This news release contains certain forward-looking statements, including, without limitation, statements containing the words “will”, “may”, “expects”, “intends”, “anticipates” and other similar expressions which constitute “forward-looking information” within the meaning of applicable securities laws. Forward-looking statements reflect the Company’s current expectation and assumptions, and are subject

to a number of risks and uncertainties that could cause actual results to differ materially from those anticipated. Forward-looking statements in this news release include, but are not limited to, statements with respect to the business and operations of Cliffside, the proposed use of proceeds of the Offering, Cliffside's intention to secure a debt facility to fund C.A.R. LP 1's operation and assist C.A.R. LP 1 raise additional capital, and the timing and closing of the Offering, including the extent to which insiders of the Company may participate. 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:

Stephen Malone, CEO
(647) 260-4982
smalone@cliffsidecapital.ca