

Callidus Capital Corporation Announces Acceptance of Normal Course Issuer Bid

TORONTO, Jan. 25, 2017 /CNW/ - Callidus Capital Corporation (TSX: CBL) (the "Company" or "Callidus") is pleased to announce that the Toronto Stock Exchange ("TSX"), has accepted the Corporation's notice of intention to undertake a normal course issuer bid ("NCIB"). Under the terms of the NCIB, Callidus may acquire up to 2,495,839 of its common shares, representing 5% of the 49,916,781 common shares comprising Callidus' total issued and outstanding common share as of January 16, 2017, and will be purchased only when and if the Company considers it advisable.

Callidus announced its intention to submit a notice to undertake the NCIB to the TSX on December 29, 2016. The Company's directors and management believe that from time to time the market price of Callidus' common share does not reflect the underlying value of the common shares and that the purchase of common shares for cancellation at such times is a prudent corporate measure that will both increase the proportionate interest in the Company of, and be advantageous to, all of the Company's remaining shareholders.

As of January 16, 2017, the Corporation had 49,916,781 common shares issued and outstanding. The average daily trading volume of Callidus' common shares over the last six completed calendar months was 43,595 common shares. Accordingly, under TSX rules and policies, Callidus will be entitled on any trading day to purchase up to 10,898 of its common shares, subject to certain exceptions for block purchases. The maximum bid price for the NCIB is \$20.50 per common share.

Callidus will have satisfied all regulatory requirements relevant to the commencement of the NCIB as of January 27, 2017 and the NCIB will terminate on the earlier of January 26, 2018 or on the date on which the maximum number of common shares that can be acquired pursuant to the NCIB have been purchased. All shares purchased by the Corporation will be purchased on the open market through the facilities of the TSX and/or alternate Canadian trading systems at the market price at the time of purchase. Any common shares purchased pursuant to the NCIB will be cancelled by the Company.

Callidus is planning to enter into an automatic share purchase plan ("ASPP") under which a designated broker could purchase common shares pursuant to the NCIB on parameters established by the Company. The purpose of the ASPP is to permit Callidus to purchase shares under its NCIB during internal blackout periods when Callidus will not be permitted to trade in its shares, including regularly scheduled quarterly blackout periods.

The Company has made NCIB purchases during the 12 months preceding the date of the notice filed with the TSX. A total of 2,561,396 common shares were purchased under the last NCIB at a weighted average price per share of \$13.33.

The Catalyst Capital Group Inc., which manages funds who indirectly hold approximately 67% of the issued and outstanding shares, has advised Callidus that it has no current intention of selling any of the shares held by it or its funds into the NCIB.

About Callidus Capital Corporation

Established in 2003, Callidus Capital Corporation is a Canadian company that specializes in innovative and creative financing solutions for companies that are unable to obtain adequate financing from conventional lending institutions. Unlike conventional lending institutions who demand a long list of covenants and make credit decisions based on cash flow and projections, Callidus credit facilities have few, if any, covenants and are based on the value of the borrower's assets, its enterprise value and borrowing needs. Callidus employs a proprietary

system of monitoring collateral and exercising control over the cash inflows and outflows of each borrower, enabling Callidus to very effectively manage risk of loss. Further information is available on our website, www.calliduscapital.ca.

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