

Callidus Capital Corporation Declares Monthly Dividend

TORONTO, July 18, 2017 /CNW/ - Callidus Capital Corporation (the "Company" or "Callidus") is pleased to announce that, in accordance with its previously announced dividend policy, the Company will pay a monthly eligible dividend of \$0.10 per common share ("Common Share") of the Company to holders of Common Shares of record on July 31, 2017. The dividend will be paid on or before August 18, 2017.

The Company's dividend policy and capital markets initiatives – including the recent substantial issuer bid, as well as the current and previously completed normal course issuer bids – are all part of Callidus' efforts to achieve a stock price that better reflects the underlying value of its shares. Catalyst Capital Group Inc., the Company's controlling shareholder, has encouraged the Company to pursue these measures in that regard. In addition, as previously announced, the Company has undertaken a process of soliciting privatization proposals for the Company and has engaged Goldman Sachs to act as financial advisor to lead the process. As part of the formal privatization process, and as an alternative to proposals received, the Company has retained the services of a placement agent and advisory firm with experienced personnel dedicated to raising capital for alternative investments, including "private debt funds". The potential pursuit of a "private debt fund" as a competitor in the privatization process is specifically being explored because it may result in greater value to the Company's public shareholders than the proposals otherwise available to the Company.

The Company also offers a Dividend Reinvestment Plan (the "Plan"), which is eligible to holders of Common Shares and provides a convenient means to purchase additional Common Shares by reinvesting cash dividends without having to pay commissions, service charges or brokerage fees.

Common Shares acquired under the Plan will be automatically enrolled in the Plan. Shareholders who hold their Common Shares through a broker, financial institution or other nominee must enroll for dividend reinvestment through their nominee holder.

The Company's major shareholders, the Catalyst Capital Group Inc. and Braslyn Ltd., continue to exercise their right to participate in the Plan. As a result, in excess of 80% of the amount of the monthly dividend will be distributed in stock, with the result that the cash payment is anticipated to be less than \$1.0 million.

The full text of the Plan can be obtained on the Company's website at <http://www.calliduscapital.ca/>.

For purposes of the enhanced dividend tax credit rules contained in the *Income Tax Act* (Canada) and any corresponding provincial and territorial tax legislation, all dividends paid by Callidus on our common shares in the calendar year, are designated as "eligible dividends".

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.

For further information: Paula Myson | (416) 945-3226 | pmyson@calliduscapital.ca

<http://www.calliduscapital.ca/2017-07-18-Callidus-Capital-Corporation-Declares-Monthly-Dividend>