

Callidus Appoints Key Leadership Positions to Strengthen Team to Support Further Growth

Patrick Dalton Appointed Interim CEO and Jim Hall Re-Joins as Senior Vice President

TORONTO, Oct. 29, 2018 /CNW/ - Callidus Capital Corporation ("Callidus" or the "Company") (TSX:CBL) today announced significant additions to its senior management to strengthen the team, support further growth of its loan portfolio and to continue unlocking value from its portfolio of operating companies. Effective November 5, 2018, Patrick Dalton will join as Interim Chief Executive Officer. Mr. Dalton is an accomplished investment management executive with over 25 years of experience in private credit markets, including senior leadership positions at Fifth Street Asset Management, Gordon Brothers Finance Company, Apollo Investment Corporation and Goldman Sachs.

Tibor Donath, Lead Director of Callidus, stated, "We are very pleased that Patrick Dalton is joining Callidus during Newton Glassman's absence as CEO, working closely with the Board and Callidus' skilled management team to advance our strategy, drive growth in our portfolio and unlock value from our assets. Patrick's senior leadership experience and unique credit skillset will immediately benefit Callidus and all its shareholders. Our ability to recruit someone of Patrick's caliber is also a direct reflection of Callidus' effort to maximize value and a robust opportunity set going forward."

"I am very pleased to join Callidus. The private credit market is becoming an increasingly important component of the global capital markets, especially for middle market companies. As one of the largest and more experienced publicly listed alternative lenders, Callidus is well positioned to deploy capital to help companies that are unable to access traditional credit, even though they have good assets and prospects," commented Mr. Dalton. "I am impressed with the skill and dedication of the team at Callidus as they have worked to strengthen their current operating companies to maximize value, such as the agreement to sell the commodity lumber operating assets of C&C Resources. I look forward to working with the many talented underwriters and credit specialists at Callidus."

Callidus also announced that Jim Hall has re-joined the Company as Senior Vice President, effective immediately. Previously, from 2014 to 2017 as Vice President at Callidus, Mr. Hall was the company's most successful underwriter and portfolio manager in terms of interest and fee profitability.

These senior leadership appointments reflect part of the ongoing recruitment efforts to position the company for growth in addition to managing the medical leave of absence of the Company's Chief Executive Officer, Newton Glassman. Mr. Glassman underwent serious surgery on his back and spine on October 8, 2018, which involved a realignment by over 10mm of the lumbar spine, the fusing of discs, facet joint repair, bone grafts and the insertion of two cages, four rods and numerous screws. The surgery was successful and a full recovery is anticipated, however, Mr. Glassman will require intensive post-operative rehabilitation and physical therapy as a result. The length of time that Mr. Glassman will require for his leave of absence as he focuses on rehabilitation is uncertain.

Given his background and experience, Mr. Hall is well suited to oversee underwriting and management of Callidus' loan portfolio and to assume the responsibilities of James ("Jay") Rogers, who will depart in early 2019 to pursue opportunities closer to his family in the United States.

"We are also very pleased to welcome Jim Hall back to Callidus. Jim has a stellar record at Callidus and brings back significant business advisory experience in the Canadian and U.S. markets. Once again, he will be a tremendous asset to the Company," continued Mr. Donath. "Lastly, on behalf of the team at Callidus, I would like to thank Jay for his work and dedication and appreciate the time he will take to ensure a smooth transition of

duties."

About Patrick J. Dalton

Mr. Patrick J. Dalton is an accomplished investment management executive with over 25 years of investment and leadership experience. Most recently, Mr. Dalton was Co-President of Fifth Street Asset Management and President and Chief Executive Officer of Fifth Street Finance Corporation and Fifth Street Senior Floating Rate Corporation. Prior to its sale to Oaktree Capital, Fifth Street was a nationally recognized credit-focused asset manager. From 2012-2016, Mr. Dalton was a Founder, President and Chief Executive Officer of Gordon Brothers Finance Company. Gordon Brothers Finance Company ("GBFC"), a portfolio company of BlackRock Capital Corporation from 2012 to March 2016.

Prior to joining GBFC, Mr. Dalton was a Senior Partner of Apollo Global Management and President, Chief Operating Officer and Chief Investment Officer at Apollo Investment Corporation from 2004 to 2012. As a leader of Apollo Investment Management, his contributions were instrumental to the firm's development and growth, with over \$8.6 billion of investments across 165 portfolio companies since the firm's inception in 2004 through 2011. In addition to managing Apollo Investment Corporation, Mr. Dalton co-founded Apollo's CLO platform, managed one of Apollo's earliest Credit Opportunity Funds and held a key role in founding Apollo's European credit platform.

Earlier in his career, Mr. Dalton served as a vice president at Goldman Sachs' GS Mezzanine Funds and a vice president at Chase Securities, Inc. and The Chase Manhattan Bank, N.A. He holds an MBA from Columbia Business School and a BS in Finance from Boston College. Mr. Dalton was the founding sponsor for the Private Equity Mentorship Program at Columbia Business School.

About Jim Hall

Jim Hall is an accomplished and versatile entrepreneur, business operator, corporate investor, and director with expertise in finance, private equity, banking and media. From 2014 to 2017 Jim was Vice President, Underwriter and Portfolio Manager at Callidus Capital Corporation where he was Callidus' most successful Underwriter and Portfolio Manager in terms of interest and fee profitability. In addition, Mr. Hall served as President of James Hall Advisors Inc. (advisory company) from 2002 to 2018, Chairman and CEO of Journal Register Company during the financial crisis of 2007-2009, and was Senior Vice President and Chief Investment Officer of Working Ventures Canadian Fund Inc. from 1990 to 2002. He is presently a member of the board of IMV Inc. (NASDAQ/TSX-IMV) and past directorships include Indigo Books & Music Inc., Atomic Energy of Canada Limited, Terravest Income Fund and General Donlee Income Fund. A Chartered Professional Accountant, Jim is a graduate of the Richard Ivey School of Business at Western University in London, Ontario.

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. Further information is available on our website, www.calliduscapital.ca.

SOURCE Callidus Capital Corporation

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