

Callidus Capital Announces Signing of Agreement to Sell Commodity Business of C&C Resources in Significant All-Cash Transaction

Callidus to Retain Value-Added Division of C&C for Additional Monetization Opportunity

TORONTO, Dec. 3, 2018 /CNW/ - Callidus Capital Corporation ("Callidus" or the "Company") (TSX:CBL) today announced that it has entered into an agreement to sell the commodity division of C&C Resources Inc. ("C&C") for all-cash consideration of approximately \$100 million. Closing is expected to occur no later than the first quarter of 2019.

Callidus will realize the vast majority of the current carrying value for all of the assets of C&C, which it acquired in 2017, while retaining ownership of C&C's remaining assets. Those assets include C&C's growth-oriented, value-added operations, including the Quesnel, B.C., sawmill, processing facilities and associated logging operations, as well as a plant in Cranbrook, B.C.

David Reese, President & COO of Callidus, commented, "The transaction terms are consistent with the letter of intent that we previously announced. This transaction affirms our investment strategy and internal valuations. As previously disclosed, the cash to be received by us represents the vast majority of the carrying value of the entire C&C business. I look forward to monetizing C&C's remaining assets."

As previously announced, the transaction is not subject to due diligence, employment or financing conditions. Closing will be subject to customary closing conditions including all material consents and necessary regulatory approvals being obtained, the absence of any material adverse change, and no events having occurred that would adversely affect the Buyer's ownership or operation of the companies and assets being purchased, or that would otherwise restrict the parties from completing the transaction.

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.

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