



CHESSWOOD ANNOUNCES FIRST U.S. SECURITIZATION Prime Receivables Now Represent 50% Of Chesswood's \$640 Million Portfolio

TORONTO, October 16, 2017 – Chesswood Group Limited (TSX: CHW) (“Chesswood” or the “Company”) announces that its largest subsidiary, Pawnee Leasing Corporation (“Pawnee”), has closed a new US\$75 million non-recourse asset backed facility with Capital One, N.A. (“Capital One”) today through its Pawnee Receivable Fund I LLC.

The facility is secured by US\$93.6 million in gross receivables from Pawnee’s prime portfolio of equipment leases and loans and repayment terms are based on the cash flow of the underlying portfolio. The proceeds will be used to pay down Chesswood’s existing revolving credit facility. Chesswood’s outstanding indebtedness under its US\$250 million revolving facility will total approximately US\$140 million following the repayment. Bryant Park Capital acted as exclusive placement agent and financial advisor for Pawnee in this transaction.

Established in 1982, Pawnee specializes in equipment leasing and financing for assets up to US\$200,000, for a wide range of credit profiles from small businesses across the U.S. including “start-up entrepreneurs” and more established businesses in the A, B, and C credit market segments.

“Our consistent growth since 2009 has changed the overall composition of our portfolio, which now exceeds \$600 million in gross receivables, 50% of which are in the prime market segment. This changing mix has allowed us to access the U.S. securitization market and further expand and diversify our treasury,” said Barry Shafran, Chesswood’s President and CEO. “We’re also very pleased to have completed our first U.S. securitization with Capital One, a top ten U.S. bank and a long-time supporter of the equipment finance industry,” added Shafran. “This is another milestone in our continuing growth and reflects Pawnee’s unique ability to offer customers financing in all credit segments of the market,” said Gary Souverein, Pawnee’s President.

About Chesswood Group Limited

Through two wholly-owned subsidiaries in the U.S. and Canada, Chesswood Group Limited is North America’s only publicly-traded commercial equipment finance company focused on small and medium-sized businesses. Our Colorado-based Pawnee Leasing Corporation, founded in 1982, finances a highly diversified portfolio of commercial equipment leases and loans through established relationships with over 600 independent brokers in the lower 48 states. In Canada, our subsidiary Blue Chip Leasing Corporation has been originating and servicing commercial equipment leases and loans since 1996, and today operates through a nationwide network of more than 50 independent brokers.

Based in Toronto, Canada, Chesswood’s shares trade on the TSX under the symbol CHW (convertible debentures: CHW.DB).

To learn more about Chesswood Group Limited, visit www.ChesswoodGroup.com.
The separate websites of Chesswood Group Limited’s operating businesses are at
www.PawneeLeasing.com and www.BlueChipLeasing.com

Contact:

Barry Shafran
Chesswood Group Limited
416-386-3099
bshafran@chesswoodgroup.com

This press release contains forward-looking statements that involve a number of risks and uncertainties because they relate to events and depend on circumstances that will occur in the future. Many factors could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements.

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