



## **Crown Capital Partners Announces Completion of NCOF II**

*Fund generated a gross IRR of 24%*

**CALGARY, July 10, 2017** – Crown Capital Partners Inc. (“Crown” or the “Corporation”) (TSX: CRWN), which provides growth capital to successful mid-market companies, today announced that Norrep Credit Opportunities Fund II, LP and Norrep Credit Opportunities Fund II (Parallel), LP (collectively, “NCOF II”) have been closed following the recent repayment of the special situations loan to CRH Medical Corporation, which represented the final remaining investment in NCOF II. Crown was the manager of NCOF II and held a 53.6% interest in aggregate.

NCOF II was established in 2012, closed its first loan in December 2012 and invested approximately \$81.5 million in five companies: Genalta Power Inc., Claude Resources Inc., Questrade Inc., CRH Medical Corporation, and Corrosion Service Company. NCOF II generated a gross IRR of approximately 24% and a multiple of approximately 1.5X<sup>(1)</sup>.

“The loans in this portfolio performed well for our investors, adding to Crown’s outstanding 17-year track record in mid-market lending,” said Chris Johnson, President and CEO of Crown. “There is a significant unmet need for customized financing solutions aimed at the mid-market, and we are building on our track record to expand Crown’s presence and asset base, both directly and through our fund management business.”

The completion of NCOF II has triggered payment of \$4.3 million of performance fees to Crown, as manager of NCOF II. Prior to the closing of its initial public offering (“IPO”), Crown committed to pay 100% of the performance fee distributions accrued to June 30, 2015 to the Pre-IPO plan participants. In addition, Crown’s current compensation policy provides that 50% of such performance fee distributions earned will be distributed to the employees. As such, Crown has retained approximately \$1.0 million of the performance fees.

Crown’s current special situations fund, Crown Capital Fund IV, LP, has deployed approximately \$170 million of the targeted \$300 million.

### **ABOUT CROWN**

Crown (TSX: CRWN) is a specialty finance company focused on providing capital to successful Canadian and select U.S. companies that are unwilling or unable to obtain suitable financing from traditional capital providers such as banks and private equity funds. Crown also manages capital pools, including some in which Crown has a direct ownership interest. Crown originates, structures and provides tailored special situation and long-term financing solutions to a diversified group of private and public mid-market companies in the form of loans, royalties and other structures with minimal or no ownership dilution.

## **FORWARD-LOOKING STATEMENTS**

*This news release contains certain “forward looking statements” and certain “forward looking information” as defined under applicable Canadian and U.S. securities laws. Forward-looking statements can generally be identified by the use of forward-looking terminology such as “may”, “will”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “continue”, “plans” or similar terminology. Forward-looking statements are based on forecasts of future results, estimates of amounts not yet determinable and assumptions that while believed by management to be reasonable, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Forward-looking statements are subject to various risks and uncertainties concerning the specific factors identified in the Crown’s periodic filings with Canadian securities regulators. See Crown’s most recent annual information form for a detailed discussion of the risk factors affecting Crown. In addition, Crown’s dividend policy will be reviewed from time to time in the context of the Corporation’s earnings, financial requirements for its operations, and other relevant factors and the declaration of a dividend will always be at the discretion of the board of directors of the Corporation. Crown undertakes no obligation to update forward-looking information except as required by applicable law. Such forward-looking information represents management’s best judgment based on information currently available. No forward-looking statement can be guaranteed and actual future results may vary materially. Accordingly, readers are advised not to place undue reliance on forward-looking statements or information.*

### **For further information, please contact:**

Craig Armitage  
Investor Relations  
craig.armitage@crowncapital.ca  
(416) 347-8954

- (1) *“Gross IRR” means the gross internal rate of return generated from an investment before consideration of management fees and expenses and is calculated based on an investment’s realized amounts and unrealized amounts (cash distributions) and actual cash outflows made in respect of an investment, with timing based on when such distributions occurred or are likely to occur. It is then calculated by determining the discount rate that will bring all cash distributions (realized and unrealized) to a net present value of zero.*

*“Multiple” is calculated as total combined proceeds divided by the aggregate investment amount*