



Crown Capital Announces \$15.0 Million Investment in Senior Secured First Lien Notes Offering by Source Energy Services

CALGARY, December 2, 2016 – Crown Capital Partners Inc. (“Crown”) (TSX: CRN), which provides growth capital to successful mid-market companies, today announced that Crown Capital Fund IV, LP (“Crown IV LP”), an investment fund managed by Crown in which Crown holds a 40% interest, has invested \$15 million in a \$130 million offering of senior secured first lien notes (the “Notes”) from Source Energy Services Canada LP and Source Energy Services Canada Holdings Ltd., (“Source”).

Headquartered in Calgary, Source is a leading, vertically integrated provider of Northern White frac sand and logistical services to oil and natural gas producers focused in the Western Canadian Sedimentary Basin. The company’s operations include a frac sand mine in Wisconsin, seven transload terminals in Canada, and one transload terminal in the United States. Source’s operation is connected to the Canadian National Railway, offering access to customers operating in key areas located in Western Canada and North Dakota. Source currently supplies approximately 50% of the proppant market in Western Canada.

“Source’s high-quality products and superior logistics offerings have enabled the company to become a leading supplier of frac sand to key oil and gas producers in Western Canada,” said Chris Johnson, Crown’s President & CEO. “As exploration & production companies in North America work to enhance recoveries, increasing horizontal drilling activity and proppant intensity is driving demand for frac sand. With its high-quality reserves, state of the art facilities, and track record of growth and execution, Source is very well positioned for future growth.”

The Notes bear interest at an annual rate of 10.5%, payable semi-annually, and mature on December 15, 2021. The Notes also provide the holders the right to participate in the equity of Source.

ABOUT CROWN

Crown (TSX: CRN) 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 in this news release include, but are not limited to, statements, management’s beliefs, expectations or intentions regarding the future growth and performance of Source. 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. 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.

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