



Crown Capital Partners Announces \$7.0 Million Term Loan with Active Exhaust

CALGARY, December 21, 2017 – Crown Capital Partners Inc. (“Crown” or “the Corporation”) (TSX: CRWN), which provides growth capital to successful mid-market companies, today announced the closing of a \$7.0 million term loan (the “Agreement”) with Active Exhaust Corp. (“Active”).

Active manufactures complete exhaust systems and components for major global original equipment manufacturers (“OEMs”) operating in the off-road equipment sector, primarily in the agricultural, construction and turf care markets. Active is headquartered in Toronto and has manufacturing operations in Toronto, as well as China and India through majority-owned joint ventures. Active has a diverse group of blue-chip OEM customers, including four of the largest equipment manufacturers in the world. Crown’s term loan will be used to support a management buyout of the minority shareholders.

“Active has a 50-year track record in the off-road equipment sector and strong fundamentals, including long-term production agreements with leading OEMs and a highly experienced and tenured management team,” said Chris Johnson, Crown’s President & CEO. “The company has experienced rapid growth in recent years and is well positioned to benefit from continued growth with their major customers, as well as increasing environmental regulations in the off-road vehicle industry. Active has invested heavily in R&D and is considered a leader in catalyzed and integrated solutions to OEMs in meeting higher emission standards.”

“Crown’s tailored solution was the optimal alternative to enable this transaction,” said Peter Hampton, President & CEO of Active Exhaust. “We were also attracted to their team’s experience supporting growth businesses like ours.”

The Agreement provides for a \$7.0 million, 66-month term loan to Active by Crown Capital Fund IV, LP, an investment fund managed by Crown and in which Crown holds a 36.5% interest. In addition to the fixed interest rate, the Agreement includes a bonus feature based on the growth in Active’s enterprise value.

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 in this news release include, but are not limited to, statements, management’s beliefs, expectations or intentions regarding the outlook for Active Exhaust. 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 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