IOU Financial Extends Credit Facility with Midcap Financial

MONTRÉAL, Feb. 27, 2018 /CNW Telbec/ - **IOU FINANCIAL INC.** ("IOU" or "the Company") (TSXV: IOU), a leading online lender to small businesses (IOUFinancial.com), announced today that it has modified and extended its secured credit facility (the "Credit Facility") with MidCap Financial, ("Midcap") until December 31, 2020. The amount of the Credit Facility is USD $20 million, with a term portion equal to USD $15 million and a revolver amount of USD $5 million.

IOU and Midcap have further agreed to allocate USD $1 million from the Credit Facility amount of USD $20 million, to support Canadian loan originations. This will be formalized in a separate amendment to this facility.

"Since 2016, Midcap has been a fantastic funding partner for IOU, allowing IOU to lower its funding cost of capital and supporting the Company's continued growth in the U.S. and in Canada. We are very pleased to have concluded this extension and modification to the Credit Facility with MidCap," said Phil Marleau, CEO of IOU Financial Inc.

About IOU Financial

IOU Financial Inc. provides small businesses throughout the U.S. and Canada access to the capital they need to seize growth opportunities quickly. Typical customers include medical and dental practices, grocery and retail stores, salons, gas stations, auto repair shops, and restaurants. In a unique approach to lending, the IOU advanced, automated application and approval system accurately assesses applicants' financial realities, with an emphasis on day-to-day cash flow trends. It makes loans of up to US$300,000 to qualified U.S. applicants ($100,000 in Canada) within a few business days, with affordable charges favorable to cash-flow management. Its speed and transparency make IOU a trusted alternative to banks. To learn more visit: IOUFinancial.com.

About Midcap Financial

MidCap Financial is a middle market-focused, specialty finance firm that provides senior debt solutions to businesses across all industries throughout North America.

MidCap Financial refers to MidCap FinCo Designated Activity Company, a private limited company domiciled in Ireland, and its subsidiaries. MidCap Financial is managed by Apollo Capital Management, L.P., a subsidiary of Apollo Global Management, pursuant to an investment management agreement between Apollo Capital Management, L.P. and MidCap FinCo Designated Activity Company. References to MidCap Financial prior to January 2015 are to its predecessor, MidCap Financial, LLC.

Forward Looking Statements

Certain information set forth in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond the control of IOU including, but not limited to, the impact of general economic conditions, industry conditions, dependence upon regulatory and shareholder approvals, the execution of definitive documentation and the uncertainty of obtaining additional financing. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. IOU does not assume any obligation to update or revise its forward-looking statements, whether as a result of new information, future events, or otherwise.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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