



**CHESSWOOD GROUP ANNOUNCES AGREEMENT TO SELL ECOHOME FINANCIAL
Focus on Growth of Core North American Commercial Finance Platform While
Retaining Equity Interest in Dealnet Capital**

TORONTO, January 21, 2016 – Chesswood Group Limited (TSX: CHW) (“Chesswood”) announced today that it has entered into a definitive agreement to sell its EcoHome Financial Inc. (“EcoHome”) subsidiary to Dealnet Capital Corp. (“Dealnet”) (TSX.V:DLS) for a purchase price of approximately \$35.0 million.

Of the \$35 million purchase price, \$30 million will be paid in cash and Dealnet will issue to Chesswood 5,176,876 common shares of Dealnet and a \$2 million convertible note which will mature in two years and provide for interest at 6% per annum and the right of Chesswood to convert in whole or in part at any time to acquire additional common shares of Dealnet at a conversion price of \$0.64. Closing of the transaction is subject to customary conditions and regulatory and third party consents, and is expected to occur in February, 2016.

“The sale of EcoHome reflects our decision to become singularly focused on our commercial finance businesses and the many growth opportunities they offer, while generating a significant return for our shareholders on the sale of EcoHome, in less than one year of our ownership” said Barry Shafran, Chesswood’s President and CEO. “In addition, through our resulting share ownership in Dealnet, we will continue to benefit from Dealnet’s expansion, including growth at EcoHome.”

Commercial Finance Growth

Chesswood’s equipment finance businesses enjoyed a record 2015 in originations growth, including record 4th quarter fundings. Pawnee Leasing Corporation and Blue Chip Leasing Corporation enjoyed very strong originations while executing on our strategy of offering an expanded product mix to our customers. These efforts continue in 2016 as the complementary knowledge and skills of each business are increasingly shared and leveraged.

Chesswood’s working capital business continued to expand in 2015 and finished the year with a record 4th quarter of new business. Windset Capital operates in the rapidly expanding alternative finance-FinTech space and provides small business with readily accessible capital that few banks, if any, are able to offer.

At the end of 2015, Chesswood’s commercial finance business had 22,600 leases and loans with gross receivables of approximately \$480 million, comprising 81% of Chesswood’s finance portfolio.

With record growth in its commercial businesses, expansion opportunities in its three markets, low leverage and excellent treasury, Chesswood is extremely well positioned today to continue to drive expansion organically and through selective and strategic acquisitions.

About Chesswood Group Limited

Chesswood Group Limited is a dividend-paying financial services company with operating businesses in both Canada and the U.S., including its North-American equipment finance businesses Pawnee Leasing Corporation of Fort Collins, Colorado, Blue Chip Leasing Corporation of Toronto, Ontario and its working capital loan business, Windset Capital Corporation, headquartered in Utah.

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, www.WindsetCapital.com, www.BlueChipLeasing.com, www.EcoHomeFinancial.com.

Forward Looking Statements

This news release includes forward-looking information that is based on certain assumptions and reflects Chesswood's current expectations. All statements other than statements of historical fact, are forward-looking statements. Forward-looking statements are provided for the purposes of assisting the reader in understanding Chesswood's financial performance, financial position and cash flows as at and for the periods ended on certain dates and to present information about management's current expectations and plans relating to the future and the reader is cautioned that such statements may not be appropriate for other purposes. These statements may include, without limitation, statements regarding the operations, business, financial condition, expected financial results, performance, prospects, opportunities, priorities, targets, goals, ongoing objectives, strategies and outlook of Chesswood and its subsidiaries, as well as the outlook for North American and international economies for the current fiscal year and subsequent periods. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "plans", "believes", "estimates", "seeks", "intends", "targets", "projects", "forecasts" or negative versions thereof and other similar expressions, or future or conditional verbs such as "may", "will", "should", "would" and "could".

By its nature, this information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved. A variety of factors, many of which are beyond Chesswood's control, affect the operations, performance and results of Chesswood and its subsidiaries and their businesses, and could cause actual results to differ materially from current expectations of estimated or anticipated events or results. These factors include, but are not limited to: (i) continuing access to required financing (and, for certain subsidiaries, securitization or bulk leasing facilities); (ii) continuing access to products to allow Chesswood and its subsidiaries to hedge their exposure to changes in interest rates and foreign exchange; (iii) risks of increasing default rates on leases, loans and advances; (iv) Chesswood's provision for credit losses; (v) increasing competition (including, without limitation, more aggressive risk pricing by competitors); (vi) increased governmental regulation of the rates and methods we use in financing and collecting on our equipment leases or loans and on our working capital loans; (vii) dependence on key personnel; and (viii) general economic and business conditions.

The reader is cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking statements. Information contained in

forward-looking statements is based upon certain material assumptions that were applied in drawing a conclusion or making a forecast or projection, including management's perceptions of historical trends, current conditions and expected future developments, as well as other considerations that are believed to be appropriate in the circumstances, including that the list of factors in the prior paragraph, collectively, are not expected to have a material impact on Chesswood and its subsidiaries. While Chesswood considers these assumptions to be reasonable based on information currently available to management, they may prove to be incorrect.

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