



CHESSWOOD'S NORTH AMERICAN SMALL BUSINESS LENDING PLATFORM ESTABLISHED ACQUISITION OF BLUE CHIP LEASING AND ECOHOME FINANCIAL COMPLETED

TORONTO, March 18, 2015 – Chesswood Group Limited (“**Chesswood**”) (TSX: CHW) announced that it has successfully completed its previously announced acquisition of Blue Chip Leasing Corporation and EcoHome Financial Inc.

Blue Chip is a tenured, prime, small ticket equipment finance company serving brokers and vendors from coast-to-coast in Canada. Blue Chip has almost two decades of experience in the Canadian commercial leasing industry, and had net finance receivables of \$74 million as of September 30, 2014.

EcoHome provides financing solutions to the heating ventilating and air conditioning (HVAC) and home improvement markets. This is an attractive consumer finance market generally characterized by the high credit quality that Canadian homeowners demonstrate along with longer terms on related loans and rentals. EcoHome had net finance receivables of \$47 million as of October 31, 2014.

“Chesswood and Blue Chip have complementary business lines that together will allow us to offer our broker-customers a much broader range of financial products for small business owners in both Canada and the United States” said Barry Shafran, Chesswood’s President and CEO. “In addition, the acquisition of EcoHome marks the entry of Chesswood into the huge consumer finance market in Canada” added Shafran.

Transaction Highlights

This transformative acquisition is expected to enhance Chesswood’s financial and operational strength and growth prospects in several important ways:

- *Establishes a North American Platform.* Allows Chesswood to leverage product and target market expertise in both Canada and the U.S.
- *Enhances Scale.* Significant scale is gained, with a pro forma portfolio of net finance receivables of \$315 million as of September 30, 2014.
- *High Growth, Complementary Market.* Entry into the high growth consumer finance market, which is counter-cyclical to Chesswood’s existing businesses.
- *Greater Diversification.* In addition to diversification through the counter-cyclicity of EcoHome’s business, the acquisition provides further diversification in terms of products, geographic concentration and credit quality.

Exchange of Subscription Receipts for Shares

As a result of closing the acquisition, Chesswood's 3,302,600 outstanding publicly offered subscription receipts and its 615,384 privately placed subscription receipts were, in accordance with their terms, automatically exchanged on a one-for-one basis for Chesswood common shares. Chesswood expects that trading in the publicly listed subscription receipts on the Toronto Stock Exchange will be halted prior to the commencement of trading on March 18, 2015 and that the publicly listed subscription receipts will be delisted as of the close of business on March 18, 2015 (the privately placed subscription receipts were not listed).

About Chesswood Group Limited

Chesswood is a specialty finance company with operating businesses in both Canada and the U.S.

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.nstarleasing.com, www.AcuraSherway.com, www.bluechipleasing.com and 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 (including Blue Chip and EcoHome), 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, on the legal funding business generally and on our working capital loans; (vii) dependence on key personnel; (viii) general economic and business conditions; and (ix) the risks that Chesswood's expectations in respect of Blue Chip and EcoHome (or expected efficiencies and synergies from these proposed acquisitions) will not be met or that the information provided to in respect of Blue Chip and EcoHome is materially incorrect.

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.

— 30 —

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