

STREET CAPITAL ANNOUNCES PHASE II OF ONGOING STRATEGIC REALIGNMENT

TORONTO, ONTARIO, January 16, 2019 – Street Capital Group Inc. (“**Street Capital**” or the “**Company**”) (TSX: **SCB**), which operates primarily through its wholly owned subsidiary Street Capital Bank of Canada (“**Street Capital Bank**” or the “**Bank**”), today announced further progress on its strategic realignment, which was first announced on December 21, 2018 – [Street Capital Announces Phase I of Strategic Realignment and New Funding Capability](#). As part of the second phase of this strategic realignment, the Company has undertaken a workforce reduction affecting approximately 30 positions. This will result in a one-time charge against income of approximately \$2.5 million in Q1-2019.

“Last month, the Company’s management team and board of directors committed to taking further steps to improve Street Capital’s profitability and to explore various avenues to strengthen the Bank’s capital base,” said Duncan Hannay, President and CEO of Street Capital. “The announcement today represents an important part of the second phase of an ongoing strategic realignment that is designed to address challenges facing the business. The realignment comes with difficult but necessary decisions, such as the workforce reduction announced today. I would like to personally thank all of our staff for their dedication and efforts during this challenging period.”

About Street Capital Group Inc. (streetcapitalgroup.ca)

Street Capital Group Inc. (TSX: SCB) is a public company operating through its wholly-owned subsidiary, Street Capital Bank of Canada, a federally regulated Schedule I Bank offering residential mortgage loans with the strategic goal of introducing additional retail banking products in the coming years. Street Capital Bank of Canada sources its mortgage products primarily through a network of independent mortgage brokers across Canada with whom it has built relationships. Street Capital Bank of Canada offers a broad line-up of high ratio and conventional mortgages to borrowers and either sells the mortgages it underwrites to top tier financial institutions or holds them on balance sheet. Street Capital Bank of Canada lends throughout all of the Provinces of Canada (other than Quebec) and has offices in Ontario, Alberta and British Columbia. For more information please visit streetcapital.ca.

Forward-Looking Statements

This release contains certain forward-looking statements that are based on management's exercise of business judgment as well as assumptions made by, and information currently available to, management. When used in this document, the words "may", "plan", "will", "anticipate", "believe", "estimate", "expect", "intend", and words of similar import, are intended to identify any forward-looking statements. You should not place undue reliance on these forward-looking statements. These statements reflect our current view of future events and are subject to certain risks and uncertainties as outlined in the Company's Annual Information Form and other filings made with securities regulators, which are available on SEDAR (sedar.com). These factors include, without limitation: expansion opportunities, technological changes, regulatory changes (including mortgage insurance rules), and changes to the business and economic environment, including, but not limited to, Canadian housing market conditions and activity, interest rates, mortgage backed securities markets, and employment conditions that may impact the Company, its mortgage origination volumes, investments and capital expenditures, and competitive factors that may impact revenue and operating costs. Any of these factors, amongst others, could cause actual results to vary materially from current results or from the Company's currently anticipated future results and financial condition. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, our actual results could differ materially from those anticipated in these forward-looking statements. We undertake no obligation, and do not intend, to update, revise or otherwise publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of any unanticipated events. Although we believe that our expectations are based on reasonable assumptions, we can give no assurance that our expectations will materialize.

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