



FOR IMMEDIATE RELEASE

COUNSEL CORPORATION COMPLETES ACQUISITION OF STREET CAPITAL FINANCIAL CORPORATION

Toronto, ON, May 31, 2011 – Counsel Corporation (TSX: CXS) (“Counsel”), a private equity investor focused primarily on the financial services sector, today announced it has completed the acquisition of substantially all of the outstanding shares of Street Capital Financial Corporation (“Street Capital”) for approximately \$33 million. The purchase price was satisfied through a combination of the issuance of 6,616,667 common shares of Counsel at \$0.75 per share and approximately \$28 million in cash. Counsel financed a portion of the purchase price through a \$17.5 million acquisition debt facility provided by a Canadian chartered bank. As part of the transaction, Street Capital’s senior management also has the potential to receive additional cash payments, subject to Street Capital meeting certain profit targets over the next eight years.

Since commencing operations in 2007, Street Capital has quickly become a significant and successful participant in the insured residential mortgage market in Canada, originating over \$6.0 billion in mortgages to date through its mortgage broker channel. For its fiscal year ended October 31, 2010, Street Capital had net income of approximately \$10.2 million on revenues of \$55.7 million.

“Street Capital has a strong position in the residential mortgage market and is led by experienced senior management,” said Allan Silber, Chairman and CEO of Counsel. “We anticipate Street Capital will contribute consistent earnings to Counsel’s bottom line. We look forward to working with Street Capital’s management team to continue to grow the company’s business.”

The current management of Street Capital will continue to operate and lead the business on a day-to-day basis. Counsel will provide ongoing strategic, financial, and organizational guidance to assist the company in realizing its growth plans and expanding its support and services to the broker market. Street Capital will be well capitalized with total equity capital of approximately \$27.5 million. This figure includes an additional \$7.6 million that was invested by Counsel into Street Capital for working capital purposes. Street Capital will also have the benefit of a \$2.5 million revolving credit facility provided by a Canadian chartered bank. The additional capital is expected to be accretive to Street Capital’s earnings.

“We are extremely excited to be part of Counsel,” said Ed Gettings, Chief Executive Officer of Street Capital. “With Counsel’s financial and strategic expertise, and perspective as a pioneer in our industry, we see an excellent opportunity to expand our line of innovative products and services, while continuing to provide our brokers with the strong levels of service they have come to expect from Street Capital.”

Counsel has significant experience in the financial services sector and deep capital markets expertise. Counsel also has strategic knowledge of the broker channel, having launched FirstLine Trust, a pioneer in

the Canadian mortgage-backed securities business, now FirstLine Mortgages, a division of CIBC Mortgages Inc.

Street Capital is extremely well situated in the large Canadian mortgage market as it continued to rank 6th in Canada in terms of mortgages originated through the broker channel during the quarter ended March 31, 2011. The residential mortgage credit outstanding in Canada now exceeds \$1 trillion.

About Counsel Corporation

Counsel Corporation (TSX: CXS) is a private equity investor focused primarily on the financial services sector. Counsel leverages its relationships, access to capital and strategic market experience to unlock value in its investee companies. For further information, please visit Counsel's website at www.counselcorp.com.

About Street Capital Financial Corporation

Street Capital Financial Corporation is a Canadian prime residential mortgage lender. Street Capital offers a broad spectrum of high ratio and conventional mortgages, competitive interest rates and exceptional customer service. Street Capital is proud to work with mortgage brokers to help more Canadians find financing solutions for home ownership. For more information about Street Capital, visit: www.streetcapital.ca.

Forward-Looking Statements

The statements made in this release that are not historical facts contain forward-looking information that involves risks and uncertainties. All statements, other than statements of historical facts, which address Counsel's expectations, should be considered as forward-looking statements. Such statements are based on knowledge of the environment in which Counsel currently operates, but because of the factors listed herein, as well as other factors beyond Counsel's control, actual results may differ materially from the expectations expressed in the forward-looking statements. Important factors that may cause actual results to differ from anticipated results include, but are not limited to, being able to realize on the expected benefits of the Street Capital acquisition over time and other risks detailed from time to time in Counsel's securities and other regulatory filings.

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