



Kingsway Subsidiary 1347 Capital LLC Signs Letter of Intent to Sponsor Initial Public Offering via a SPAC

Toronto, Ontario (March 17, 2014) - (TSX: KFS, NYSE: KFS) Kingsway Financial Services Inc. ("Kingsway" or the "Company") today announced that its wholly-owned subsidiary, 1347 Capital, LLC, has signed a letter of intent to sponsor an initial public offering by a special purpose acquisition company to be formed by it. The offering is expected to include four million units, each unit consisting of one share of common stock, one right to acquire one-tenth of a share of common stock, and one-half of a warrant to acquire a share of common stock, at an offering price of U.S. \$10.00 per unit.

This announcement is being made pursuant to and in accordance with Rule 135 under the Securities Act of 1933. As required by Rule 135, this press release does not constitute an offer to sell or the solicitation of an offer to buy securities, and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of that jurisdiction. The anticipated offering is contingent upon a number of factors, and there can be no assurances regarding the size or timing of the offering, the offering price of each unit, the composition of each unit, or whether or not the offering will proceed.