

Silverado Financial Announces Corporate Restructuring Plan

For Immediate Release

PLEASANTON, Calif./EWorldWire/March 28, 2006 --- Silverado Financial Inc. (OTCBB:SLVO) today announced that it has successfully implemented a corporate restructuring plan designed to reduce ongoing expenses with the goal of making the company cash-flow positive by the end of this calendar year, or earlier.

The plan was designed in light of the changing mortgage market and in the pursuit of improving the current business model by reducing certain operating, sales and general administrative costs and altering certain operations to improve the company's profit margins.

The plan began in early January 2006, which downsized certain under-performing operations and consolidated other operations into more central locations, which reduced redundant and/or unnecessary overhead and provided for better managerial oversight. The restructuring actions are expected to enable the company to decrease operating expenses by as much as 50 percent.

The bulk of these annual savings are expected to be driven primarily by the alteration of Silverado's revenue production model, the removal of non-performing staff, tighter controls on sales and general administrative costs and the restructuring of certain debenture obligations.

Through this restructuring Silverado has streamlined operations, reduced expenses company-wide and began revenue generation under a new and improved business model.

"We have aggressively accelerated a cost reduction plan to improve the quality of operations and better position the company to grow while pursuing profitability," said COO Sean Radetich. "We have also made a significant strategic move by entering the wholesale mortgage business through a joint venture with Bankers Alliance. As part of this strategic initiative, Silverado announced the joint venture with Bankers Alliance and through this arrangement we have begun pursuing a more profitable business model. This joint venture positions Silverado well for the changing environment by providing small and medium sized mortgage operations with access to high-volume lenders/investors and discounted mortgage products they could not otherwise directly access. Additionally, as these small and medium sized mortgage operations submit their loans through Silverado to the lender/investor, Silverado performs quality control on said loan submissions for the lenders/investors for a small fee."

About Silverado Financial

Silverado Financial Incorporated is a financial services company, focused on providing small to medium sized mortgage operations with discounted mortgage products, a single point of access and quality control to high-volume lenders/investors and providing sub-prime borrowers documentation or other underwriting standards set by more traditional sources of mortgage credit, with access to capital for the purchase and refinancing of one to four-family residential properties.

This Release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All forward-looking statements are inherently uncertain as they are based on current expectations and assumptions concerning future events or future performance of the company. Readers are cautioned not to place undue reliance on these forward-looking statements, which are only predictions and speak only as of the date hereof. Forward-looking statements usually contain the words "estimate," "anticipate," "believe," "plan," "expect," or similar expressions, and are subject to numerous known and unknown risks and uncertainties. In evaluating such statements, prospective investors should review carefully various risks and uncertainties identified in this Release, including the above matters and in the company's SEC filings. These risks and uncertainties could cause the Company's actual results to differ materially from those indicated in the forward-looking statements.

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