

NEWS RELEASE

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Mount Logan Capital Inc. Completes \$16.8 Million Private Placement

All figures in Canadian dollars unless otherwise noted.

TORONTO, October 27, 2020 – Mount Logan Capital Inc. (NEO: MLC) (“**Mount Logan**” or the “**Company**”) is pleased to announce that it has completed its previously announced best efforts private placement and issued 6,108,199 common shares of the Company (the “**Shares**”) at a purchase price of \$2.75 per Share for gross proceeds of \$16,797,547.25 (the “**Private Placement**”). The Private Placement was conducted through a syndicate of agents led by Canaccord Genuity Corp. and including ATB Capital Markets Inc. and Stifel GMP (collectively, the “**Agents**”) pursuant to an agency agreement dated October 27, 2020 (the “**Agency Agreement**”) providing for the issuance of up to 7,272,727 common shares of the Company for aggregate gross proceeds of up to \$20,000,000 (the “**Offering**”). In connection with the closing of the Private Placement, the Agents received a cash commission equal to 6% of the gross proceeds of the Private Placement, subject to a reduced fee in respect of proceeds raised directly by the Company from certain subscribers as agreed to between the Company and the Agents. Pursuant to the Agency Agreement, the Company may complete one or more additional closings of common shares for total gross proceeds (including from the Private Placement) of up to \$20,000,000. The Company has also granted the Agents an option (the “**Agents’ Option**”) to sell up to an additional 1,090,909 Shares and the Agents’ Option shall be exercisable for a period of 48 hours prior to the final closing of the Offering.

The Company intends to use the net proceeds of the Offering to fund the Company’s obligations under Mount Logan’s previously announced transaction whereby the Company will receive the net economic benefits derived under an advisory agreement (the “**CIF Advisory Agreement**”) to be entered into between Sierra Crest Investment Management LLC (“**SCIM**”) and Resource Credit Income Fund (“**CIF**”) pursuant to which SCIM will be the investment adviser to CIF. The net proceeds of the Offering will also be used by Mount Logan to continue to invest in public and private debt securities in the North American market in furtherance of its business objective as an alternative asset management company and for general corporate and working capital purposes.

Subscriptions for Shares for approximately \$1,022,024 of the gross proceeds of the Private Placement constitute “related party transactions” within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Shareholders in Special Transactions* (“**MI 61-101**”). For these transactions, the Company has relied on the exemption from the formal valuation requirement contained in Section 5.5(a) of MI 61-101 and has relied on the exemption from the minority shareholder requirements contained in Section 5.7(1)(a) of MI 61-101.

The Shares issued pursuant to the Private Placement are subject to a hold period of four months from the closing of the Private Placement.

[About Mount Logan Capital Inc.](#)

Mount Logan Capital Inc. is an alternative asset management company that is focused on public and private debt securities in the North American market. The Company seeks to source and actively manage loans and other debt-like securities with credit-oriented characteristics. The Company actively sources, evaluates, underwrites, monitors and primarily invests in loans, debt securities, and other credit-oriented instruments that present attractive risk-adjusted returns and present low risk of principal impairment through the credit cycle.

[Cautionary Notes](#)

*This press release contains forward-looking statements and information within the meaning of applicable securities legislation (collectively referred to herein as “**forward-looking statements**”). Forward-looking statements can be identified by the expressions “seeks”, “expects”, “believes”, “estimates”, “will”, “target” and similar expressions. The forward-looking statements are not historical facts, but reflect the current expectations of management of the Company regarding future results or events and are based on information currently available to them. Certain material factors and assumptions were applied in providing these forward-looking statements. The forward-looking statements discussed in this press release may include, but are not limited to, information concerning the completion of the Offering; the number of Offered Shares to be sold by the Company pursuant to the Offering; the exercise of the Agents’ Option; the expected use of proceeds from the Offering; the completion of the transactions pursuant to which SCIM will become the investment adviser to CIF; the Company receiving substantially all of the economic benefit from the CIF Advisory Agreement in respect of CIF; and statements relating to the business and future activities of the Company. All forward-looking statements in this press release are qualified by these cautionary statements. The Company believes that the expectations reflected in forward-looking statements are reasonable based on upon the information available at the time such information was given; however, the Company can give no assurance that the actual results or developments will be realized by certain specified dates or at all. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations, including that the CIF Advisory Agreement is subject to approval every two years and such approvals may not be obtained and if the CIF Advisory Agreement is not renewed the Company’s recourse for repayment of its loan to SCIM may be limited, as well as the matters discussed under “Risk Factors” in the most recently filed annual information form and management’s discussion and analysis for the Company. Readers, therefore, should not place undue reliance on any such forward-looking statements. Further, a forward-looking statement speaks only as of the date on which such statement is made. The Company undertakes no obligation to publicly update any such statement or to reflect new information or the occurrence of future events or circumstances except as required by securities laws. The forward-looking statements in this press release are made as of the date of this press release.*

This press release is not, and under no circumstances is it to be construed as, a prospectus or an advertisement, and the communication of this press release is not, and under no circumstances is it to be construed as, an offer to sell or a solicitation of an offer to purchase securities of the Company. This press release is not intended for U.S. persons. The Company’s shares are not and will not be registered under the U.S. Securities Act of 1933 and the Company is not and will not be registered under the U.S. Investment Company Act of 1940 (the “1940 Act”). U.S. persons are not permitted to purchase the Company’s shares absent an applicable exemption from registration under each of these Acts. In addition, the number of investors in the United States, or which are U.S. persons or purchasing for the account or benefit of U.S. persons, will be limited to such number as is required to comply with an available exemption from the registration requirements of the 1940 Act.

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