

NEWS RELEASE

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Mount Logan Capital Inc. Announces Closing of Interval Fund Transaction

All figures in United States dollars unless otherwise noted.

TORONTO, October 30, 2020 – Mount Logan Capital Inc. (NEO: MLC) (“**Mount Logan**” or the “**Company**”) is pleased to announce that it has closed its previously announced transaction alongside Sierra Crest Investment Management LLC (“**SCIM**”), an affiliate of BC Partners Advisors L.P., whereby SCIM has become the investment adviser of the Resource Credit Income Fund (“**CIF**”) pursuant to a new advisory agreement (the “**CIF Advisory Agreement**”) between SCIM and CIF (collectively, the “**SCIM Transaction**”) and, in connection therewith, for the acquisition by SCIM from Resource America, Inc. of certain nominal assets related to CIF.

CIF is a U.S.-based, continuously offered, closed-end interval fund, with approximately \$252 million of assets under management (unaudited) as of September 30, 2020, that invests across credit markets including direct credit, private credit, and public credit. Pursuant to the CIF Advisory Agreement, SCIM will receive an annual base management fee equal to 1.85% of CIF’s average daily net assets and a quarterly income incentive fee. The CIF Advisory Agreement is renewable annually following an initial two-year term, which renewal must be approved by (a) a majority of the outstanding voting securities of CIF or by vote of CIF’s Board of Trustees; and (b) by vote of a majority of non-interested Trustees (collectively, the “**CIF Approvals**”). In connection with the closing of the SCIM Transaction, the Company entered into the agreements described below whereby the Company will receive the net economic benefits derived under the CIF Advisory Agreement.

Ted Goldthorpe, CEO and Chairman of Mount Logan, noted, “The closing of CIF represents a strong step towards transitioning Mount Logan to an asset-light business model. With the closing of our private placement earlier this week, we look forward to maintaining this momentum and growing the Mount Logan platform.”

Upon closing, the Company advanced approximately \$12.0 million to SCIM by way of a secured promissory note (the “**SCIM Facility**”) and may advance up to an additional \$3.0 million, for an aggregate principal amount not to exceed \$15.0 million. The SCIM Facility is secured by the rights, management fees, performances fees, and other compensation associated with the CIF Advisory Agreement. In addition, the Company has entered into a services agreement with SCIM (the “**SCIM Services Agreement**”) pursuant to which the Company will provide certain administrative services to SCIM in respect of CIF. Under the SCIM Services Agreement, in exchange for the administrative services relating to CIF, SCIM will pay to the Company, on a quarterly basis, an amount equal to the aggregate base management and incentive fees received by SCIM from CIF under the CIF Advisory Agreement in respect of such quarter, net of debt service, a quarterly fee to be retained by SCIM comprised of a specified amount, plus an allocable portion of the compensation of SCIM’s investment professionals in connection with their performance of investment advisory services for CIF. In addition, SCIM will be reimbursed by the Company quarterly for certain expenses it incurs in connection with the investment advisory services provided pursuant to the CIF Advisory Agreement.

[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, SCIM remaining the investment adviser of CIF following each two year renewal period and the Company will continue to receive the net economic benefit derived by SCIM under the CIF Advisory Agreement; 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 the CIF Approvals every two years and such approvals may not be obtained, if the CIF Advisory Agreement is not renewed the Company's recourse for repayment under the SCIM Facility 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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