



## NEWS RELEASE

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### Mount Logan Capital Inc. Provides Update on Strategic Minority Investment in Sierra Crest

*All figures in United States dollars unless otherwise noted.*

**TORONTO, December 29, 2020** – Mount Logan Capital Inc. (NEO: MLC) (“**Mount Logan**” or the “**Company**”) is pleased to announce that Portman Ridge Finance Corporation (“**Portman Ridge**”), which is managed by Sierra Crest Investment Management LLC (“**Sierra Crest**”) of which Mount Logan recently acquired a 21.4% stake, announced on December 23, 2020, that it had entered into a definitive agreement with Harvest Capital Credit Corporation (NASDAQ: HCAP) (“**HCAP**”) whereby HCAP will merge with and into Portman Ridge (the “**HCAP Transaction**”).

HCAP is a publicly-traded, U.S.-based, closed-end, externally managed business development company (“**BDC**”) within the meaning of the U.S. *Investment Company Act of 1940, as amended* (the “**1940 Act**”) that provides customized financing to small and mid-sized businesses located throughout North America. The combined company will be externally managed by Sierra Crest and is expected to have total assets of approximately \$757 million (based on September 30, 2020 balance sheets, adjusted for estimated transaction expenses and Portman Ridge’s recent merger with Garrison Capital Inc.).

Ted Goldthorpe, CEO and Chairman of Mount Logan, noted, “The HCAP Transaction represents the third M&A transaction completed by Portman Ridge since coming under the management of Sierra Crest in April 2019. We expect the combined company’s growth and increased scale will benefit its shareholders and support the future earnings growth of Sierra Crest and ultimately Mount Logan by providing a larger base of fee-generating permanent capital.”

Closing of the HCAP Transaction is subject to several conditions, including the approval by HCAP stockholders, and is expected to be completed in the second calendar quarter of 2021. Certain significant stockholders of HCAP have entered into voting support agreements with Portman Ridge and agreed to vote their HCAP shares in favor of the HCAP Transaction, which shares represent in aggregate approximately 31.6% of HCAP’s shares outstanding as of December 22, 2020.

#### [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, statements relating to the Company's transition to an asset-light business model; the likelihood of the closing of the HCAP Transaction and the timing thereof; the ability of each of Sierra Crest and the combined company to further grow and scale their respective business; any change in earnings potential for the Company as a result of any growth of each of Sierra Crest and the combined company; 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 the risk that the HCAP Transaction may not be completed or if completed may not be completed on the terms described herein, that the Company has only a minority interest in Sierra Crest and does not have the ability to affect the control over Sierra Crest or direct the management or policies of Sierra Crest, the risk that Sierra Crest may cease to be the investment adviser to its existing portfolio companies including Portman Ridge and may not enter into further asset management agreements in order to scale and grow its business, the risk that Portman Ridge does not scale and grow its business in a way that provides a significant benefit to the Company, the Company has a limited operating history with respect to an asset-light business model 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, as amended, and the Company is not and will not be registered under 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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