

## NEWS RELEASE

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### **Mount Logan Capital Inc. Announces Entering into Revolving Financing Facility in Conjunction with Proposed CLO Transaction and Completion of Private Placement**

*All amounts are stated in United States dollars, unless otherwise indicated.*

**TORONTO, May 7, 2021** – Mount Logan Capital Inc. (NEO:MLC) (“Mount Logan,” “MLC,” “our,” “we,” or the “Company”) announces that its wholly-owned subsidiary, Great Lakes Senior MLC I LLC (“MLC Subsidiary”) has entered into a facility and security agreement (the “Facility Agreement”) with a large US-domiciled financial institution, as administrative agent (the “Agent”). Pursuant to the Facility Agreement, the Agent shall arrange for lenders to advance to MLC Subsidiary on a revolving basis up to \$60,000,000 (the “Facility”). The proceeds from the Facility, drawn over time, will be used to fund the purchase price of collateral loans to be acquired by MLC Subsidiary from time to time (“Collateral Loans”).

Pursuant to the Facility Agreement, MLC Subsidiary is initially entitled to borrow from the lenders, on a revolving basis, up to \$50,000,000, provided that the amount available under the Facility can be increased to \$60,000,000 in the sole discretion of the Agent. The Facility matures on February 7, 2022, subject to earlier repayment at the option of MLC Subsidiary. The Facility is intended to be temporary in nature and MLC Subsidiary expects to terminate the Facility in Summer 2021 following the contribution of Collateral Loans purchased with the Facility, and pre-existing loans currently held by MLC Subsidiary, to a newly formed special purpose vehicle structured to refinance one of the Collateralized Loan Obligations (“CLOs”) managed by Mount Logan Management LLC (“ML Management”), in consideration for cash which shall be used to repay the Facility.

“This short-term facility enables us to ramp a portfolio of loans to scale and assist in extending the life and improving the return profile of the CLO,” said Ted Goldthorpe, CEO and Chairman of Mount Logan. “The facility and related CLO transaction will enable Mount Logan to divest loans from its balance sheet and use the proceeds to pursue further strategic acquisition activity.”

In connection with the Facility Agreement, MLC Subsidiary has granted to the Agent, as collateral security for all of the obligations under the Facility, a continuing security interest in, and a lien upon, all of MLC Subsidiary’s right, title and interest in, to and under certain property of MLC Subsidiary. ML Management is a guarantor of the Facility and the Facility is non-recourse in nature to the Company.

Mount Logan also announces that it has completed a non-brokered private placement (the “Private Placement”) of 223,214 common shares of the Company (the “Shares”) at a purchase price of \$2.80 CAD per Share for gross proceeds of approximately \$500,000. The net proceeds of the Private Placement will be used by Mount Logan for general corporate and working capital purposes. In accordance with applicable securities legislation, the Shares issued pursuant to the Private Placement are subject to a statutory hold period of four months.

#### **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 actively sources, evaluates, underwrites, manages, 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 Statement Regarding Forward-Looking Statements

*This press release contains forward-looking statements and information within the meaning of applicable securities legislation. 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 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 release include, but are not limited to, statements relating to the expected use of proceeds from the Private Placement, the temporary nature of the Facility and the timing of the termination and repayment of the Facility, the timing or completion of the acquisition of Collateral Loans and the contribution of Collateral Loans and current loans to the CLO, the extension of the life of the CLO and improvement in its return profile, the use of proceeds by MLC of loans divested from its balance sheet, the timing and completion by MLC of further strategic acquisitions,, the Company's business strategy, model, approach and future activities, portfolio composition and size, asset management activities and related income, capital raising activities, future credit opportunities of the Company, portfolio realizations, the protection of stakeholder value and the expansion of the Company's loan portfolio. 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 based upon reasonable assumptions; 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 Company may be unable to source Collateral Loans as currently contemplated, the nature of the Collateral Loans acquired and the loans on the Company's balance sheet may not be adequate to extend the life of the CLO or improve its return profile as currently contemplated, it may take longer than expected to acquire Collateral Loans for contribution to the CLO which could prevent the Company from terminating and repaying the Facility prior to maturity, any transaction with the CLO may not be completed on the terms contemplated or at all and the matters discussed under "Risks Factors" in the most recently filed annual information form and management 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. These forward-looking statements 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 release is not, and under no circumstances is it to be construed as, an offer to sell or an offer to purchase any securities in the Company or in any fund or other investment vehicle. 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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