

NEWS RELEASE

Mount Logan Capital Inc. Subsidiary Appointed as Investment Adviser of U.S. Business Development Company

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

TORONTO, July 1, 2021 – Mount Logan Capital Inc. (NEO: MLC) (“Mount Logan” or the “Company”) today announced that it has completed its previously announced transaction whereby the Company’s wholly-owned subsidiary, Mount Logan Management LLC (“ML Management”) has become the investment adviser of Capitala Finance Corp. (“Capitala”), a U.S. publicly traded business development company (“BDC”) with approximately \$320 million of total assets as of March 31, 2021. Capitala primarily invests in first lien loans and, to a lesser extent, second lien loans and equity securities issued by lower middle market companies.

At the special meeting of Capitala’s stockholders, over 97% of voting stockholders approved the new advisory agreement between Capitala and ML Management. In connection with the new investment adviser appointment, Capitala changed its name to “Logan Ridge Finance Corporation” (“Logan Ridge”) and changed its trading symbol from “CPTA” to “LRFC” and its common stock will begin trading on NASDAQ under the new name and symbol effective July 2, 2021. As the investment adviser of Logan Ridge, ML Management is entitled to a 1.75% annual base management fee on gross assets as well as an incentive fee tied to performance.

Ted Goldthorpe, Chief Executive Officer and Chairman of Mount Logan, noted, “We are pleased to complete our transaction with Capitala and to begin serving as the external manager of Logan Ridge. We look forward to providing our expertise in sourcing and investment advisory to add value for shareholders of Logan Ridge. Furthermore, the asset management contract with Logan Ridge provides a stable and recurring asset management fee stream underpinned by a permanent capital vehicle thus fulfilling Mount Logan’s ongoing transition towards asset management activities.”

Separately, pursuant to an asset purchase agreement, ML Management acquired from Capitala Investment Advisors, LLC, the former investment adviser of Capitala, certain assets related to the business of providing investment management services to Capitala.

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.

About Logan Ridge Finance Corporation

Logan Ridge Finance Corporation (NASDAQ: LRFC) is a business development company that invests primarily in first lien loans and, to a lesser extent, second lien loans and equity securities issued by lower middle market companies. Logan Ridge invests in performing, well-established middle market businesses that operate across a wide range of industries. It employs fundamental credit analysis, targeting investments in businesses with relatively low levels of cyclicity and operating risk. For more information, visit <http://www.loganridgefinance.com>.



Cautionary Statement Regarding Forward-Looking Statements

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 management business model; the management fee generation and duration of the advisory agreement with Logan Ridge; any change in earnings potential for the Company as a result of any growth of Logan Ridge and the combined company; the expected trading date of the shares of Logan Ridge; 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 ML Management may cease to be the investment adviser for Logan Ridge and may not enter into further asset management agreements in order to scale and grow its business, the risk that Logan 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 management 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 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, 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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