

29 January 2018

**Ranger Direct Lending Fund plc (“Ranger” or the “Company”)
Review of External Management Arrangements and Princeton Arbitration Update**

Introduction

The Company was admitted to the Premium Segment of the Official List and to Trading on the Main Market of the London Stock Exchange on 1 May 2015, raising £135 million. Approximately £14 million of further equity was raised in December 2015 and approximately £54 million in Zero Dividend Preference Shares was raised during 2016.

The Company invests directly and indirectly in a portfolio of debt instruments originated or issued by non-bank direct lending platforms. Ranger has a diverse portfolio of loans across different industries, geographies and maturities. A comprehensive review of the Company’s portfolio as at 30 September 2017 was issued on 11 January 2018 and is available on its website at:

<http://rangerdirectlending.com/documents>

The Company’s investment objective is to seek to provide investors with an attractive return, principally in the form of quarterly income distributions. In the year ended 31 December 2016, the Company paid total dividends of 89.61 pence per share (which related to the final quarter of 2015 and the first three quarters of 2016). Quarterly dividends paid in the year ended 31 December 2017 (which related to the final quarter of 2016 and the first three quarters of 2017) amounted to 101.76 pence per share. As at 30 November 2017 the NAV per share (Ex Income) of the Company was £10.21 and the Company’s aggregate net asset value (Ex Income) amounted to approximately \$222 million.

Third Party Valuer

As contemplated by the Company's valuation policy, the Company, in co-ordination with its investment manager, has engaged an established independent valuation firm to perform valuation consulting services on the Company's portfolio (excluding the investment in Princeton owing to a lack of available information in respect of that investment) as at 29 December 2017.*

External Management Arrangements

Ranger is an externally managed investment company. On IPO a management contract with Ranger Alternative Management II, LP (the “Manager”) was put in place with an initial term to 1 May 2018 and with a rolling one year notice period thereafter. On 1 November 2017 the Board of the Company announced that it, in conjunction with the Manager, was in discussions with potential co-managers who could assist in and strengthen aspects of the Manager's current role and responsibilities. In furtherance of such process and given the need to resolve the management arrangements of the Company going forward, the Board, following discussion with shareholders and with the Manager, has initiated the formal process to determine the management arrangements for the Company beyond May 2018. The Board has appointed Kinmont to provide independent advice on this process.

A further announcement will be made in respect of this process in due course and parties interested in a future investment mandate in respect of the Company's external management arrangements are invited to contact Kinmont to register their interest.

The Company's external management arrangements are reviewed and monitored by the Management Engagement Committee of the Company which was established on IPO and which comprises the Company's independent directors. The Management Engagement Committee will direct this process on behalf of the Company.

Princeton Arbitration Update

On 26 June 2017, the Company announced that itself and the Manager had initiated arbitration proceedings (the "Proceedings") with JAMS (a dispute resolution provider) against the Princeton Master Fund ("Princeton") and its general partner Princeton Alternative Funding, LLC (the "General Partner"). The purpose of the Proceedings was to seek to enforce Ranger's and the Manager's rights (including, *inter alia*, rights concerning redemption and the provision of financial information) against the Princeton Master Fund and the General Partner.

The Company also announced via its monthly updates that the arbitration proceedings initially took place over 20 November 2017 to 30 November 2017 but were continued to a four-day period from 18 January 2018 in order to accommodate proposed testimony. The testimony is now substantially complete and the remaining witness testimony is estimated by the Company to require an additional two day hearing period. These additional days have been scheduled and are expected to conclude by 9 March 2018. Following conclusion of the testimony, the parties will submit post hearing briefings and then the arbitration panel will have up to 30 days to make a determination in respect of its ruling.

As previously described in the October 2017 NAV newsletter, the Company also sued MicroBilt and related parties in the Delaware Court of Chancery. The Princeton parties moved to force the Company to pursue the claims against MicroBilt and its related parties within the existing arbitration; and that motion was granted by the arbitration panel. As a result, the Company dismissed its claims in Delaware without prejudice and without waiving its rights to later seek review of the arbitration panel's decision compelling arbitration. The Company intends to refile its claims in arbitration. The Company does not expect that the filing of such claims in arbitration will impede or delay the arbitration panel's decision with respect to the claims currently being pursued against Princeton or its General Partner. The MicroBilt proceedings continue to be conducted by the Company's attorneys on a contingency basis as previously announced.

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IMPORTANT INFORMATION

* The valuation consulting services will consist of certain limited procedures that the Company has identified and requested the independent valuation firm to perform. For clarity, the Company is ultimately and solely responsible for determining fair value of the investments in good faith. The identification of limited procedures on the appointment of an independent valuer is customary for such an appointment.

The actual outcome of any legal proceedings may be materially affected by new information coming to light following the date of this announcement. Any views contained herein are based on the Company's understanding of the relevant proceedings as of the date of this announcement.

Neither the content of the Company's website, nor the content on any website accessible from hyperlinks on its website for any other website, is incorporated into, or forms part of, this announcement nor, unless previously published by means of a recognised information service, should any such content be relied upon in reaching a decision as to whether or not to acquire, continue to hold, or dispose of, securities in the Company.

END OF ANNOUNCEMENT