

TETRAGON

August 2, 2010

TETRAGON FINANCIAL GROUP LIMITED (“TFG”) TO PURSUE REAL ESTATE VENTURE

TFG today announces that it has entered into an agreement with John Carrafiell, Sonny Kalsi and Fred Schmidt, to invest in their newly created multi-jurisdictional real estate venture, GreenOak Real Estate (“GreenOak”).

All three partners formerly worked together at Morgan Stanley for more than a decade, where Mr. Carrafiell (based in London) was the former global co-head of the real estate investment banking and investing business, Mr. Kalsi (based in New York) was the former global head of the real estate investing business, and Mr. Schmidt (based in Tokyo) was the former head of the real estate investing business for Asia (collectively, the “GreenOak Founders”).

Under the terms of the transaction, TFG will receive a 10% equity interest in GreenOak and will provide GreenOak with, among other things, a working capital loan of up to \$10.0 million and a \$100.0 million co-investment commitment (the “GP Co-Investment”) that is expected to fund up to a limited fixed percentage amount of any GreenOak sponsored investment program with TFG retaining the option to invest further amounts. TFG will also grant to the GreenOak Founders options with respect to approximately 3% of TFG’s listed shares (exercisable after five years and subject to further conditions) at a strike price of \$5.50. TFG’s GP Co-Investment (including, amounts invested at its option) will benefit from preferential or discounted fees in the applicable investment program.

Paddy Dear, a director of TFG and a principal of Polygon Credit Management LP, the investment manager of TFG (the “Investment Manager”), commented: “We think there are significant opportunities in the real estate market, including widespread distressed opportunities, and gaining further exposure to this asset class especially at attractive fee levels is very appealing. We are also particularly excited to partner with individuals with such extensive experience. We believe John, Sonny and Fred continue the TFG model of seeking to partner with exceptional asset managers.”

“We also think this is a very positive addition to TFG’s asset management platform.” said David Wishnow, a principal of the Investment Manager. “The GreenOak business may provide a high quality and recurring income stream that would further diversify TFG’s current income similar to LCM. We continue to be excited about the potential for TFG to become more of a broad based financial services firm that functions not only as an investment holding company, but also as a company that owns multiple operating businesses.”

In connection with the transaction, an affiliate of the Investment Manager, Polygon Management L.P. (“Polygon”), will also provide GreenOak with a working capital loan and a limited co-investment commitment and certain Polygon affiliates will enter into an agreement with GreenOak to provide operating, infrastructure and administrative services to the business. Polygon will also provide the GreenOak Founders with an equity interest in Polygon. Polygon will, in turn, receive an equity interest in GreenOak. Further information may be found on the TFG website at the following address:

www.tetragoninv.com/tfg/about/orgstructure.

About Tetragon:

Tetragon Financial Group Limited (TFG) is a Guernsey closed-ended investment company traded on Euronext Amsterdam by NYSE Euronext under the ticker symbol “TFG.”

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Tetragon Financial Group Limited (TFG) currently invests primarily through long-term funding vehicles such as collateralized loan obligations in selected securitized asset classes and aims to provide stable returns to investors across various interest rate and credit cycles.

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