Priority Income Fund

Investment Overview Brochure

This material is neither an offer to sell nor the solicitation of an offer to buy any security. Such an offer can be made only by prospectus, which has been filed with the Securities and Exchange Commission and is available at sec.gov, and sold by broker-dealers authorized to do so. This material must be preceded or accompanied by a prospectus for the securities of the issuer described herein. This material must be read in conjunction with the prospectus in order to fully understand the investment objectives, implications, and risks of the offering of securities to which it relates.

Priority Income Fund

Investors should *read the prospectus carefully* and *carefully* consider this and other information, including the charges and expenses of the issuer, prior to investment. To obtain a prospectus, please contact your financial advisor or Provasi Capital Partners LP at 866.655.3600. Additional details about this investment opportunity, including a copy of the current prospectus, are available at priority-incomefund.com.

Important Risk Factors To Consider

An investment in shares of Priority Income Fund, Inc. (the "Fund") involves substantial risk and may result in the loss of principal invested. You should carefully read the information found in the Fund's prospectus, including the "Risk Factors" section, before deciding to invest in the Fund's shares. **These risks include:**

- Absence of a public market for these securities
- Limited operating history
- The Adviser's lack of experience managing a registered closed-end fund
- Limited liquidity and lack of transferability
- Reinvestment risk
- Risks related to failing to qualify as a regulated investment company for U.S. federal income tax purposes
- Exposure to leveraged credit risk
- Risks associated with lending activities, including underlying borrower fraud
- Non-investment grade debt involves a greater risk of default and higher price volatility than investment grade debt.
- Absence of investments identified for acquisition
- Payment of significant fees to the Fund's Adviser and its affiliates
- Potential uncertainty as to the value of the Fund's assets
- Potential conflicts of interest
- Risk that the net offering price per share will not reflect the Fund's net asset value
- Risk that the purchase price paid by you may be higher than a prior purchase price per share and therefore you may receive a smaller number of shares
- Risk of significant leverage within the Fund and collateralized loan obligations ("CLOs")
- Potential interruption and deferral of cash flow
- No assurance that distributions will be made or that any particular rate of distribution will be maintained
- Distributions to stockholders may be funded from expense support payments provided by the Adviser that are subject to repayment to the Adviser if certain conditions are met. Distributions may not be based on investment performance and may not continue in the future. The reimbursement of these payments to the Adviser (if any such reimbursements are made) would reduce the future distributions to which investors would otherwise be entitled.
- Lack of diversification in assets of the Fund until significant funds have been raised
- Risk that the Fund's operating results will be affected by economic and regulatory changes that have an adverse impact on the Fund's investments
- Unforeseen increases in operating and capital expenses
- Lack of availability of due diligence information
- Risk related to the fact that the assets of the Fund are intended to be concentrated in senior secured loans and CLOs
- Risk that the Fund will not achieve its investment objectives if it does not raise sufficient capital
- The Fund will not be a diversified investment fund for purposes of the 1940 Act.

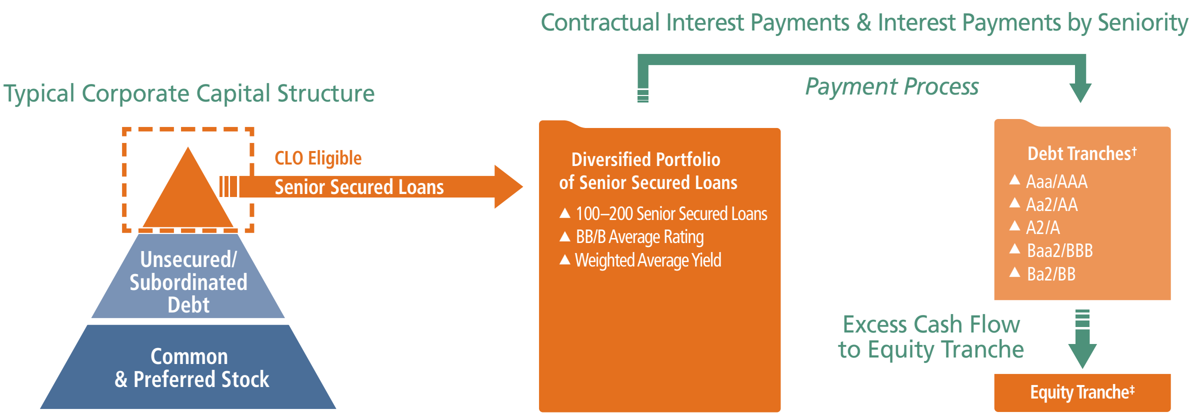
These and other risks may impact the Fund's financial condition, operating results, returns to its investors, and ability to make distributions as stated in the Fund's prospectus.

This material contains forward-looking statements relating to the business and financial outlook of Priority Income Fund, Inc. that are based on the Fund's current expectations, estimates, forecasts, and projections, and are not guarantees of future performance. Actual results may differ materially from those expressed in these forward-looking statements, and you should not place undue reliance on any such statements. A number of important factors could cause actual results to differ materially from the forward-looking statements contained in this material. Such factors include those listed above, and those described in the "Risk Factors" section of the Fund's prospectus. Forward-looking statements in this material speak only as of the date on which such statements were made, and the Fund undertakes no obligation to update any such statements that may become untrue because of subsequent events.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED ANY OFFERING OF PRIORITY INCOME FUND, INC. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

Principal underwriting and wholesale distribution services are provided by Provasi Capital Partners LP, an affiliated entity of the cosponsor, as dealer manager. This material has been prepared by Provasi Capital Partners LP on behalf of the issuer. Provasi Capital Partners LP is a member of FINRA/SIPC.

Priority Income Fund, Inc. (the "Fund") was created to provide individual investors with the opportunity to invest in broad pools of senior secured loans made primarily to U.S. companies. As part of its investment strategy, the Fund seeks to invest, under normal circumstances, at least 80% of its total assets in senior secured loans to companies whose debt is rated below investment grade or, in limited circumstances, unrated. The Fund will invest in senior secured loans both directly and through investments in the equity tranches of broad pools of senior secured loans known as collateralized loan obligations, or CLOs.



†Cash flows are allocated sequentially in the payment process; first, to pay the CLO's operational and administrative costs; second, to the debt service of the highest-ranking debt tranche; third, to the debt service of the next-highest-ranking tranche, and so on until the debt service obligations of the CLO are met.

‡The equity tranche, as the most subordinate position, receives remaining funds. Thus, should a decrease in payments occur, the equity tranche is typically the first position to be affected by the decrease.

Senior Secured Loans Defined

- ***Senior*** – Senior secured loans are senior to other debt obligations (and equity).
- ***Secured*** – Typically by a first lien on the borrower's assets; also may contain restrictive financial covenants designed to protect investors against default
- ***Income*** – Ongoing cash interest payments from loans

What Senior Secured Loans Offer

- Typically quarterly cash interest payments
- Although subject to market risk, senior secured loans have historically experienced lower volatility than other non-investment-grade fixed income and equity asset classes.[1]
- Key investment provisions:
  - Top priority in capital structure
  - Senior to unsecured corporate bonds, preferred stock, and common equity
  - Typically a first lien on borrower's assets
  - Typically restrictive covenants
- Documented low default rates[2]
- Higher recovery rates after default than unsecured corporate bonds[3]
- Interest rate and inflation protection due to floating rates
  - Unlike corporate bonds, which typically have fixed rates
- May reduce volatility as part of a diversified portfolio

CLOs Defined

A CLO is an entity formed by a third-party collateral manager to originate and manage a portfolio of 100–200 senior secured loans made primarily to U.S. corporations across a broad variety of industries. Senior secured loans within a CLO must meet specific credit and diversity criteria:

- Typically a first-lien loan
- Typically have credit ratings from Moody's and S&P, which are typically single- or double-B ratings; the overall ratings scale ranges from AAA (highest) to D (lowest).
- Concentration limits to control over-exposure to a single credit or a single industry, subject to exceptions

Typical CLO Payment Process

- A CLO structure has multiple tranches of debt (typically rated "AAA" to "BB") and an equity tranche.
  - Principal and interest payments from the underlying loans flow to CLO investors through a payment process known as a waterfall.
  - Higher-priority tranches pay a lower interest rate due to a lower risk position, while lower tranches pay higher rates (see chart above).
- CLO assets and liabilities have floating rates, which act to potentially hedge against rising interest rates/inflation.
- Typically, the equity tranche is approximately 10 percent of the capital structure.
  - After interest on debt and expenses are paid, excess cash is typically distributed to the equity tranche.

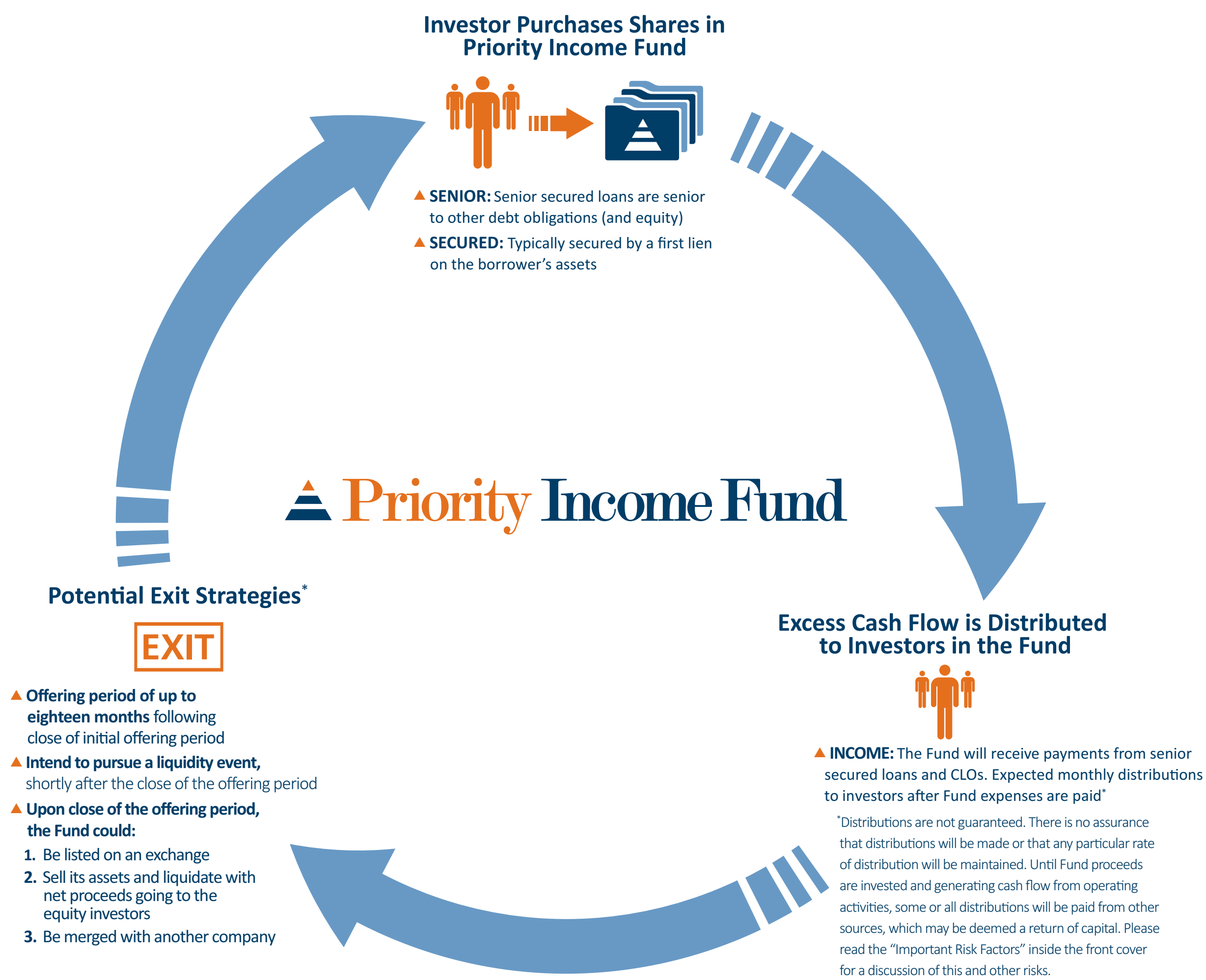
"Investors in loans like their short duration, high position in the capital structure and their floating rate attribute that has resulted in better returns than other fixed income instruments." [4]

Program Terminology

- ***Senior Secured Loans:*** Loans that typically have senior payment priority and are secured by the borrower's assets
- ***Collateralized Loan Obligation (CLO):*** A broad pool of senior secured loans
- ***Floating Rate:*** The interest rate that the borrower pays resets periodically and is comprised of a specified credit spread plus LIBOR[5] or the Base Rate.

Anticipated Life Cycle

The Fund intends to invest directly in senior secured loans and the equity and junior debt tranches of CLOs, seeking consistent income for shareholders. The illustration below is intended to be for educational purposes and provides a representative example of the Fund's life cycle.

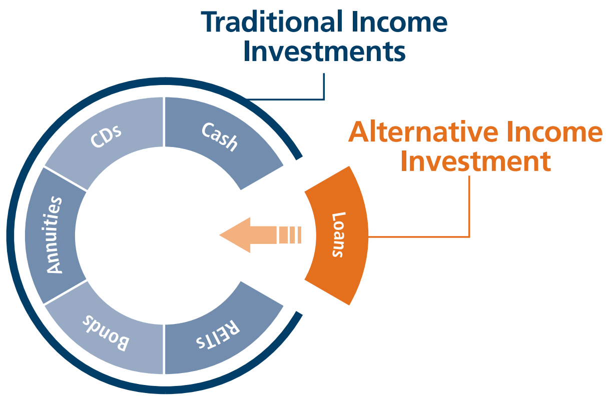


*The completion of a liquidity event is in the sole discretion of the Fund's Board of Directors and, depending upon the event, may require shareholder approval; there can be no assurance that the Fund will complete a liquidity event within its proposed time frame or at all.

Asset Allocation

We believe investment portfolios should include an asset allocation strategy that accommodates both traditional and alternative investments. Senior secured loans, including those held in CLOs, represent a separate category and have the potential to provide cash income and portfolio diversification.

The Fund's management team believes that investments in senior secured loans and CLOs represent an attractive opportunity and should be considered an important part of an investor's portfolio.



Potential Benefits of Investing in the Fund

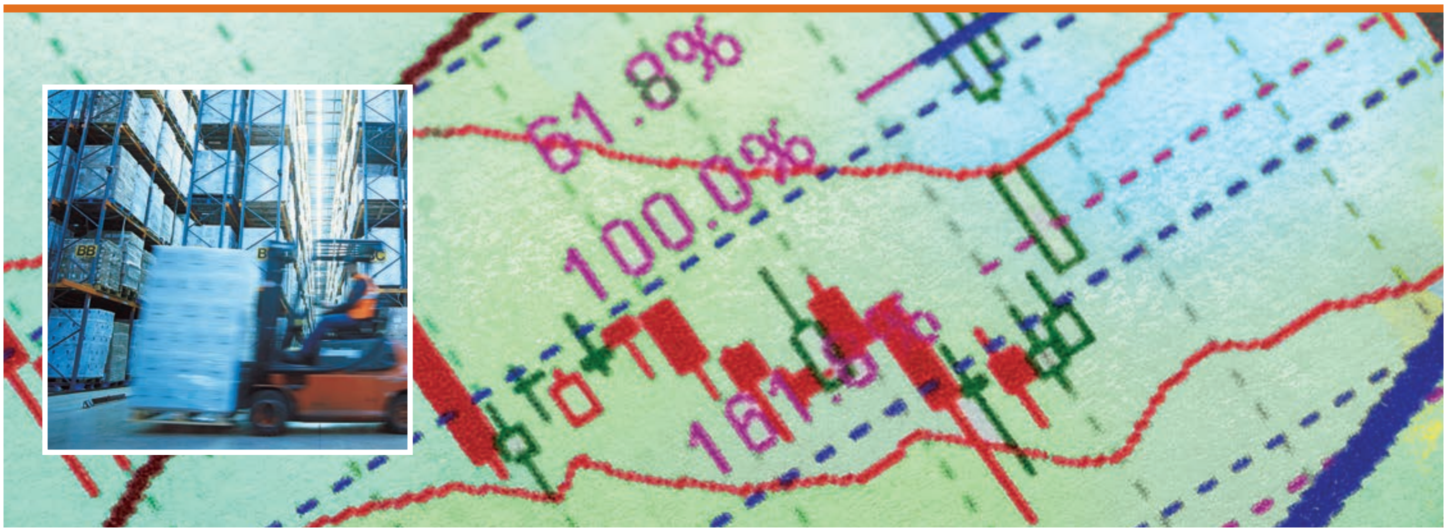
Senior secured loans support U.S. corporations and their employees. By investing in these loans, investors have the opportunity to participate in a program that helps provide financing to U.S. companies.

- ***Income:*** The primary objective of the Fund is to provide ongoing current cash income with a secondary objective of capital appreciation.
- ***Low Correlation:*** CLO equity has a low correlation to other fixed-income asset classes, as well as equity and real estate asset classes.[6]
- ***Portfolio Diversification:*** Broad pools of loans are diversified across industries and borrowers.
- ***Inflation Hedge:*** Senior secured loans have floating interest rates, which could potentially hedge against inflation or rising interest rates.

Key Risks of Investing in Senior Secured Loans and CLOs

Senior secured loans are subject to leveraged-credit risk which may adversely impact the performance of the Fund.

- ***Leveraged Credit Risk:*** Companies issuing loans are rated below investment grade and are, therefore, more likely to default than investment-grade companies. Default rates vary with macroeconomic cycles.
- ***Reinvestment Risk:*** The possibility that reinvested proceeds from a senior secured loan may result in lower yields than the original loan due to reduced interest rates at the time of reinvestment
- ***Additional Risks:*** For additional risks associated with this investment program, see Important Risk Factors to Consider inside the front cover, or refer to the prospectus.



Senior secured loans are known to offer an inflation hedge and diversification benefits, which make them a logical part of investors' permanent asset allocations.[7]

About the Fund

Priority Income Fund, Inc. is open to investors who seek current cash income as a primary objective, with a secondary objective of long-term capital appreciation.

- ***Share Classes:*** Class R, Class RIA and Institutional Class shares are available
- ***Minimum Investment:*** $1,000
- ***Offering Period:*** Up to eighteen months following close of the initial offering period[*]
- ***Distribution Payment Frequency:*** Monthly[†]
- ***Distribution Reinvestment:*** Yes[†]
- ***Investment Types:*** Senior secured loans and CLOs
- ***Total Stockholder Transaction Expenses (as a percentage of offering price)[8]:*** Maximum of 10% (includes commissions, dealer manager fee, and organization and offering expenses), estimated to be 9.5%
- ***Total Annual Expenses[8] (as a percentage of average net assets)[9]:*** 12.03% (includes 2.03% management fees, 3.52% incentive fee payable under the Investment Advisory Agreement, 5.03% acquired fund fees, and 1.45% other expenses)

The Investment Strategy

The Fund seeks to generate current income and, as a secondary objective, long-term capital appreciation by investing at least 80% of total assets (or net assets plus borrowings) in senior secured loans in the primary or secondary markets, or investing in CLOs. Structurally, CLOs are entities that are formed to manage a portfolio of senior secured loans. The CLOs will typically be issued by special purpose vehicles and will predominantly be collateralized against pools of senior secured loans. The Fund's debt investments will typically be BB or B rated (non-investment grade) and, in limited circumstances, unrated senior secured loans, originated in the U.S. with a first lien on the borrower's assets and made to a large number of varied companies in industries such as:

- Business Equipment and Services
- Consumer Products and Services
- Energy and Power
- Financial Services
- Food and Beverage
- Healthcare
- Industrial and Manufacturing
- Media and Entertainment
- Retail
- Telecommunications

Fund Attributes That Can Benefit Investors

- Monthly distributions[†]
- Potential interim special distributions[†]
- May reduce volatility as part of a diversified portfolio
- CLO equity has low historical correlation to other asset classes.[6]
- Underlying asset class–*senior secured loans*
- Provides unique access to broad pools of senior secured loans
- Asset/liability matched funding
- Supports public and private corporations and their employees across the United States
  – Senior secured loans are one of the fundamental drivers of economic growth.[‡]

[*] The Fund Board of Directors approved an extension of the offering period for an additional period of 18 months, extending the public offering to November 2017, unless further extended by the Board of Directors.

[†] Distributions are not guaranteed. There is no assurance that distributions will be made or that any particular rate of distribution will be maintained.

[‡] www.originsofbusiness.com/2012/11/an-optimistic-view-of-us-economic-growth.

Priority Income Fund

Investment Adviser
Priority Senior Secured Income Management LLC

Portfolio Manager

PROSPECT

*About Prospect Capital Management**

Prospect Capital Management (PCM), is an established, New York-based asset management firm and registered investment advisor with significant experience in originating, evaluating, structuring and investing in senior secured loans and CLOs. PCM's institutional infrastructure includes finance, legal, tax and financial reporting, compliance and administration.

- More than 100 professionals across all functions with senior team members' experience averaging over 20 years
- Portfolio of $7 billion of senior secured loans and pools of senior secured loans.*
- Manages Prospect Capital Corporation (Ticker: PSEC,) a public business development company, which has more than $7.6 billion of capital under management.**

*Data as of 6/30/16, except where noted otherwise.
**Capital under management includes equity, outstanding indebtedness and undrawn credit facilities as of 6/30/16.

Distributor

PROVASI CAPITAL PARTNERS

About Provasi Capital Partners

Provasi Capital Partners LP offers access to specialized investment strategies through a multi-manager approach that presents advisors and their clients with unique options for allocating capital, managing risk and diversifying assets.
For more information, call toll-free 866.655.3600 or visit provasicapital.com.

†The Fund has elected to be treated as a Regulated Investment Company (RIC) for federal income tax purposes. For additional risks associated with this investment, see Important Risk Factors to Consider inside the front cover or refer to the Fund prospectus.

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866.655.3600 ▲ priority-incomefund.com

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[1] Morningstar Direct, comparison of S&P/LSTA Leveraged Loan Index versus investment-grade debt and equity indexes, for the three years ending December 31, 2015.

[2] Standard & Poor's LCD - Leveraged Lending Review, December 2015.

[3] Moody's Investor Service, Annual Default Study: Corporate Default and Recovery Rates, 1920-2014. March 4, 2015.

[4] Loan Syndication and Trading Organization (LSTA), "Understanding the U.S. Senior Secured Loan Market," a white paper sponsored by Pensions & Investments Online, Feb. 4, 2016, p. 4.

[5] LIBOR: London Interbank Offered Rate; interest rate charged between banks to borrow funds.

[6] Citi Research, "CLO Equity Has Low Correlation vs. Other Asset Classes," Sept. 1, 2015, p. 7.

[7] "The Risks and Rewards of Investing in the Senior Secured Loan Market," a special supplement to Pensions & Investments, sponsored by LSTA.org and more.

[8] For more information on fund expenses, including detailed information on the management fee, the subordinated incentive fee, and additional fund fees and expenses, please see the prospectus.

[9] Amount assumes that we sell $86.1 million worth of our shares during the 12 months following June 30, 2016, which represents the average monthly rate of capital raising during the 3 months from April 1, 2016 to June 30, 2016 over 12 months. As of June 30, 2016, we had net assets of approximately $182.3 million. Assuming we raise an additional $86.1 million over the 12 months following June 30, 2016, we would receive net offering proceeds from such sales of $79.2 million (not including the conditional reimbursement of offering and organization costs to our Adviser), resulting in estimated net assets of $261.5 million and average net assets of $225.2 million, based on our net assets of $182.3 million as of June 30, 2016. The amount also assumes that we do not borrow funds during such period. Actual expenses will depend on the number of shares we sell in this offering and the amount of leverage we employ. For example, if we were to raise proceeds significantly less than this amount over the next twelve months, our expenses as a percentage of our average net assets would be significantly higher. There can be no assurance that we will sell $86.1 million of our shares during the twelve months following June 30, 2016.

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