



Skyward Specialty Announces Launch of Initial Public Offering

Note: All dollar amounts in this press release are expressed in U.S. dollars, except as otherwise noted.

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Toronto, Canada – January 4, 2023 – The Westaim Corporation (“**Westaim**” or the “**Company**”) (TSXV: WED) is pleased to announce that Skyward Specialty Insurance Group, Inc.TM (“**Skyward Specialty**”) launched its initial public offering (the “**IPO**”) of its common stock. The offering consists of 4,750,000 shares of common stock offered by Skyward Specialty and 3,750,000 shares of common stock to be sold by certain of Skyward Specialty’s existing stockholders, plus up to an additional 1,275,000 shares to be sold by existing stockholders that the underwriters have the option to purchase. The IPO price is expected to be between \$14.00 and \$16.00 per share. The shares are expected to trade on the Nasdaq Global Select Market (the “**NASDAQ**”) under the ticker symbol “SKWD”.

Skyward Specialty’s principal purposes of the offering are to increase capitalization and financial flexibility and create a public market for its common stock, thereby enabling access to the public equity markets for Skyward Specialty and its stockholders. Skyward Specialty intends to use a portion of the net proceeds from this offering to make capital contributions to its insurance company subsidiaries to grow its business, using the remainder for general corporate purposes. Skyward Specialty will not receive any proceeds from any sale of shares of common stock by the selling stockholders.

Barclays Capital Inc. and Keefe, Bruyette & Woods, Inc. are acting as joint lead book-running managers for the offering. Piper Sandler & Co., JMP Securities, A Citizens Company, Truist Securities, Inc., and Raymond James & Associates, Inc., are acting as joint book-running managers for the offering. Academy Securities, Inc. and Siebert Williams Shank & Co., LLC, are acting as co-managers for the offering.

A registration statement relating to these securities has been filed with the U.S. Securities and Exchange Commission (the “**SEC**”). Accordingly, the offering will be made only by means of a prospectus. A copy of the final prospectus related to the offering will be filed with the SEC, and may be obtained, when available, from the prospectus departments of Barclays Capital Inc., c/o Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, NY 11717 (telephone: (888) 603-5847 or email: Barclaysprospectus@broadridge.com) or Keefe, Bruyette & Woods, Inc., 787 Seventh Avenue., 4th Floor, New York, New York 10019, Attention: Equity Capital Markets (telephone: (800) 966-1559, or email: kbwsyndicatedesk@kbw.com).

This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any state or jurisdiction.

At September 30, 2022, Westaim’s look-through interest in Skyward Specialty shares of common stock through the Westaim HIG Limited Partnership of 21.9%, combined with its direct ownership of the Skyward Specialty preferred shares, which are convertible into Skyward Specialty shares of common stock representing 21.9% of the fully diluted Skyward Specialty shares of common stock, resulted in a 43.8% look-through interest in Skyward Specialty. Westaim does not intend to sell or buy any Skyward Specialty shares of common stock as part of the IPO.

The Company also announces the resignation of Kevin Rooney as Corporate Secretary. The Company thanks Mr. Rooney for his service. Robert Kittel will act as Corporate Secretary in addition to his role as Chief Operating Officer.

Cautionary Note and Forward-Looking Statements

This news release contains certain forward-looking information within the meaning of applicable Canadian securities laws (“**forward-looking statements**”). All statements other than statements of present or historical fact are forward-looking statements. Forward-looking statements include those relating to the IPO, such as the proposed listing of the Shares on NASDAQ, the filing of the final prospectus and Westaim’s intention to not buy or sell any Skyward Specialty’s shares of common stock in connection with the IPO. Forward-looking statements are often, but not always, identified

by the use of words such as "anticipate", "achieve", "could", "believe", "plan", "intend", "objective", "continuous", "ongoing", "estimate", "outlook", "expect", "project" and similar words, including negatives thereof, suggesting future outcomes or that certain events or conditions "may" or "will" occur. These statements are only predictions.

Forward-looking statements are based on the opinions and estimates of management at the date the statements are made based on information then available to the Company and Skyward Specialty. Various factors and assumptions are applied in drawing conclusions or making the forecasts or projections set out in forward-looking statements including past practice of the Company and Skyward Specialty. Forward-looking statements are subject to and involve a number of known and unknown, variables, risks and uncertainties, many of which are beyond the control of the Company and Skyward Specialty, which may cause actual performance and results to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. Such factors, among other things, include those related to the business objectives of the Company and Skyward Specialty.

No assurance can be given that the expectations reflected in forward-looking statements will prove to be correct. Although the forward-looking statements contained in this news release are based upon what management believes, or believed at the time, to be reasonable assumptions, the Company cannot assure shareholders that actual results will be consistent with such forward-looking statements, as there may be other factors that cause results not to be as anticipated, estimated or intended. Readers should not place undue reliance on the forward-looking statements contained in this news release. These statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. These risks and uncertainties include, but are not limited to, risks relating to the IPO not being timely completed, if completed at all, in the manner or on the terms anticipated, including due to unfavorable market or other conditions or factors; risks related to the receipt of (or failure to receive) approvals required in connection with the IPO and the timing of receipt of such approvals; as well as the risks and uncertainties contained under the heading "Risk Factors" in the Company's annual information form for its fiscal year ended December 31, 2021 filed on its profile on SEDAR at www.sedar.com. The Company does not assume any obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be expressly required by applicable laws.

About Westaim

Westaim is a Canadian investment company specializing in providing long-term capital to businesses operating primarily within the global financial services industry. The Company invests, directly and indirectly, through acquisitions, joint ventures and other arrangements, with the objective of providing its shareholders with capital appreciation and real wealth preservation. Westaim's strategy is to pursue investment opportunities with a focus towards the financial services industry and grow shareholder value over the long term. Westaim's investments include significant interests in Skyward Specialty, Arena Investors and Arena FINCOs. Arena FINCOs and Arena Investors are defined in the notes to Westaim's audited consolidated financial statements for the year ended December 31, 2021 and 2020 and the MD&A. Westaim's Common Shares are listed on the TSX Venture Exchange under the trading symbol "WED".

For more information, contact:

J. Cameron MacDonald, President and Chief Executive Officer or
Robert T. Kittel, Chief Operating Officer and Corporate Secretary
The Westaim Corporation
info@westaim.com
(416) 969-3333

About Skyward Specialty

Skyward Specialty is a rapidly growing specialty insurance company, delivering commercial property and casualty products and solutions on a non-admitted and admitted basis. Skyward Specialty operates through eight underwriting divisions -- Accident & Health, Captives, Global Property, Industry Solutions, Professional Lines, Programs, Surety and Transactional E&S.

Skyward Specialty's subsidiary insurance companies consist of Houston Specialty Insurance Company, Imperium Insurance Company, Great Midwest Insurance Company, and Oklahoma Specialty Insurance Company. These insurance companies are rated A- (Excellent) by A.M. Best Company.

For more information, contact:

Haley Doughty

Skyward Specialty

hdoughty@skywardinsurance.com

For investor relations related inquiries contact IR@skywardinsurance.com

+1 (713) 935-4944

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