



WESTAIM ADOPTS ADVANCE NOTICE BY-LAW AMENDMENT

TORONTO, Ontario (April 8, 2013) – The Westaim Corporation (“**Westaim**” or the “**Company**”) (TSX: WED) announces the adoption by its board of directors (the “**Board**”) of amendments to its by-laws (the “**Amendments**”) to include advance notice provisions (the “**Advance Notice Provisions**”) requiring that advance notice be provided to the Company in circumstances where nominations of persons for election to the Board are made by shareholders other than pursuant to: (i) a requisition to call a shareholders meeting; or (ii) a shareholder proposal, in each case as made in accordance with the provisions of the *Business Corporations Act* (Alberta) (the “**Act**”).

Among other things, the Advance Notice Provisions fix a deadline by which shareholders must notify the Company of nominations of persons for election to the Board and provide that the same information about the proposed nominee as one would be required to include in a dissident proxy circular under applicable securities laws must be provided to the Company by the deadline.

In the case of an annual meeting of shareholders, notice to the Company must be made not less than 30 and not more than 65 days prior to the date of the annual meeting; provided however, that in the event that the annual meeting is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made, notice may be made not later than the close of business on the 10th day following such public announcement.

In the case of a special meeting of shareholders (which is not also an annual meeting) notice to the Company must be made no later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting was made.

The Advance Notice Provisions provide a clear process for shareholders to follow to nominate directors and set out a reasonable timeframe for nominee submissions along with a requirement for accompanying information. The purpose of the Advance Notice Provisions is to treat all shareholders fairly by ensuring that all shareholders, including those participating in a meeting by proxy rather than in person, receive adequate notice of the nominations to be considered at a meeting and can thereby exercise their voting rights in an informed manner. In addition, the Advance Notice Provisions should assist in facilitating an orderly and efficient meeting process.

The Amendments are effective as of the date they were approved by the Board, being April 1, 2013. In accordance with the provisions of the Act, the Amendments will be subject to confirmation by shareholders at the annual and special meeting of shareholders, which will be held on May 15, 2013 (the “**Meeting**”). The Amendments will apply to the Meeting; for the Meeting, any nomination by shareholders for a proposed director that is received by the Company on or before April 18, 2013 will be deemed to have been delivered on a timely basis.

A copy of the by-law, as amended, has been filed under the Company’s profile on SEDAR at www.sedar.com.

About Westaim

Westaim is a publicly traded Canadian-based investment company that 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 to grow shareholder value (as measured by book value per share) over the long-term.

For further information, please contact:

Jeff Sarfin, Chief Financial Officer
The Westaim Corporation
info@westaim.com
416-203-2253

This news release contains "forward-looking information" which may include, but is not limited to, statements with respect to the future financial or operating performance of the Company and its projects. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Forward-looking statements contained herein are made as of the date of this press release and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company undertakes no obligation to update forward-looking statements if circumstances, management's estimates or opinions should change, except as required by securities legislation. Accordingly, the reader is cautioned not to place undue reliance on forward-looking statements.

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