



The Westaim Corporation Completes Additional Investment in HIIG

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

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Toronto, Canada – April 22, 2020 – Further to its press release of March 19, 2020, The Westaim Corporation (“Westaim” or the “Company”) (TSXV: WED) is pleased to announce that it has completed the purchase of \$44,003,574 of shares of Series A Convertible Preferred Stock (the “Preferred Shares”) of Houston International Insurance Group, Ltd. (“HIIG”). The Preferred Shares purchased by Westaim formed part of a larger offering of Preferred Shares by HIIG by way of a rights offering (the “Rights Offering”) pursuant to which existing direct and indirect holders of shares of HIIG’s common stock were entitled to subscribe, on a pro rata basis, for Preferred Shares.

The Rights Offering was over-subscribed and resulted in gross proceeds to HIIG of \$100 million. HIIG expects to contribute the net proceeds of the Rights Offering from time to time to its insurance company subsidiaries to support their insurance businesses and for general corporate purposes.

Following completion of the Rights Offering, Westaim’s interest in Westaim HIIG Limited Partnership, combined with its direct ownership of Preferred Shares, results in its 44.0% look through interest in HIIG being unchanged.

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 HIIG and the Arena Group. Westaim’s Common Shares are listed on the TSX Venture Exchange under the trading symbol WED. This release is made solely on behalf of Westaim and not on behalf of HIIG.

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Certain portions of this press release as well as other public statements by Westaim contain forward-looking statements. Such forward-looking statements include but are not limited to statements concerning the investment strategies and expected rates of return; and strategic alternatives to maximize value for shareholders. These statements are based on current expectations that are subject to risks, uncertainties and assumptions and Westaim can give no assurance that these expectations are correct. Westaim’s actual results could differ materially from those anticipated by forward-looking statements for various reasons generally beyond our control, including but not limited to those risk factors set forth in Westaim’s 2019 Audited Annual Financial Statements and Management’s Discussion and Analysis, quarterly reports or annual information form.

Readers of this press release are cautioned not to place undue reliance on these “forward-looking statements”. Except as otherwise required by applicable law, Westaim expressly disclaims any intention or obligation to update publicly any forward-looking information, whether as a result of new information, future events or otherwise. The information provided herein does not constitute an offer or solicitation regarding any investment products offered by Arena Group.

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