WESTAIM

Corporate Update

January 2015

Disclaimers

Safe Harbour Statement

The information contained herein is based on publicly available information, internally developed data and other sources. Where any opinion is expressed in this presentation, it is based on the assumptions and limitations mentioned herein and is an expression of present opinion only. No warranties or representations can be made as to the origin, validity, accuracy, completeness, currency or reliability of the information. The Westaim Corporation ("Westaim" or the "Corporation") disclaims and excludes all liability (to the extent permitted by law), for losses, claims, damages, demands, costs and expenses of whatever nature arising in any way out of or in connection with the information, its accuracy, completeness or by reason of reliance by any person on any of it.

Certain statements in this presentation are "forward-looking statements". Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always using words or phrases such as "expects", "does not expect", "is expected", "seeks", "endeavours", "anticipates", "does not anticipate", "plans", "estimates", "believes", "does not believe" or "intends", "does not intend" or stating that certain actions, events or results may, could, would, might or will occur or be taken, or achieved) are not statements of historical fact and may be "forward-looking statements". Forward-looking statements are based on expectations, estimates and projections at the time the statements are made that involve a number of risks and uncertainties which would cause actual results or events to differ materially from those presently anticipated. These include but are not limited to: risks related to commercial, strategic, operational, regulatory, compliance and human resources risks; general economic and financial conditions which may affect the ability to raise new capital; general industry and market conditions and growth rates; matters identified in the risk factors and/or forward-looking statements contained in the documents incorporated by reference herein and in other public statements by the Corporation; other risks and uncertainties that have not been identified at this time; management's response to these factors; future unforeseen liabilities; and other factors. Except as required by law, the Corporation does not have any obligation to advise any person if it becomes aware of any inaccuracy in or omission from any forward-looking statement or to update such forward-looking statement.

All amounts herein are in United States dollars unless otherwise noted.

Restrictions on Distribution

This document is not intended for distribution in any jurisdiction in which such distribution is not authorized or to any person to whom it is unlawful to make such distribution and may not be relied upon for investment purposes. This document is not intended to provide specific investment, financial, legal, accounting and/or tax advice.

United States

This document may not be released or distributed in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this document have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

Canada

This document is not, and under no circumstances is to be construed as, an advertisement or a public offering of securities in any province.

Disclaimers

Non-GAAP Measures

Non-GAAP Measures – Westaim

Westaim uses both international financial reporting standards ("IFRS") and non-GAAP measures to assess performance. The Corporation cautions readers about non-GAAP measures that do not have a standardized meaning under IFRS and are unlikely to be comparable to similar measures used by other companies. Book value per share represents shareholders' equity at the end of the period, determined on an IFRS basis, divided by the total number of common shares outstanding on the same date.

Non-GAAP Measures – Houston International Insurance Group, Ltd.

HIIG uses both United States generally accepted accounting principles ("GAAP") and non-GAAP measures to assess performance and certain non-GAAP measures are disclosed in this document. The Corporation cautions readers about non-GAAP measures that do not have a standardized meaning under GAAP and are unlikely to be comparable to similar measures used by other companies.

Additional Information

Additional Information

The following documents filed by the Corporation with the securities commissions or similar regulatory authorities in Canada are expressly incorporated by reference into this presentation: (i) audited annual consolidated financial statements of the Corporation for the year ended December 31, 2013 including the notes thereto and the related management's discussion and analysis ("MD&A") thereon, (ii) management information circular dated May 14, 2014 in respect of the annual and special meeting of shareholders held on June 19, 2014, (iii) material change report dated March 17, 2014 (the "March MCR") relating to the execution by Westaim HIIG Limited Partnership (the "Partnership") of the Initial Secondary Purchase Agreement and the Treasury Purchase Agreement (as such terms are defined in the March MCR), (iv) interim unaudited consolidated financial statements of the Corporation for the three and nine months ended September 30, 2014 including the notes thereto and the related MD&A thereon, (v) supplemental financial information related to HIIG dated March 20, 2014, (vi) material change report dated August 8, 2014 relating to the completion by the Partnership of the acquisition (the "Acquisition") of approximately 70.8% of the issued and outstanding HIIG shares, (vii) selected financial information in respect of HIIG dated August 28, 2014, (viii) the Corporation's business acquisition report dated October 8, 2014, and (ix) annual information form dated December 30, 2014 in respect of the financial year ended December 31, 2013. Copies of these documents are available through the internet on the System for Electronic Document Analysis and Retrieval at www.sedar.com.

Certain totals, subtotals and percentages may not reconcile due to rounding.

Table of Contents

All amounts in US$ unless otherwise noted

The Westaim Corporation

The Westaim Corporation

Overview

- The Westaim Corporation ("Westaim" or the "Corporation") is an investment company listed on the TSX Venture Exchange (TSXV: WED) focused primarily on the financial services industry
- Westaim's investment in Houston International Insurance Group, Ltd. ("HIIG" or the "Company"), is consistent with its strategy to deploy capital at above average risk-adjusted returns over the long-term
- Following its initial investment in HIIG, and pro forma the January 14, 2015 additional investment, Westaim has approximately C$32 million in cash and C$45.6 million in non-capital tax loss carry-forwards*
- Westaim is currently seeking additional investment opportunities to continue to create value for its shareholders

* Non-capital tax loss carry-forwards as at September 30, 2014

Market and Financial Statistics*

Ticker	TSXV:WED
Share price (1/19/2015)	$ 2.84
Shares outstanding	70.3 m
Market capitalization	$ 199.6
Shareholders' equity - Q3-14	$ 185.9
Capital structure	Debt free
BVPS (basic) - Q3-14	$ 2.64
Corporate Headquarters	Toronto, Ontario

Assets	
Cash and cash equivalents	$ 94.9
Accounts receivable	0.5
Investments in private entities	95.5
Total assets	**$ 190.9**
Liabilities	
Accounts payable and accrued	$ 1.5
Deferred revenue	0.3
Site restoration provision	3.2
Total Liabilities	**$ 5.0**
Shareholders equity	**$ 185.9**
Total Liabilities & Equity	**$ 190.9**

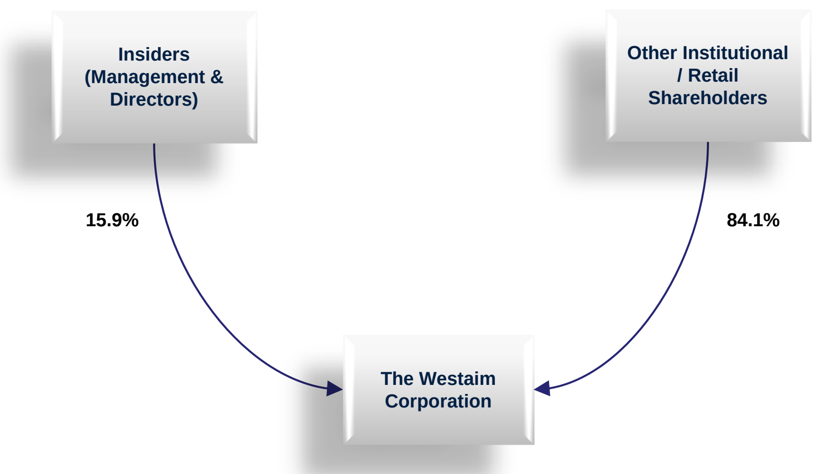
* Balance sheet data as at September 30, 2014; In Canadian dollar millions except per share data

Exchange rate used 1.12 C$ / US$ (as on September 30, 2014)

Principles and Strategy

- Share a long term horizon with Westaim's shareholders
- Strive to grow Westaim's book value per share at above market rates over the long term
- Maximize shareholder value by focusing on cash generation and return on invested capital
- Allocate capital patiently, often times sacrificing short term performance for long term gain
- Remain opportunistic in the evaluation of strategic investment opportunities
- Maintain a conservative capital structure and strong balance sheet
- Seek a margin of safety when evaluating investment opportunities

Shareholders (as at September 30, 2014)



Westaim Overview

Investment Strategy

Value Investing

- Invest in companies at a discount to intrinsic value

Partnership Approach

- Partner with aligned and capable management teams

Long-term Horizon

- Execute business plan with focus on long-term performance

Business Building

- Provide oversight and capital allocation discipline

The Westaim Corporation

Investments in Private Entities

- Effective July 1, 2014, Westaim determined that it qualifies as an investment entity under IFRS and uses fair value as the key measure to monitor and evaluate its investments
  - The investment in HIIG, through the Westaim HIIG Limited Partnership (the "Partnership"), an Ontario limited partnership established by The Westaim Corporation, is accounted for at fair value through profit or loss
- In determining the valuation of investments in private entities, the Corporation uses various generally accepted valuation methodologies, including the original purchase price and subsequent equity purchases, the capitalized cash flow method, reviews of comparable arm's length transactions, and reviews of comparable publicly traded company valuations
  - In arriving at the fair value of Westaim's investment in the Partnership at July 31, 2014, the Corporation considered the acquisition cost of the Partnership's initial approximate 70.8% investment in HIIG, which due to a number of reasons, was determined to have been purchased at a discount
- Fair value of the Corporation's investment in the Partnership was determined to be $85.2 million (C$95.5 million) at September 30, 2014
  - Westaim recognized an unrealized gain on its investment in the Partnership of C$10.3 million at July 31, 2014
  - An additional unrealized gain of C$2.6 million was recognized in the three months ended September 30, 2014 due to strengthening of the U.S. dollar against the Canadian dollar between August 1, 2014 and September 30, 2014
- The combined unrealized gain of approximately C$13 million has been included in the statement of profit or loss and other comprehensive income for the three and nine months ended September 30, 2014

The Corporation's investment in the Partnership is accounted for at fair value

Houston International Insurance Group

Houston International Insurance Group

Initial Investment Summary – July 31, 2014 (“Initial Investment”)

- On July 31, 2014, the Partnership completed the acquisition of an approximate 70.8% equity interest in Houston International Insurance Group, Ltd., an international specialty insurance company headquartered in the United States (the “Acquisition”)

- The Acquisition involved:
  - The purchase by the Partnership of an aggregate of 16,588,865 shares of HIIG common stock (“HIIG Shares”) from certain shareholders of HIIG for an aggregate purchase price of $53.7 million; and
  - The purchase by the Partnership from HIIG of an aggregate of 18,702,673 HIIG Shares from treasury for an aggregate purchase price of $85 million

- In order to complete the Acquisition and to provide working capital, the Partnership received funding of $141.1 million as follows:
  - Approximately $75.7 million from Westaim
  - Approximately $24.3 million and $22.9 million from affiliates of Everest Re Group, Ltd. and Catlin Group Limited, respectively
  - $10 million from Stephen L. Way, Chairman and Chief Executive Officer of HIIG, and/or certain investors affiliated with Mr. Way; and
  - Approximately $8.2 million from certain other existing shareholders of HIIG and other investors

- In connection with the Acquisition, Westaim raised:
  - Approximately C$135.1 million through the private placement of subscription receipts at a purchase price of C$2.65 per share; and
  - Approximately C$14.3 million through the private placement of common shares at a purchase price of C$2.65 per share

In the initial investment, the Partnership acquired approximately 70.8% of HIIG for an approximate purchase price of $138.7 million

Houston International Insurance Group

Additional Offering – January 14, 2015 (“Additional Offering”)

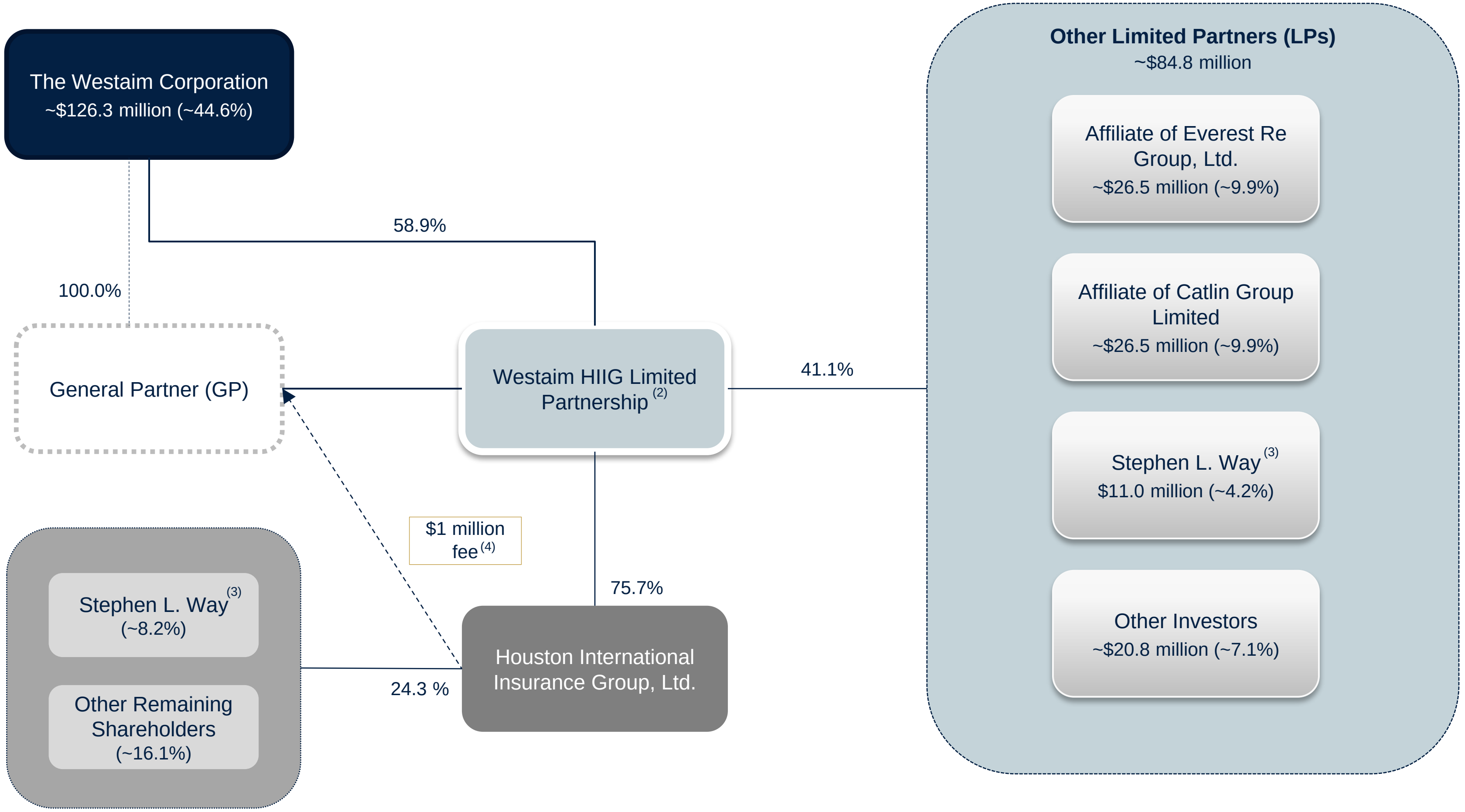
- On January 14, 2015, HIIG announced the acquisition of all of the assets, including all fixed and intangible assets and the associated liabilities, of the underwriting business trading as “Elite Underwriting Services” (“Elite”), a division of Elite Brokerage Services, Inc. (“EBS”)
- Also on January 14, 2015, the Partnership raised $70 million (the “Additional Offering”) which was used to acquire additional common shares of HIIG in order to fund:
  - Purchase of Elite by HIIG
  - Additional capital contribution to HIIG’s subsidiary insurance companies; and
  - For general corporate purposes
- The $70 million raised by the Partnership was funded by:
  - $10 million received from certain shareholders of EBS
  - $50.6 million from Westaim; and
  - $9.4 million from other limited partners of the Partnership, including participation from affiliates of Everest Re Group, Ltd. and Catlin Group Limited
- One of the EBS shareholders has also agreed to use a cash amount equal to 50% of all after-tax earnout payments paid to him to purchase additional Class A Units from time to time in the future at a purchase price equal to the net asset value per Class A Unit of the Partnership as referenced in the most recently completed quarterly valuation of the Partnership prepared by Westaim
- As a result of the Initial Investment and the Additional Offering[(1)]:
  - The Partnership is the largest shareholder of HIIG owning approximately 75.7% of the outstanding HIIG Shares while Westaim is the largest holder of Class A limited partnership units of the Partnership (“Units”) owning approximately 58.9% of the outstanding Units
  - Westaim has a look-through economic interest in HIIG of approximately 44.6%; and
  - Westaim has cash and cash equivalents on hand of approximately C$32 million after the Additional Offering

Westaim increased its interest in a more diversified HIIG at a compelling valuation

(1) As at January 14, 2015 after the closing of the Additional Offering

Houston International Insurance Group

Investment Structure[1]



Figures in US $

(1) As at January 14, 2015 after the closing of the Additional Offering; Numbers represent total contribution to the Partnership; Percentages in brackets represent economic look-through interest in HIIG
(2) Limited Partnership established by Westaim to acquire an ownership interest in HIIG
(3) Includes investment by family members, and through family trusts associated with Stephen L. Way
(4) $1 million per annum for the first three years and $0.5 million per annum for the next two years

Houston International Insurance Group

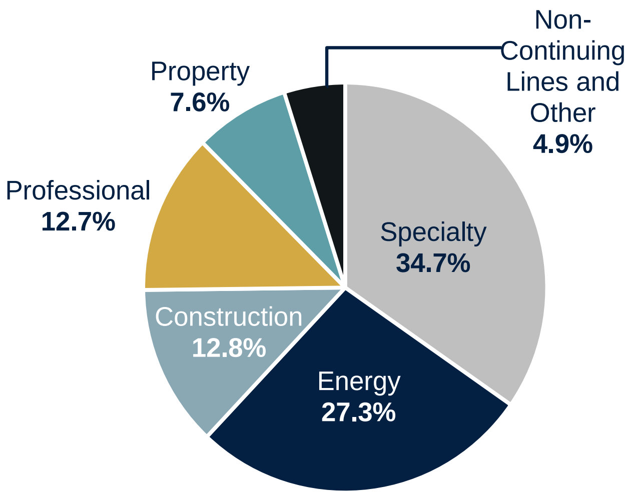
Overview

- HIIG was formed in 2010 through a merger between a specialty insurance startup (formed in 2007 by Stephen L. Way) and a specialty insurance company owned by a consortium of private equity investors
  - Several members of HIIG's senior management team are ex-HCC executives
- Gross Written Premiums of $400.7 million in fiscal 2013
- Stockholders' Equity of $239.4 million as at Sep 30, 2014(1)
- Insurance company subsidiaries are rated A- (Excellent) or better by A.M. Best
- Headquartered in Houston, Texas

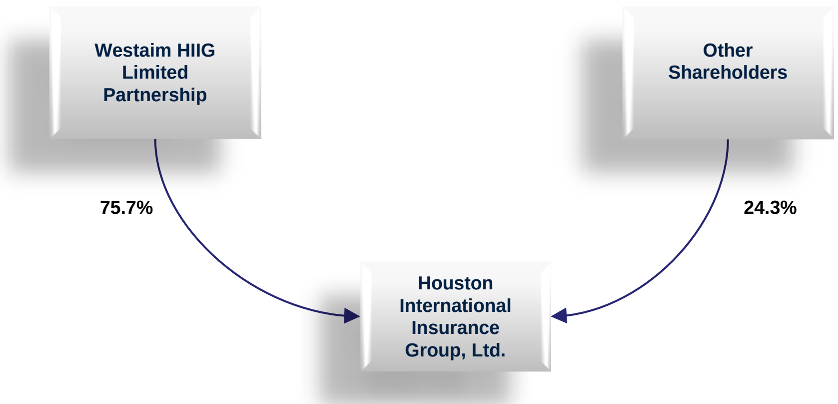
Principles and Strategy

- Underwriting Discipline
  - Profitable underwriting ahead of premium growth
- Mitigation of Risk
  - Experienced underwriting team who understand nuances of specialized lines of business
- Capital Preservation
  - Focused on downside protection vs. upside potential
- Controlled Growth
  - Organic (opportunistic)
  - M&A (selective acquisitions of underwriting agencies)
- Conservative Reserving
  - Minimize impact of extraordinary events

Lines of Business – 2013 GWP



Shareholders (as at January 14, 2015)



(1) Derived from the interim consolidated financial statements of Houston International Insurance Group, Ltd. ("HIIG"). Such statements are the responsibility of the management of HIIG. The information herein is unaudited and is presented in accordance with United States generally accepted accounting principles (US GAAP).

Houston International Insurance Group

Update

Setting the Stage for Profitable Organic Growth

- HIIG has continued to attract senior underwriting talent from blue chip firms to help grow its business organically
  - Susan Swails, global head of Offshore Energy at AIG (previously at HCC), joined to head up newly formed HIIG Energy group in August 2014
  - Jon Oppenheim, Senior VP Construction at Old Republic, joined the senior HIIG Construction underwriting team in October 2014
  - Peter Smith, CEO of International General Insurance (IGI) UK (previously at HCC), joined in January 2015

Strategically Sound Platform Acquisition

- HIIG entered the medical stop-loss market through the acquisition of the assets of Elite, a market leading MGU in the industry
  - Elite places approximately $100 million of medical stop-loss premium annually and is one of the largest privately held medical stop-loss MGUs in the United States
  - Produces business through small, large or super-regional brokers, large national and international consulting firms, regional third-party administrators (“TPA”), national TPA platforms, Administrative Services Only (“ASO”) organizations and insurance carriers
  - Elite has strong brand awareness and market position in a growing medical stop-loss market
  - Writes business in all 50 states

- HIIG believes Elite is a solid acquisition that can be grown organically and through selected tuck-in acquisitions
  - Organic growth opportunities in the industry
  - Write other types of Accident & Health (“A&H”) business through newly formed A&H division headed by Matthew Naylor, Elite’s CEO
  - Complete tuck-in acquisitions of smaller identified MGUs to leverage the platform
  - Explore larger acquisition opportunities in the space

HIIG has continued to build its business both organically and through strategic acquisitions, which is expected to set the stage for future growth

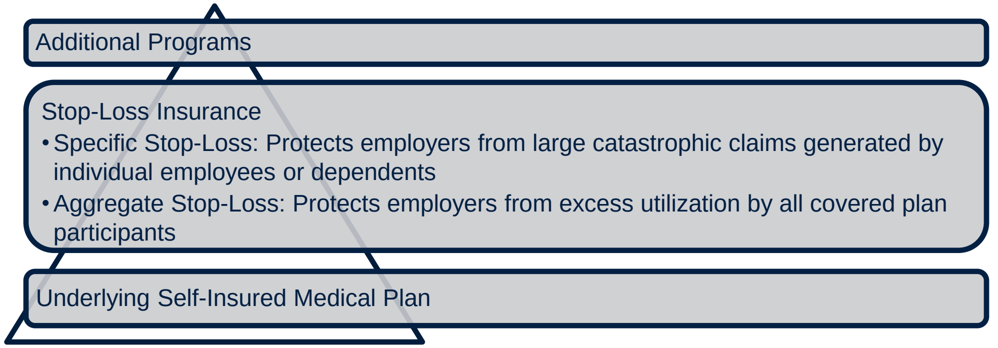
Medical Stop-Loss Industry

Medical Stop-Loss Industry

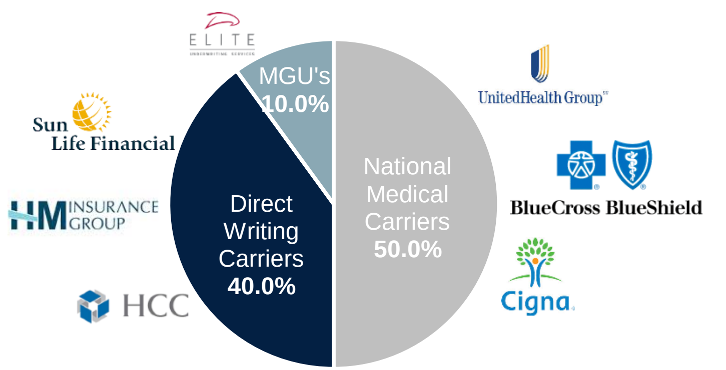
Medical Stop-Loss

- Medical stop-loss is insurance for self-insured employers to help protect against catastrophic or large heath care claims
- Stop-loss policy takes effect after a self funded deductible (for example $75,000 per employee)[(1)]
- As per 2013 Employer Health Benefit Survey conducted by the Kaiser Family Foundation, 149 million people get coverage through employer-sponsored insurance plans[(2)]
  - ~60% or 90 million are covered by self-funded plans, a substantial increase since 2000[(3)]
  - The total medical stop-loss market is estimated at ~$8 billion in the United states[(4)]
  - Growth in demand for stop-loss coverage expected to outpace increases in overall employment and population in coming years as employers seek greater plan flexibility, consistent regulation and lower costs
- Currently 90% of Fortune 500 companies and 75% of mid-size companies self-insure[(5)]
  - As the market grows, small to mid-size companies will purchase proportionately greater amounts of stop-loss coverage
- Underwriting requires a large block of experience to achieve predictability
- Self-insured plans are not currently subject to ACA's medical loss ratio (MLR) requirements or ACA taxes[(6)]

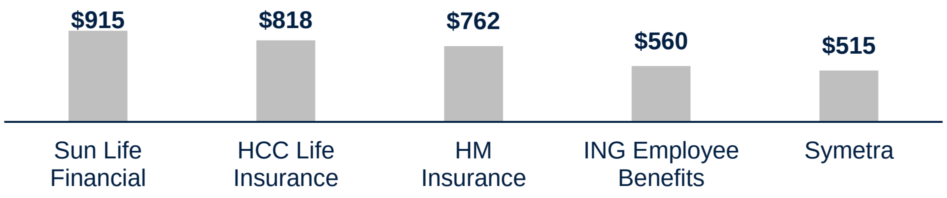
Role of Stop-Loss Coverage[(7)]



Policy Count by Industrial Classification of Medical Stop-Loss[(8)]



Direct Writers / MGUs ($ million)[(9)]

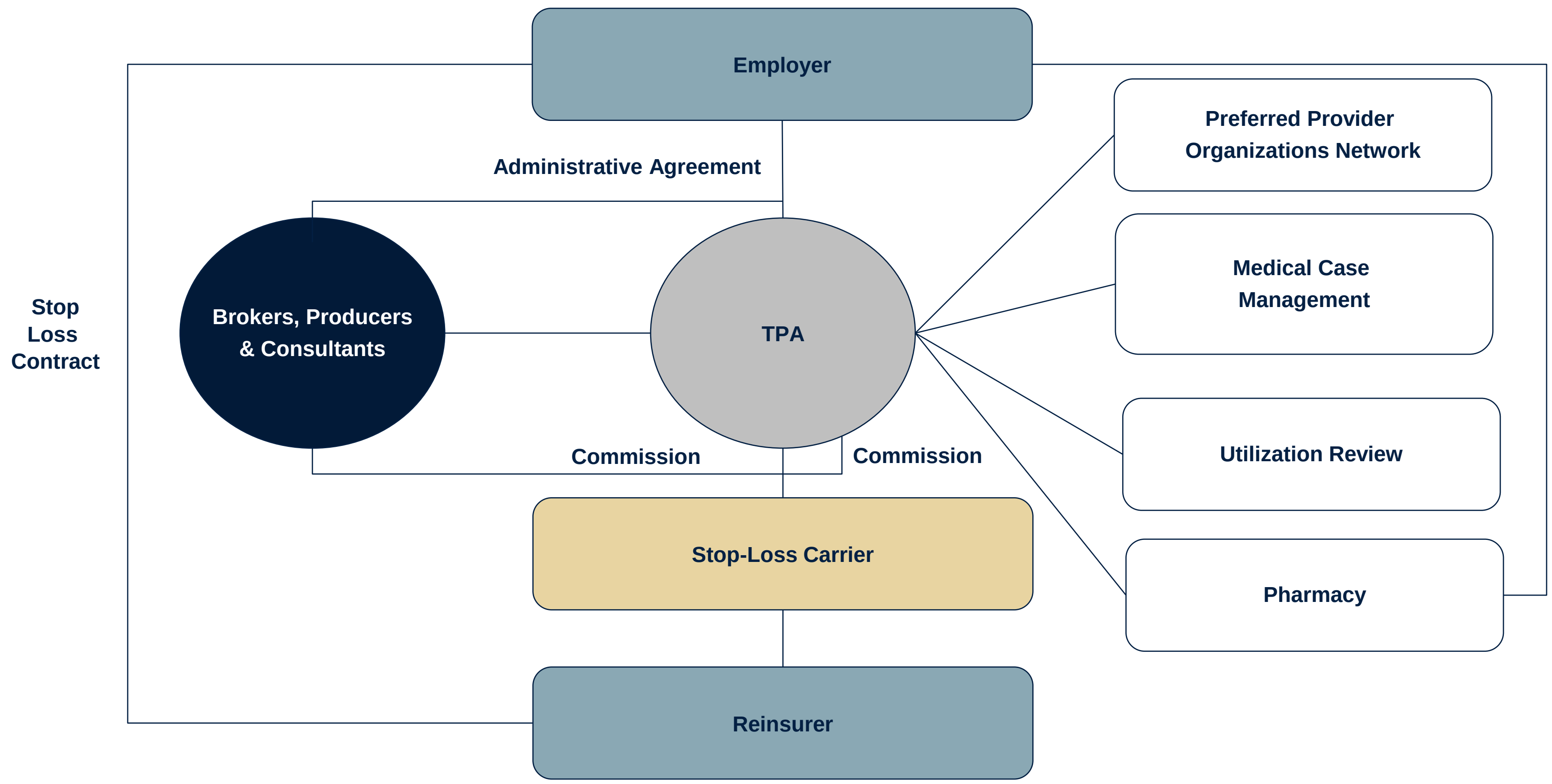


Figures in US $

(1) Los Angeles Times. "Crackdown on Small-Business Healthcare Self-Insurance Faces Delay." 2012
(2) Kaiser Family Foundation. "Employer Health Benefits Survey." 2013
(3) Britton-Gallagher & Associates, Inc. Website. 2014
(4) Self-Insurance Educational Foundation, Inc. Milliman Client Report. 2014
(5) Capstone Associates Services, Ltd. 2014
(6) The Self-Insurance Institute of America, Inc. "Understanding Self-insured Group Health Plans." 2013
(7) Optum Inc., a subsidiary of UnitedHealth Group. "An Introduction to Stop Loss Coverage." 2011
(8) Elite Management Estimates
(9) MyHealthGuide, LLC. "MyHealthGuide Newsletter." 2014

Medical Stop-Loss Industry

TPA / Self-Funded Distribution Channel(1)



Direct Writing Carriers	MGUs	National Medical Carriers

(1) Optum Inc., a subsidiary of UnitedHealth Group. "An Introduction to Stop Loss Coverage." 2011

Medical Stop-Loss Industry

Affordable Care Act (ACA)

- 2013 Kaiser / Hret Employer Health Benefit Survey found that 6% of firms offering fully-insured plans report that they now intend to self-insure because of the ACA(1)
- ACA is prompting an increase in self-insured plans and along with it, medical stop-loss insurance(2)
- Because of ACA's 3:1 age-rate-limit requirement, companies with younger and predominantly male workers may find self-insuring more beneficial(2)
- The elimination of various rating characteristics (e.g. average group morbidity, industry, group size) by various states is expected to cause premium increases for groups which before ACA may have had lower-than-average rates(2)
- Increased regulatory burdens on fully-insured health plans such as mandating essential health benefits and higher taxes have made health plans more expensive for employers(2)
- Self-funding is becoming particularly attractive to small- and medium-sized employers due to community rating for small employers in the private / public exchanges
  - No taxes that have been imposed under Obamacare
  - No regulation on commissions (profitability is inciting producers to consider self funding)

Future of Medical Loss Industry

- No consensus on how health care reform will impact total size of the stop-loss market
- Producers are promoting self-coverage as an Obamacare alternative, stop-loss triggers are getting lower along with the size of self-insuring employers
  - Companies with as few as 10 or 20 workers are reportedly self-insuring, protecting themselves with stop-loss that kicks in at levels as low as a few thousand dollars(3)
- Insurance regulators worry that range of plan options to consumers will be left with disproportionate numbers of older, sicker people who are more expensive to insure(4)
- Employers of the size which Elite specializes in serving are projected to generate above-average demand for medical stop-loss products in the coming years

(1) Kaiser Family Foundation. "Employer Health Benefits Survey". 2013
(2) Broker World Magazine. "Affordable Care Act Places The Spotlight On Medical Stop Loss." 2014
(3) Association of Health Care Journalists. "Reporting on how employers might use self-insurance to sidestep Affordable Care Act rules." 2014
(4) The NY Times. "Some Employers Could Opt Out of Insurance Market, Raising Others' Costs." 2013

Medical Stop-Loss Industry

Fundamentals of Stop-Loss Insurance (“MSL”)

- The relationship is between the Employer (Insured) and the MSL provider, rather than directly with an individual employee
- MSL is excess coverage (not first dollar medical coverage) and kicks in above a certain self insured deductible (“Attachment Point”)
  - As a result it is protection against very large or catastrophic claims, not regular medical costs
- The type of coverage is akin to claims made P&C policy for the employer
  - The liability for the MSL provider cuts off at the end of the annual policy term
  - Potentially large claims are dealt with upon renewal through increased premiums, or applying higher deductibles to individual employee (“Lasers”)
  - As a result, MSL is a very short tail risk
- The MSL provider accesses the reinsurance market to purchase excess of loss reinsurance to manage its risk

ELITE

UNDERWRITING SERVICES

Elite

Overview[1]

- Elite is a leading managing general underwriter ("MGU") in the medical stop-loss industry
- Elite Underwriting provides brokers, consultants and carriers with a wide array of Medical Stop-Loss market options
- Elite Underwriting is also responsible for adjudicating claims
- Produces business through small, large or super-regional brokers, large national and international consulting firms, regional TPAs, national TPA platforms, ASOs and insurance carriers
- Long-term relationships with only "A" rated and above carriers
- Previously owned by Russell Naylor (73 years old) and Matthew Naylor (42 years old)
- Operates in all 50 US states; Founded in 1994; Headquarters: Philadelphia

Key Considerations[2]

- Strong brand awareness and market position in a growing medical stop-loss market
- Significant scalable and state-of-the-art IT infrastructure established
- Demonstrated underwriting expertise in a niche market
- Attractive cross-selling opportunities

Recent Expansion[1]

- Acquired Indianapolis team from CV Starr to focus on TPAs and small group business
- Acquired Boston team from American United Life to focus on TPA and broker markets
- Opened sales offices in Chicago, Wisconsin, Boston, San Francisco, New York, Atlanta and Philadelphia

Key Management[1]

Name and Designation	Description
 **Russell Naylor** *Retired Chairman, Elite*	▪ Co-founder of Elite, has over 25 years of experience in the medical stop loss industry ▪ Serves as a consultant to HIIG-Elite Underwriting
 **Matthew Naylor** *CEO, HIIG-Elite Underwriting*	▪ CEO, HIIG-Elite Underwriting, the A&H division of HIIG ▪ Manages operations and growth of the business ▪ Previously, Matthew Naylor was CEO and Founder, Elite
Eric L. Dove *President / CUO, HIIG-Elite Underwriting*	▪ Provides strategic and day-to-day leadership to underwriting ▪ Previously worked for Blue Cross of Northeastern, PA
Joseph Sweeney *CFO and COO, HIIG-Elite Underwriting*	▪ Responsible for the measurement and overall effectiveness of the operations of Elite including oversight of premium collection, policy administration, enrollment billing, credit, collections and IT ▪ Prior to Elite, worked at The Graham Company, a leading US Insurance and surety brokerage firm

(1) Elite Website
(2) Elite Management Guidance

Elite

Product Offerings[1]

Products	Product Description
Medical Insurance Stop-Loss	▪ Elite places ~\$100 million of medical stop-loss premium annually - Newly implemented, best in class IT infrastructure that is highly scalable ▪ Cost Containment Services - Elite care vendors service program for the management of large catastrophic losses - Access to preferred provider organizations - Electronic claims connectivity to major regional carriers ▪ Insurance Stop-Loss: Additional Coverage Options - Stop-loss for groups of 50+ lives - Specific insurance stop-loss deduction starting at \$25,000 - Unlimited specific benefit maximums
Blue Cross / Blue Shield Programs	▪ Individually tailored programs based on relationship, customized to customer needs where Elite provides services, including underwriting ▪ Area of growth to leverage platform

Carriers[1]

- Elite does underwriting, binds coverage, issues policies, pays commissions to brokers, collects premiums and adjudicates claims
- Elite also participates in a profit sharing arrangement with carriers based on performance
- Starting in 2015, HIIG will retain approximately 50% of the written premium with the remaining written premium continuing to be written by another A-rated carrier

(1) Elite Website

Elite

Integration Plan

- HIIG purchased the assets of Elite Underwriting from its founders Russell and Matthew Naylor
  - Russell Naylor retired as Chairman, Elite and continues to serve as a consultant to HIIG
  - Matthew Naylor along with all other key employees continue with the business
- Elite became the new Accident & Health (A&H) division of HIIG (using the HIIG-Elite Brand) and is led by Matthew Naylor, who reports directly to Stephen L. Way
  - HIIG's intent is to produce and write other types of specialty A&H business through the newly formed division
  - MGU operations of Elite integrated into HIIG Underwriters, a current subsidiary of HIIG
- No significant organizational changes are expected at Elite
  - Expected to continue to be based in Malvern, PA (approximately 25 miles north-west of Philadelphia, PA)
  - All key personnel are expected to be retained
  - IT infrastructure is state-of-the-art and is scalable
- HIIG will retain business and thereby partially shift Elite from an MGU model to a more efficient, direct writing carrier model

Elite branded as HIIG's new Accident & Health division (using the HIIG-Elite Brand) and is led by Matthew Naylor, CEO, Elite from offices in Malvern, Pennsylvania

Growth Plan

- The medical stop-loss market is expected to grow organically after being stagnant for a period of time
  - Reasons include political reform, economic trends and demographics
- Additional growth is expected through tuck-in acquisitions of MGUs or medical stop-loss divisions of direct carriers
  - HIIG is expected to leverage the Elite platform and therefore is expected to be able to substantially reduce the expenses of the acquired MGU, potentially resulting in significant synergies
- Expansion of product offering to include other Accident & Health business primarily focused on short to medium-tail duration of claims
  - Short-term medical coverage
  - Personal injury income
  - Disability protection

Industry trends along with company specific actions are expected to lead to organic growth within the acquired medical stop-loss business

The Westaim Corporation

70 York Street, Suite 1700,
Toronto, Ontario
Canada M5J 1S9

www.westaim.com
info@westaim.com