

FOR IMMEDIATE RELEASE

7 February 2019

CATCo Reinsurance Opportunities Fund Ltd. (the “Company”)

Net Asset Value (“NAV” and Portfolio Update)

To: SFS, London Stock Exchange and Bermuda Stock Exchange

Markel CATCo Investment Management Ltd., as Investment Manager (the “Manager”), announces the unaudited net asset value of the Company's Ordinary Shares and C Shares of \$0.3479 and \$0.6299 respectively, as at the close of business on 31 December 2018.

As previously announced the Company's Ordinary Shareholders continue to be exposed to uncertainty regarding losses arising from 2017 major events through the 2017 Side Pocket Investments.

Using the latest claim information from cedents and trend analysis of paid losses for hurricanes Harvey, Irma and Maria, the Manager has determined to increase the specific loss reserves recorded in relation to the 2017 Side Pocket Investments.

The result of this increase is to reduce the 30 November 2018 Ordinary Share NAV by 13 per cent. On a normalised basis, this represents approximately a four per cent deterioration in the Ordinary Share 2017 annual performance and is equivalent to a 2017 NAV return on the Ordinary Shares of approximately -61 per cent (down from the -57.1 per cent previously reported).

With regard to loss reserving for 2018 catastrophe events, the 31 December 2018 review process has confirmed that existing loss reserves are deemed sufficient based on latest industry loss information.

Overview of existing Side Pocket Investments

Shareholders are reminded that the maximum exposure to previous events is ring-fenced in Side Pocket Investments. Losses cannot exceed the remaining NAV held within that Side Pocket. The following table outlines the split of Side Pocket Investments held by the Ordinary Shares and C Shares respectively as at 31 December 2018:

Ordinary Shares	Value	Side Pocket Investments % of Ordinary Share NAV
SPI 2015	\$0.01	2%
SPI 2016	\$0.03	11%
SPI 2017	\$0.15	42%
SPI 2018	\$0.07	21%

C Shares	Value	Side Pocket Investments % of C Share NAV
SPI 2018	\$0.30	47%

Redemption Share Proposal

Further to the announcement on 18 December 2018, in which the Board announced the intention to offer shareholders the option to convert their shareholdings into redemption shares, the Board is now seeking feedback on whether shareholders would prefer to either elect to convert their holdings into redemption shares or continue to hold either ongoing Ordinary or C Shares. Shareholders are requested to contact Numis Securities to provide feedback as to a preference to elect for either the redemption opportunity or continuation share class.

This announcement contains Inside Information as defined under the Market Abuse Regulation (EU) No. 596/2014.

For further information:

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