

13 August 2019

CATCo Reinsurance Opportunities Fund Ltd. (the "Company")

Publication of Circular and Notice of Class Meetings

Following the Company's announcement on 26 July 2019, the Company has today published a Circular in respect of the proposed reverse Tender Offer, conditional upon, inter alia, the approval of the Shareholders. The Tender Offer is being made to Eligible Shareholders for up to:

- (a) US\$14.6 million in value of the Company's Ordinary Shares, to be acquired at a single price in a range between 10 cents and 22.5 cents per Ordinary Share; and
- (b) US\$24.4 million in value of the Company's C Shares, to be acquired at a single price in a range between 17 cents and 35 cents per C Share.

Shareholders should note that the Board does not consider that the aforementioned price ranges are representative of the value of the underlying portfolios, and in determining the ranges has balanced the current share prices, the prevailing net asset values and the demand of certain shareholders for liquidity.

The Company anticipates receiving additional redemption proceeds by 31 August 2019. Conditional upon those proceeds being received by 31 August 2019, the size of the Tender Offer may be increased by up to an additional US\$0.8m (to a maximum size of US\$15.4 million) in respect of the Ordinary Shares and up to an additional US\$3.6m (to a maximum size of US\$28 million) in respect of the C Shares.

Shareholder approval is also being sought to permit the Company to return further redemption proceeds by way of share repurchase, whether by tender offer, market repurchase or otherwise. Such approvals are being sought at separate Class Meetings to be held at 9:00 a.m. and 9:05 a.m. (Bermuda time) on 6 September 2019. Notices convening the necessary Class Meetings are set out in Part 5 of the Circular.

The information in this announcement should be read in conjunction with the full text of the Circular issued by CATCo Reinsurance Opportunities Fund Limited, dated 13 August 2019. Capitalised terms used in this announcement shall, unless the context otherwise requires, bear the meaning given to them in the Circular.

The information communicated in this announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) No. 596/2014.

For further information:

Markel CATCo Investment Management Ltd.**Judith Wynne**

General Counsel
 Telephone: +1 441 493 9005
 Email: judith.wynne@markelcatco.com

Mark Way

Chief of Investor Marketing
 Telephone: +1 441 493 9001
 Email: mark.way@markelcatco.com

Numis Securities Limited**David Benda / Hugh Jonathan**

Telephone: +44 (0) 20 7260

Numis, which is authorised and regulated by the Financial Conduct Authority, is acting only for the Company in connection with the matters described in this announcement and is not acting for or advising any other person, or treating any other person as its client, in relation thereto and will not be responsible for providing the regulatory protection afforded to clients of Numis or advice to any other person in relation to the matters contained herein.

The distribution of this announcement in your jurisdiction may be restricted by law and the persons into whose possession this announcement comes should inform themselves about, and observe, any such restrictions.

This announcement contains forward-looking statements which are subject to assumptions, risks and uncertainties. Although the Company and the Investment Manager believe that the expectations reflected in these forward-looking statements are reasonable, there can be no assurance that these expectations will prove to have been correct. Because these statements involve risks and uncertainties, actual results may differ materially from those expressed or implied by those forward-looking statements. Each forward-looking statement is correct only as of the date of the particular statement. Neither the Company nor the Investment Manager undertakes any obligation publicly to update or revise any forward-looking statement as a result of new information, future events or other information, although such forward-looking statements will be publicly updated if required by the Prospectus Rules, the Disclosure Guidance and Transparency Rules, the Market Abuse Regulation, the rules of London Stock Exchange plc or by law.

EXPECTED TIMETABLE**2019**

Record Date for the Tender Offer	Close of business on 15 August
Latest time and date for receipt of Forms of Direction or CREST Proxy Instructions for the Depositary Interest Holders for the Ordinary Share Class Meeting	1.00 p.m. on 3 September
Latest time and date for receipt of Forms of Direction or CREST Proxy Instructions for the Depositary Interest Holders for the C Share Class Meeting	1.05 p.m. on 3 September
Latest time and date for receipt of Forms of Proxy for Ordinary Share Class Meeting	1.00 p.m. on 4 September
Latest time and date for receipt of Forms of Proxy for C Share Class Meeting	1.05 p.m. on 4 September

Closing Date: latest time and date for receipt of Tender Forms and TTE Instructions in CREST	1.00 p.m. on 4 September
Ordinary Share Class Meeting	1.00 p.m. on 6 September
C Share Class Meeting	1.05 p.m. on 6 September
Results of Ordinary Share Class Meeting, C Share Class Meeting and Tender Offer announced	6 September
Repurchase Date for successfully tendered Ordinary Shares and C Shares	9 September
Settlement Date: settlement through CREST of, and despatch of cheques for, the Tender Offer consideration, as appropriate	Within 10 Business Days following announcement of the repurchase date for successfully tendered Ordinary Shares and C Shares
Despatch of balance share certificates in respect of, and crediting of CREST accounts with, Ordinary Shares and C Shares not purchased	Within 10 Business Days following announcement of the repurchase date for successfully tendered Ordinary Shares and C Shares

Each of the times and dates in the above timetable is subject to change and may be extended or brought forward without further notice. The Company will notify investors of any such changes to these times and dates by making an announcement via a Regulatory Information Service. References to times are to London times unless otherwise stated.

1. INTRODUCTION AND BACKGROUND

Following the approval of Shareholders to put the Ordinary Share and C Share classes into “run-off” on 26 March 2019, the Company served a redemption notice on the Master Fund to redeem all of the Company’s Master Fund Shares. As announced on 26 July 2019, the Company now holds in aggregate US\$40.2 million of redemption proceeds and has determined to return substantially all of such proceeds (less working capital reserves), being US\$39 million in aggregate, by way of Tender Offer.

The Tender Offer is being made to Eligible Shareholders for up to:

- (a) US\$14.6 million in value of the Company’s Ordinary Shares, to be acquired at a single price (the “**Ordinary Share Strike Price**”) in a range between 10 cents and 22.5 cents per Ordinary Share to be determined on the basis of tenders received as explained further below; and
- (b) US\$24.4 million in value of the Company’s C Shares, to be acquired at a single price (the “**C Share Strike Price**”) in a range between 17 cents and 35 cents per C Share to be determined on the basis of tenders received as explained further below.

The Company anticipates receiving additional redemption proceeds by 31 August 2019. Conditional upon those proceeds being received by 31 August 2019, the size of the Tender Offer may be increased by up to US\$0.8m in respect of the Ordinary Shares (to a maximum size of US\$15.4 million) and US\$3.6 million in respect of the C Shares (to a maximum size of US\$28 million).

Shareholders should note that the Board does not consider that the aforementioned price ranges are representative of the value of the underlying portfolios, and in determining the ranges has

balanced the current share prices, the prevailing net asset values and the demand of certain shareholders for liquidity.

In addition, to facilitate the tender offer and subsequent distributions, the Company is seeking the approval of Ordinary and C Shareholders to: (a) carry out the Tender Offer; and (b) to return redemption proceeds by way of share repurchase, whether by tender offer, market repurchase or otherwise (together, the “**Repurchase Proposals**”).

The purpose of this Circular is to provide further details of the Tender Offer and the Repurchase Proposals and to convene the Ordinary Share Class Meeting and the C Share Class Meeting at which the relevant Shareholder approvals will be sought.

2. THE TENDER OFFER

Size of the Tender Offer and Strike Prices

Ordinary Shares

Eligible Shareholders may tender all or any part of their holding of Ordinary Shares for acquisition by the Company at the Ordinary Share Strike Price. The Ordinary Share Strike Price will be determined on the basis of valid tenders made by Eligible Shareholders starting at a minimum price per Ordinary Share of US\$0.10 and rising in increments of US\$0.0025 to a maximum price per Ordinary Share of US\$0.225 (the “**Ordinary Share Price Range**”).

Ordinary Shareholders who wish to participate in the Tender Offer must choose the prices within the Ordinary Share Price Range at which they are willing to offer some or all of their Ordinary Shares in the Tender Offer.

The Ordinary Share Strike Price at which Ordinary Shares are purchased in the Tender Offer will be the lowest price in the Ordinary Share Price Range that will allow the Company to acquire US\$14.6 million or US\$15.4 million if the size of the Tender Offer is increased to its maximum size as described above in value of Ordinary Shares (or such lower amount if insufficient Ordinary Shares are validly tendered to allow the Company to acquire such full value of Ordinary Shares).

All Ordinary Shares acquired in the Tender Offer will be acquired at the same Ordinary Share Strike Price for cash in US Dollars. Only Ordinary Shares validly tendered at a price at or below the Ordinary Share Strike Price will be acquired in the Tender Offer. Ordinary Shares tendered at the Ordinary Share Strike Price will be subject to scaling back, as described in section 3 of Part 2 of this Circular. All Ordinary Shares acquired by the Company pursuant to the Tender Offer will be cancelled.

Ordinary Shareholders may tender Ordinary Shares at differing prices in the Ordinary Share Price Range should they wish to do so but are not permitted to make tenders that in aggregate are in respect of more Ordinary Shares than they own.

On the assumption that the Tender Offer is increased to its maximum size the Ordinary Share Strike Price is set at the minimum tender price per Ordinary Share, a total of 154 million Ordinary Shares will be repurchased, equal to 39.3 per cent. of the Company’s issued Ordinary Shares as at the date of this document. If the Ordinary Share Strike Price is set at the maximum tender price per Ordinary Share, a total of 68,444,444 Ordinary Shares will be repurchased if the Tender Offer is increased to its maximum size, equal to 17.4 per cent, of the Company’s issued share capital as at the date of this document. The Company will acquire a maximum number of 154 million Ordinary Shares in the Tender Offer.

C Shares

Eligible Shareholders may tender all or any part of their holding of C Shares for acquisition by the Company at the C Share Strike Price. The C Share Strike Price will be determined on the basis of valid tenders made by Eligible Shareholders starting at a minimum price per C Share of US\$0.17 and rising in increments of US\$0.005 to a maximum price per C Share of US\$0.35 (the “**C Share Price Range**”).

C Shareholders who wish to participate in the Tender Offer must choose the prices within the C Share Price Range at which they are willing to offer some or all of their C Shares in the Tender Offer.

The C Share Strike Price at which C Shares are purchased in the Tender Offer will be the lowest price in the C Share Price Range that will allow the Company to acquire US\$24.4 million or US\$28 million if the size of the Tender Offer is increased to its maximum size as described above in value of C Shares (or such lower amount if insufficient C Shares are validly tendered to allow the Company to acquire such full value of C Shares).

All C Shares acquired in the Tender Offer will be acquired at the same C Share Strike Price for cash in US Dollars. Only C Shares validly tendered at a price at or below the C Share Strike Price will be acquired in the Tender Offer. C Shares tendered at the C Share Strike Price will be subject to scaling back, as described in section 3 of Part 2 of this Circular. All C Shares acquired by the Company pursuant to the Tender Offer will be cancelled.

C Shareholders may tender C Shares at differing prices in the C Share Price Range should they wish to do so but are not permitted to make tenders that in aggregate are in respect of more C Shares than they own.

On the assumption that the Tender Offer is increased to its maximum size, the C Share Strike Price is set at the minimum tender price per C Share, a total of 164,705,882 C Shares will be repurchased, equal to 30.2 per cent. of the Company’s issued C Shares as at the date of this document. If the C Share Strike Price is set at the maximum tender price per C Share, a total of 80,000,000 C Shares will be repurchased if the Tender Offer is increased to its maximum size equal to 14.7 per cent, of the Company’s issued share capital as at the date of this document. The Company will acquire a maximum number of 164,705,882 C Shares in the Tender Offer.

General Provisions

If you intend to tender Shares in the Tender Offer and want to maximise the possibility that the Shares that you tender will be purchased, you should specify that you are willing to tender your Shares at the minimum tender price per Ordinary Share or C Share (as the case may be). However, you should note that making a tender at the minimum tender price may lower the applicable Strike Price paid for all Ordinary Shares or C Shares (as the case may be) acquired in the Tender Offer and could result in the applicable Strike Price being equal to that minimum tender price per Ordinary Shares or C Shares (as the case may be).

Your attention is also drawn to the terms and conditions of the Tender Offer set out in Part 2 of this document which, together with the Tender Forms, constitute the terms and conditions of the Tender Offer. Part 2 also contains further information on how to participate in the Tender Offer and how to tender Shares.

Availability and Terms of the Tender Offer

The Tender Offer is available to Eligible Shareholders on the Register as at the Record Date, which is close of business on 15 August 2019. Shares which are tendered for acceptance under the Tender Offer may not be withdrawn or sold, transferred, charged or otherwise disposed of.

The Tender Offer is not available to Shareholders with a registered address in or who are located in a Restricted Jurisdiction (“**Excluded Shareholders**”). It is the responsibility of all Non-UK Shareholders to satisfy themselves as to the observance of any legal requirements in their jurisdiction, including, without limitation, any relevant requirements in relation to the ability of such holders to participate in the Tender Offer. The attention of Non-UK Shareholders is drawn to paragraph 13 of Part 2 of this Circular.

The Tender Offer is subject to certain conditions set out in section 2 of Part 2 of this Circular. In addition, the Tender Offer may be suspended or terminated in certain circumstances, as set out in section 2 and 12 of Part 2 of this Circular.

3. TAXATION

Eligible Shareholders who sell Shares in the Tender Offer may, depending on their individual circumstances, incur a liability to taxation. The attention of Eligible Shareholders is drawn to Part 3 of this Circular which sets out a general guide to certain aspects of current law and tax authority practice in respect of UK taxation. **Eligible Shareholders who are in any doubt as to their tax position or who are subject to tax in a jurisdiction other than the United Kingdom should consult an appropriate professional adviser.**

4. COSTS

The costs relating to the Tender Offer (whether or not it is successfully implemented), which are expected to be approximately £145,000 (exclusive of tax), will be borne by the Company and will be borne by the Ordinary Shares and C Shares pro rata to their respective net asset values.

5. SHAREHOLDER APPROVALS

The implementation of the Tender Offer, and subsequent share repurchases by the Company, are subject to, and conditional upon:

- in relation to the Ordinary Shares, the approval of the Ordinary Shareholders; and
- in relation to the C Shares, the approval of the C Shareholders,

in each case, by way of ordinary resolutions at the separate Class Meetings. If not passed in respect of a class of Share, the Tender Offer in respect of that class will not be implemented and will lapse.

Notices convening the Ordinary Share Class Meeting and the C Share Class Meeting to be held at 1.00 p.m. and 1.05 p.m., respectively, on 6 September 2019, each at the offices of Markel CATCo Investment Management Ltd. at 8th Floor East, 141 Front Street, Hamilton HM19, Bermuda, are set out in Part 5 of this Circular.

6. SUBSEQUENT SHARE REPURCHASES

If the Resolutions are approved, the Company will be able (but will not be obliged) to carry out future share repurchases in such manner as the Directors may determine. This may include (but is not limited to) tender offers, reverse tender offers and market repurchases.

If the Resolutions are not approved in respect of a class of Share, the Company will not return cash to Shareholders of that class by way of share repurchase and any further return of redemption proceeds will be in such manner and at such time as the Directors see fit.

7. ACTION TO BE TAKEN

7.1 Form of Proxy

Shareholders (who do not hold their shares through Depository Interests)

The following Forms of Proxy are enclosed:

- (a) a Form of Proxy for use by Ordinary Shareholders (with the exception of Depository Interest Holders who hold their interests in respect of Ordinary Shares in CREST) in connection with the Ordinary Share Class Meeting; and
- (b) a Form of Proxy for use by C Shareholders (with the exception of Depository Interest Holders who hold their interests in respect of C Shares in CREST) in connection with the C Share Class Meeting.

Whether or not Shareholders intend to be present at the relevant Class Meeting, they are requested to complete and sign the relevant accompanying Form of Proxy and return it, in accordance with the instructions printed on it, by post or (during normal business hours) by hand to Link Asset Services to arrive as soon as possible and, in any event, by no later than 1.00 p.m. (London time) on 4 September 2019, in respect of Ordinary Shares, and 1.05 p.m. (London time) on 4 September 2019, in respect of C Shares.

Depository Interest Holders

Any Depository Interest Holder wishing to instruct Link Market Services Trustees Limited, the Company's depository, to vote in respect of the Depository Interest Holder's interest should use the relevant enclosed Form of Direction for the applicable share class. Whether or not Depository Interest Holders intend to be present at the relevant Class Meeting, they are requested to complete and sign the appropriate accompanying Form of Direction and return it, in accordance with the instructions printed on it, by post or (during normal business hours only) by hand to Link Asset Services to arrive as soon as possible and, in any event, by no later than 1.00 p.m. (London time) on 3 September 2019, in the case of interests held in respect of Ordinary Shares, and 1.05 p.m. (London time) on 3 September 2019, in the case of interests held in respect of C Shares.

Depository Interest Holders who hold their interests in respect of Shares in CREST may instruct the Depository by completing and transmitting a CREST Proxy Instruction to Link so that it is received by no later than 1.00 p.m. (London time) on 3 September 2019, in the case of interests held in respect of Ordinary Shares, and 1.05 p.m. (London time) on 3 September 2019, in the case of interests held in respect of C Shares.

The return of a completed Form of Proxy, Form of Direction or CREST Proxy Instruction will not prevent a Shareholder or Depository Interest Holder from attending a Class Meeting and voting in person (in substitution for their proxy vote) if they wish to do so and are so entitled.

7.2 Tender Forms

Shareholders who wish to maintain their current holding of Shares in the Company should not complete or return a Tender Form or submit a TTE Instruction in CREST.

Only those Eligible Shareholders who wish to tender Shares and who hold their Shares in certificated form should complete and return a Tender Form. Those Eligible Shareholders who

hold their Shares in uncertificated form do not need to complete or return a Tender Form.

Eligible Shareholders who wish to participate in the Tender Offer and hold their Shares in certificated form should complete a Tender Form for each class of Shares they wish to tender in accordance with the instructions set out therein and return the completed Tender Forms to the Receiving Agent at Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, so as to be received by no later than 1.00 p.m. (London time) on the Closing Date.

Eligible Shareholders who wish to participate in the Tender Offer and hold their Shares in certificated form should also return their share certificate(s) and/or other document(s) of title in respect of the Shares tendered with their Tender Form or Forms.

Eligible Shareholders who hold Depository Interests through CREST who wish to tender Shares and hold their Shares in uncertificated form should tender electronically through CREST by means of a TTE instruction as set out in Part 2 of this Circular, so that the TTE instruction settles no later than 1.00 p.m. (London time) on the Closing Date.

8. RECOMMENDATION

The Board considers that the proposed Tender Offer and the Repurchase Proposals are in the best interests of Shareholders as a whole. Accordingly, the Board unanimously recommends Shareholders to vote in favour of the Resolutions to be proposed at the Ordinary Share Class Meeting and the C Share Class Meeting.

The Directors intend to vote in favour of the Resolutions on which they are entitled to vote in respect of their own beneficial holdings in the Company which, as at the date of this Circular, total 690,901 Ordinary Shares (representing approximately 0.18 per cent. of the Ordinary Shares currently in issue) and 250,000 C Shares (representing approximately 0.04 per cent of the C Shares currently in issue).

The Directors are making no recommendation to Shareholders as to whether they should participate in the Tender Offer. Shareholders who are in any doubt as to the action they should take should consult an appropriate independent professional adviser.