

TRISURA GROUP LTD.

Form of Press Release



Trisura Group Ltd. Announces \$40 Million Bought Deal Public Offering and Concurrent Private Placement Up to \$12 Million

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TORONTO, September 4, 2019 – Trisura Group Ltd. (“Trisura”, “Trisura Group” or the “Company”) (TSX:TSU), a leading international specialty insurance holding company, announced today that it has entered into an agreement with a syndicate of underwriters led by Cormark Securities Inc. and BMO Capital Markets (collectively, the “Underwriters”) pursuant to which the Underwriters have agreed to purchase, on a bought deal public offering basis, 1,516,000 common shares of the Company (the “Common Shares”), at a price of \$26.40 per Common Share (the “Offering Price”) representing gross proceeds of approximately \$40,022,400 (the “Offering”). Concurrently with the closing of the Offering, the Company will offer up to 455,000 common shares of the Company in a private placement at the Offering Price, for additional gross proceeds of up to \$12,012,000 (the “Private Placement”) with Trisura’s principal shareholder, Partners Value Investments LP, subscribing for not less than its pro rata ownership position, or approximately \$10,000,000 of the gross proceeds of the Private Placement. Closing of the Offering and the Private Placement will be conditional on each other.

In addition, the Company has granted the Underwriters an option (the “Over-Allotment Option”), exercisable in whole or in part at any time up to 30 days following the closing of the Offering, to purchase up to an additional 15% of the Common Shares at the Offering Price, for market stabilization purposes and to cover over-allotments, if any.

The Company intends to use the net proceeds of the Offering and the Private Placement for general corporate purposes including, but not limited to supporting the growth of its U.S. fronting platform and further improving asset liability matching in the Company’s reinsurance business.

David Clare, Trisura’s President and CEO, noted that “since the end of Q2 we have experienced continued momentum in our growing U.S. business. Our team achieved its highest monthly premiums written, and continued to win significant new business. The recently announced acquisition of 21st Century Preferred will provide access to additional markets and support this exciting trajectory. This financing will support enhanced growth in the U.S. to complement strong results in Canada. We continue to improve our asset liability matching in our reinsurance group in the context of a challenging environment for European interest rates. If rates are consistent at these levels, we expect a negative non-cash impact from Trisura International Insurance Ltd. in Q3, which could result in a non-cash net loss for Trisura Group for Q3. A portion of the proceeds of this transaction will be used to materially augment our existing asset liability matching to achieve our risk management goals in this business segment.”

Closing of the Offering and the Private Placement is expected to occur on or about September 24, 2019, subject to certain customary conditions, including approval of the Toronto Stock Exchange.

The Common Shares to be issued under the Offering will be offered by way of a short form prospectus to be filed in each of the Provinces of Canada, and may be offered in the United States on a private placement basis pursuant to an exemption from the registration requirements of the *United States Securities Act of 1933*, as amended, and applicable state securities laws, and certain other jurisdictions outside of Canada and the United States.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful

prior to registration or qualification under the securities laws of any such jurisdiction. This press release does not constitute an offer of securities for sale in the United States. The securities being offered have not been, nor will they be, registered under the *United States Securities Act of 1933*, as amended, and such securities may not be offered or sold within the United States absent registration under U.S. federal and state securities laws or an applicable exemption from such U.S. registration requirements.

ABOUT TRISURA GROUP LTD.

Trisura Group Ltd. is an international specialty insurance holding company operating in the surety, risk solutions, corporate insurance and reinsurance segments of the market. Trisura has three principal regulated subsidiaries: Trisura Guarantee Insurance Company in Canada, Trisura Specialty Insurance Company in the U.S. and Trisura International Insurance Ltd. in Barbados. Trisura Group is listed on the Toronto Stock Exchange under the symbol "TSU".

Further information is available at <http://www.trisura.com/group>. Details regarding the operations of Trisura Group are also set forth in regulatory filings. A copy of the filings may be obtained on Trisura Group's SEDAR profile at www.sedar.com.

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Cautionary Statement Regarding Forward-Looking Statements and Information

Note: This news release contains "forward-looking information" within the meaning of Canadian provincial securities laws and "forward-looking statements" within the meaning of applicable Canadian securities regulations, including statements regarding the anticipated acquisition of 21st Century Preferred (which remains subject to regulatory approval), the intended use of proceeds from the Offering and the Private Placement, and the expected closing date of the Offering and the Private Placement. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, include statements regarding the operations, business, financial condition, expected financial results, performance, prospects, opportunities, priorities, targets, goals, ongoing objectives, strategies and outlook of Trisura Group, as well as the outlook for North American and international economies for the current fiscal year and subsequent periods, and include words such as "expects," "anticipates," "plans," "believes," "estimates," "seeks," "intends," "targets," "projects," "forecasts" or negative versions thereof and other similar expressions, or future or conditional verbs such as "may," "will," "should," "would" and "could."

Although we believe that our anticipated future results, performance or achievements expressed or implied by the forward-looking statements and information are based upon reasonable assumptions and expectations, the reader should not place undue reliance on forward-looking statements and information because they involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, which may cause the actual results, performance or achievements of Trisura Group to differ materially from anticipated future results, performance or achievement expressed or implied by such forward-looking statements and information.

Factors that could cause actual results to differ materially from those contemplated or implied by forward-looking statements include, but are not limited to: the impact or unanticipated impact of general economic, political and market factors in the countries in which we do business; the behavior of financial markets, including fluctuations in interest and foreign exchange rates; global equity and capital markets and the availability of equity and debt financing and refinancing within these markets; strategic actions including dispositions; the ability to complete and effectively integrate acquisitions into existing operations and the ability to attain expected benefits; changes in accounting policies and methods used to report financial condition (including uncertainties associated with critical accounting assumptions and estimates); the ability to appropriately manage human capital; the effect of applying future accounting changes; business competition; operational and reputational risks; technological change; changes in government regulation and legislation within the countries in which we operate; governmental investigations; litigation; changes in tax laws; ability to collect amounts owed; catastrophic events, such as earthquakes and hurricanes; the possible impact of international conflicts and other developments including terrorist acts and cyber terrorism; and other risks and factors detailed from time to time in our documents filed with the securities regulators in Canada.

We caution that the foregoing list of important factors that may affect future results is not exhaustive. When relying on our forward-looking statements, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Except as required by law, Trisura Group undertakes no obligation to publicly update or revise any forwardlooking statements or information, whether written or oral, that may be as a result of new information, future events or otherwise.