



/NOT FOR DISSEMINATION IN THE UNITED STATES OR FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES/

TORONTO, March 20, 2014 /CNW/ - Further to its press release of March 12, 2014 relating to the proposed acquisition by Westaim HIIG Limited Partnership of a significant interest in HIIG (the "**Acquisition**"), The Westaim Corporation (**Westaim** or the **Company**) (TSXV: "WED") announced today that it has filed certain supplemental financial information relating to Houston International Insurance Group, Ltd. ("**HIIG**"), an international specialty insurance company headquartered in Houston with offices in Atlanta, Birmingham, Chicago and Morristown. The supplemental financial information filed includes the following:

1. audited consolidated balance sheet as at December 31, 2012 and 2011, audited consolidated statements of operations and comprehensive income(loss), consolidated statements of changes in stockholders' equity and consolidated statements of cash flows for the years ended December 31, 2012 and 2011, together with the notes thereto;
2. unaudited preliminary consolidated balance sheet as at December 31, 2013 after making certain adjustments described therein;
3. unaudited preliminary consolidated statement of operations for the year ended December 31, 2013;
4. certain non-GAAP financial information as described therein; and
5. reconciliations of GAAP to non-GAAP measures for the audited consolidated statement of operations for the years ending December 31, 2012 and 2011, and a reconciliation of GAAP to non-GAAP measures for the unaudited preliminary statement of operations for the year ending December 31, 2013

(collectively, the "**HIIG Financial Information**").

The HIIG Financial Information is being filed by Westaim with applicable Canadian securities regulators to provide investors with additional information regarding HIIG's historical financial results. The HIIG Financial Information should be read in conjunction with Westaim's historical consolidated financial statements including the notes thereto

and the related management's discussion and analysis. The HIIG Financial Information is in United States dollars and the audited financial statements of HIIG for the years ended December 31, 2012 and 2011 are presented in accordance with United States GAAP. Financial information of HIIG as at and for the year ended December 31, 2013 is preliminary, unaudited, and has been adjusted as described therein. Consent of HIIG's auditors to the inclusion of their audit report in respect of the financial statements identified in items 1 above was neither sought nor obtained.

The Acquisition is subject to the receipt of all requisite regulatory approvals, including TSX Venture Exchange ("**TSXV**") approval, and any other regulatory approvals required under applicable U.S. competition and insurance laws, including approval of the Departments of Insurance of the States of Texas and Oklahoma.

The HIIG Financial Information is available on SEDAR (www.sedar.com) under Westaim's profile in a single filing under the category "Other".

About Westaim

Westaim is a publicly traded Canadian-based investment company that 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 (as measured by book value per share) at above average rates over the long-term.

Neither the TSXV nor its Regulation Services Provider (as that term is defined in policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.

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: (i) our ability to complete the Acquisition or any portion thereof on the terms described herein or at all, (ii) our ability to raise the funds required to complete the Second Acquisition on favourable terms or at all, (iii) changes in market conditions or deterioration in underlying investments; (iv) general economic, market, financing, regulatory and industry developments and conditions; (v) other risk factors set forth in Westaim's 2013 Annual Report, quarterly reports or annual information form. Westaim disclaims any intention or obligation to revise forward-looking statements whether as a result of new information, future developments or otherwise except as required by law.

All forward-looking statements are expressly qualified in their entirety by this cautionary statement.

SOURCE Westaim Corporation

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