



CATCo Reinsurance Opportunities Fund Ltd.

Reinsurance Portfolio Update

To: SFM, London Stock Exchange

Date: 18 April 2011

On 31 March 2011, the Company, which is organised as a Feeder Fund to invest substantially all of its assets in the CATCo Reinsurance Fund Ltd's segregated account, CATCo Diversified Fund (the "Master Fund") issued additional New Ordinary Shares in order to satisfy demand that could not be met through the secondary market. 7,250,000 New Ordinary Shares of US\$ 0.0001 each were issued. Similarly, the Master Fund received significant direct investment in its participating shares on 1 April 2011.

CATCo Investment Management Ltd., the appointed investment manager, in conjunction with CATCo-Re Ltd. ("CATCo"), a licensed Class 3 Reinsurance Company through which the Master Fund gains access to all of their reinsurance risk exposures, have agreed terms on new reinsurance transactions that have utilized the capital received from the issuance of New Ordinary Shares as well as from direct investment in the Master Fund. The average return for these reinsurance transactions were in excess of 40% above the prevailing returns written for the 1 January 2011 portfolio of investments.

The Master Fund's reinsurance portfolio contains a broad mix of risk pillars at 15 April 2011. The Master Fund's diversified portfolio ensures that exposure to a single loss event, no matter the magnitude of the event, results in no erosion of capital.

Max Single Loss Event Exposures	Return on Capital
No Losses	24%
Hurricane Andrew	24%
Hurricane Wilma	24%
Tōhoku Quake	22%
Max Japan Wind	20%
Max Rest of World	20%
Hurricane Ike	17%
Marine - Exxon Valdez	17%
Northridge Quake	16%
Max Canada/Caribbean Quake	7%
Max Europe Quake	7%
Max Europe Wind	3%
Max Caribbean Wind	3%
Hurricane Katrina	2%

The Company's Monthly Insight can be obtained from www.catcoim.com/products.html.

For further information, please contact:

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