

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

Discount control measures – redemption share conversion option

To: London Stock Exchange and
Bermuda Stock Exchange

Date: 18 December 2018

The Board notes the significant discount at which both the Ordinary and the C shares are trading relative to the last published NAV. The Board is considering a number of options to address shareholder concerns regarding the discount.

Subject to liquidity created from the release of capital from the underlying investment portfolio, the Board will conduct share buybacks as early in 2019 as possible.

The Board also wishes to announce that, notwithstanding the increased pricing within the retrocessional reinsurance market resulting from recent catastrophic events, it intends to offer shareholders the opportunity to elect to convert their shareholdings into redemption shares in 2019. Redemption shares would continue to participate pro rata in each of the underlying reinsurance contracts comprising the relevant share class's portfolio as at the date of their issue, but will not participate in any new investments from that date. As the related reinsurance contracts expire, it is anticipated that the Company would redeem the redemption shares with the proceeds received from underlying investments. These elections are expected to be offered in Q2 2019 and, conditional on shareholder approval, are expected to become effective shortly prior to the 2019 mid-year renewals. Shareholders who do not so elect will continue in their current share class.

In addition, subject to investor demand, the Board may approve the issuance of a new C Share class to provide exposure to 2019 mid-year reinsurance contract renewals.

It remains the intention of the Board to pay the annual dividend in accordance with the Company's previously stated dividend policy, subject to available liquidity, which is to target an amount equal to LIBOR plus five per cent of the NAV per share as at 31 December 2018.

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

For further information:

Judith Wynne
General Counsel
Markel CATCo Investment Management Ltd.
Telephone: +1 441 493 9005
Email: judith.wynne@markelcatco.com

Mark Way
Chief of Investor Marketing

Markel CATCo Investment Management Ltd.
Telephone: +1 441 493 9001
Email: mark.way@markelcatco.com

David Benda / Hugh Jonathan
Numis Securities Limited
Telephone: +44 (0) 20 7260 1000