WESTAIM ANNOUNCES ACQUISITION BY HOUSTON INTERNATIONAL INSURANCE GROUP, LTD.

Toronto, Ontario – October 1, 2015 – The Westaim Corporation ("**Westaim**" or the "**Company**") (TSXV: "WED") today announced that Houston International Insurance Group, Ltd. ("HIIG") has acquired the business and assets of Capital Risk Underwriters, Inc. ("CRU"), a managing general underwriting agency based in Orlando, Florida specializing in the pest control business.

CRU has issued HIIG insurance policies for the past three years and its management has been known to HIIG management for more than 25 years. This transaction is part of the continuing growth of the HIIG Specialty Division.

In connection with the transaction, Mr. Michael H. Schmidt, President and founder of CRU, has become Senior Vice President of HIIG Specialty and he and his team will continue to service its producers and customers. CRU will operate under the HIIG–CRU name.

About Westaim

Westaim is a publicly traded Canadian investment company specializing in providing long-term capital to businesses operating primarily within the global financial services industry. Westaim 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 over the long-term.

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Except for statements of historical fact contained herein, information in this press release may constitute "forward-looking information" within the meaning of Canadian securities laws. Other than statements of historical fact, all statements that involve various known and unknown risks, uncertainties and other factors are "forward-looking statements". There can be no assurance that such statements will prove accurate. Results and future events could differ materially from those anticipated in such statements. Readers of this press release are cautioned not to place undue reliance on these "forward-looking statements". Except as otherwise required by applicable law, Westaim expressly disclaims any intention or obligation to update publicly any forward-looking information, whether as a result of new information, future events or otherwise.