

PRESS RELEASE
CONSOLIDATED HCI HOLDINGS CORPORATION ANNOUNCES SALE OF ITS
REMAINING INVESTMENT PROPERTIES

Woodbridge, Ontario (March 24, 2017) –Consolidated HCI Holdings Corporation (the “**Corporation**”) (TSX: CXA.B) announced today that it has accepted an offer (the “**Offer**”) to sell its 50% interest (the “**50% Interest**”) in the real property located at 7700 Keele Street, Vaughan, Ontario and the adjacent property located at 2267 Highway 7, Vaughan, Ontario (collectively, the “**Investment Properties**”) from Keele Seven Holdings Inc. (the “**Buyer**”).

The Buyer is controlled by shareholders who are affiliated companies of Marc Muzzo, Stanley Goldfarb, Richard Gambin, Rudolph Bratty and the families of Angelo De Gasperis and of the late Alfredo De Gasperis, each of whom are also shareholders of the Corporation. These shareholders are each insiders of the Corporation as they each hold more than 10% of the outstanding Class B Shares and hold in the aggregate, 15,944,786 Class B Shares, representing approximately 77.5% of the outstanding Class B Shares. Rudolph Bratty, Richard Gambin, Stanley Goldfarb and Marc Muzzo are also directors of the Corporation.

The purchase price for the 50% Interest is \$14,250,000, to be satisfied by the Buyer by the assumption of 50% of the mortgage obligation in respect of the Investment Properties (50% of the outstanding principle amount at closing estimated to be approximately \$2.7 million) and by payment of the remainder in cash. The Offer is subject to a number of standard conditions, including the receipt by the Corporation of requisite shareholder approval. Closing is expected to occur on June 30, 2017.

The sale of the 50% Interest to the Buyer pursuant to the Offer is a "related party transaction" within the meaning of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). As such, the sale transaction was examined, reviewed and considered by an independent committee of the board of directors that was duly constituted for such purposes. No exemption was available for the formal valuation requirements of MI 61 101 and therefore the Corporation obtained formal valuations in respect of the Investment Properties from Cushman & Wakefield Ltd. as well as an oral fairness opinion from Cushman & Wakefield Ltd, which will be supported by a written fairness opinion.

Based upon a number of factors, including the recommendations of and discussions with disinterested members of management of the Corporation, the absence of any acceptable binding offers from third parties following a market canvas conducted by Cushman & Wakefield Ltd., the valuations and the fairness opinion and the impact of the sale on the Corporation, the independent committee determined that the sale transaction was on commercially reasonable terms and in the best interests of the Corporation. The disinterested members of the Corporation’s board of directors, on the recommendation of the independent committee, unanimously approved the sale transaction.

As no exemption was available for the minority approval requirements of MI 61 101, the sale transaction requires approval of: (i) 66 2/3% of the votes cast thereon, by shareholders present in person or by proxy; (ii) a majority of the votes cast thereon, by disinterested shareholders present in person or by proxy in accordance with the rules of the Toronto Stock Exchange; and (iii) a majority of the votes cast thereon, by shareholders present in person or by proxy after excluding the Class B Shares beneficially owned by the shareholders of the Buyer (i.e. an aggregate of 15,944,786 Class B Shares). Completion of the sale transaction also requires the prior acceptance of the Toronto Stock Exchange.

In accordance with requisite securities law, the Corporation will be mailing a management information circular to shareholders for a special meeting which will be held on April 28, 2017, at which shareholders

will be asked to approve the sale transaction. The management information circular will include a summary of the valuations (which will be filed on the Corporation's issuer profile at www.sedar.com) and a copy of the written fairness opinion.

Forward-looking Statements

Certain statements contained in this press release constitute forward-looking information within the meaning of Canadian securities laws. Forward-looking statements are provided for the purposes of assisting the reader in understanding the Corporation's financial position and results of operations as at and for the periods ended on certain dates and to present information about management's current expectations and plans relating to the future and readers are cautioned that such statements may not be appropriate for other purposes. Forward-looking information may relate to the Corporation's future outlook and anticipated events, including completion of the sale transaction or results and may include statements regarding the financial position, business strategy, budgets, litigation, projected costs, capital expenditures, financial results, taxes, plans and objectives of or involving the Corporation. Particularly, statements regarding future results, performance, achievements, prospects or opportunities for the Corporation are forward-looking statements. In some cases, forward-looking information can be identified by such terms such as "may", "might", "will", "could", "should", "would", "occur", "expect", "plan", "anticipate", "believe", "intend", "seek", "aim", "estimate", "target", "project", "predict", "forecast", "potential", "continue", "likely", "schedule", or the negative thereof or other similar expressions concerning matters that are not historical facts.

Forward-looking statements necessarily involve known and unknown risks and uncertainties, that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved. A variety of factors, many of which are beyond the Corporation's control, affect the operations, performance and results of the Corporation and its business, and could cause actual results to differ materially from current expectations of estimated or anticipated events or results. These factors include, but are not limited to, the risks discussed in the Corporation's materials filed with Canadian securities regulatory authorities from time to time. The reader is cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking statements as there can be no assurance that actual results will be consistent with such forward-looking statements.

Information contained in forward-looking statements is based upon certain material assumptions that were applied in drawing a conclusion or making a forecast or projection, including management's perceptions of historical trends, current conditions and expected future developments, including the closing of the sale transaction, as well as other considerations that are believed to be appropriate in the circumstances. While management considers these assumptions to be reasonable based on currently available information, they may prove to be incorrect.

The forward-looking statements made in this press release are dated, and relate only to events or information, as of the date of this press release. Except as specifically required by law, the Corporation undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

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