

September 16, 2016

**Somers Limited
("Somers" or the "Company")**

Proposed acquisition of majority stake in RESIMAC Limited

For Immediate Release- (Hamilton, Bermuda) Somers Limited, a financial services investment holding company, is pleased to announce that it has agreed to acquire the majority stake in RESIMAC Limited (approximately 79.0%), a leading non-bank Australian financial institution, from Ingot Capital Management Pty Limited ("Ingot") for US\$88.5 million (the "Acquisition"). The Company has agreed to issue a convertible loan note (the "Note") to Ingot which shall provide for the conversion of the Note into to 4,984,210 common shares par value US\$0.0001 of the Company (the "Shares") upon the receipt of all necessary regulatory approvals. As a result of the Acquisition, Ingot will be interested in approximately 29.2% of Somers.

The Acquisition is conditional upon, amongst other things, shareholder approval which will be sought at the special general meeting (the "SGM") of the shareholders of Somers (the "Somers Shareholders") to be held at 34 Bermudiana Road, Hamilton HM11 Bermuda on September 28, 2016 at 10.00 a.m. (Bermuda time). A Shareholder circular and notice of the SGM is being sent to Shareholders.

RESIMAC is a leading Australian non-bank financial institution which commenced operations in 1985 when it was established by the New South Wales State Government of Australia to service and securitise residential loans for HomeFund, a New South Wales government housing program (then under the name of FANMAC Limited). RESIMAC's primary activities involve originating, servicing and securitising mortgage assets. It is the pioneer of Australian Residential Mortgage Backed Securities ("RMBS"), being the first issuer in 1988. Since then it has issued more than AUS\$19 billion through 36 domestic and international RMBS issues.

For the 12 months ended June 30, 2016, RESIMAC's unaudited net interest income was A\$73 million (US\$56 million) (2015: A\$57 million (US\$43 million)), total income was A\$70 million (US\$53 million) (2015: A\$53 million (US\$40 million)) and net profit after tax of A\$13 million (US\$9.9 million) (2015: A\$7 million (US\$5 million)). Unaudited shareholders' funds as at 30 June 2016 were A\$82 million (US\$63 million) (2015: A\$70 million (US\$53 million)) and total assets were A\$5.4 billion (US\$4.1 billion) (2015: A\$4.7 billion (US\$3.6 billion)). RESIMAC had 136 full-time equivalent employees across offices in Sydney, Melbourne, Perth, Newcastle and Auckland.

RESIMAC is in the final stages of a proposed merger (via a Scheme of Arrangement) with Homeloans Limited ("Homeloans"), an ASX listed company (the "Scheme"). As a result of the Scheme, shareholders in RESIMAC will be issued new shares in Homeloans and Homeloans will remain listed on the ASX. Shareholders of RESIMAC shall end up with 72.5% of the enlarged group and the current shareholders of Homeloans shall end up with 27.5% of the enlarged group.

The Scheme is scheduled to complete in mid-October 2016. It is anticipated that the Acquisition shall complete prior to the Scheme. Upon completion of the Scheme, Somers shall then be issued with shares in Homeloans and shall hold 58.9% of the enlarged group.

Homeloans is an ASX-listed mortgage manager and mortgage broker with a market capitalisation of approximately A\$52.5 million (US\$40.0 million). Since its origins in 1985, Homeloans has grown to become a leading alternative provider of residential mortgage finance. In the financial year ended 30 June 2016, Homeloans received net interest income of A\$7.3 million (US\$5.6 million) (2015: A\$5.6 million (US\$4.3 million)) and net fees and commission income of A\$16.4 million



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(US\$12.5 million) (2015: A\$15.4 million (US\$11.7 million)). As at 30 June 2016, Homeloans' total assets were A\$280.9 million (US\$214.2 million) (2015: A\$295.7 million (US\$225.4 million)) and it had net assets of A\$44.7 million (US\$34.1 million) (2015: A\$43.4 million (US\$33.1 million)).

Commenting on the Acquisition, Warren McLeland, Chairman of Somers said;

“The is a major investment for Somers and fits in with the stated strategy to make corporate investments and acquisitions in the financial services sector. The acquisition of RESIMAC will complement Somers existing investments and the benefits from the Acquisition will accrue to all Somers Shareholders. Somers is acquiring a well-run, profitable business which will diversify Somers' investments and significantly increase the scale of Somers.”

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Somers Limited is a listed financial services investment holding company whose major assets include its 100% owned subsidiary, Bermuda Commercial Bank Limited, one of Bermuda's four licensed banks and a 62.5% holding in Waverton Investment Management Limited, a UK wealth manager with £4.6 billion assets under management. The Group's other investments include a 46% economic interest in Ascot Lloyd Holdings Limited, a UK independent financial adviser, a 23% interest in Merrion Capital Holdings Limited, an Irish financial services group, a 100% stake in Stockdale Securities Limited, a corporate and institutional stockbroking group and a 57% interest in West Hamilton Holdings Limited, a Bermuda property company. Somers has shareholders' equity of \$200 million and minimal debt. Somers' shares are publicly traded and listed on the Bermuda Stock Exchange (Ticker: SOM.BH). More details on the Company can be found at www.somers.limited.