

ARGO Group Limited  
28 September 2016

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Argo Group Limited

("Argo" or the "Company")

#### Announcement of Time-Scheduled Buy-Back Programme

The Company today announces a time-scheduled buy-back programme (the "2016 Share Buyback Programme II") in accordance with Commission Delegated Regulation (EU) 2016/1052 dated 8 March 2016 supplementing Regulation (EU) No 596/2014.

The 2016 Share Buyback Programme II has the purpose of reducing the issued ordinary share capital of the Company and the Board would only proceed if it considered that the effect of such purchase would be to increase earnings and/or net assets per Ordinary Share and that such exercise would be in the best interests of Shareholders generally. In addition, the Board would only proceed where the acquisition is in accordance with Isle of Man law.

The 2016 Share Buyback Programme II will be conducted in accordance with the authorisation granted to the Company by shareholders at the Annual General Meeting ("AGM") held on 19 September 2016 and the Commission Delegated Regulation (EU) 2016/1052 supplementing Regulation (EU) No 596/2014.

The Company intends to use up to £2 million to acquire Ordinary Shares in the market over a twelve month period commencing on 28 September 2016 and expiring no later than 19 September 2017 (one year from the date of the 2016 AGM which authorised the 2016 Share Buyback Programme II). The minimum price that Argo will pay is 8p per Ordinary Share. The aggregate number of Ordinary Shares which may be acquired on behalf of the Company

in connection with the 2016 Share Buyback Programme II will not exceed 23,676,987 Ordinary Shares, which broadly represents the number of shares in public hands.

Pursuant to a previous time-scheduled buy-back programme under the authority granted by shareholders at the Extraordinary General Meeting on 3 March 2016, the Company repurchased shares to the value of £1.96 million (the "2016 Share Buyback Programme I").

Due to the limited liquidity in the ordinary shares, a buy-back of ordinary shares pursuant to the 2016 Share Buyback Programme II on any trading day is likely to represent a significant proportion of the daily trading volume in the ordinary shares on the London Stock Exchange (and is likely to exceed the 25% limits of the average daily trading volume as laid down in Article 3 of Commission Delegated Regulation (EU) No 2016/1052).

The Company will announce any market repurchase of ordinary shares no later than 7.30 a.m. on the business day following the calendar day on which the repurchase occurred. To the extent permitted by law, ordinary shares bought back under the 2016 Share Buyback Programme II will be cancelled.

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