



EGI Completes Purchase of Majority Ownership in the Insurance Company of Prince Edward Island

TORONTO, July 2, 2014

EGI Financial Holdings Inc. ("EGI") (TSX: EFH) today announced the completion of the previously announced agreement with SGI CANADA ("SGI") to purchase SGI's 75% interest in the Insurance Company of Prince Edward Island ("ICPEI"). ICPEI is the largest Maritimes-based property and casualty insurance company, operating through independent brokers in Prince Edward Island, New Brunswick and Nova Scotia.

"We are very pleased to have finalized this important transaction for our company and are committed to providing a seamless transition of the business for our customers, brokers and employees", commented Steve Dobronyi, Chief Executive Officer of EGI.

The transaction closed effective June 30, 2014.

About EGI

Founded in 1997, EGI operates in the property and casualty insurance industry in Canada and Europe, primarily focusing on non-standard automobile insurance and other specialty P&C insurance products. EGI operates in Canada as Echelon Insurance. EGI's common shares are traded on the Toronto Stock Exchange under the symbol EFH. More information on EGI can be found at www.egi.ca / www.echelon-insurance.ca

About ICPEI

The Insurance Company of Prince Edward Island provides automobile, home and commercial insurance through a network of independent insurance brokers. In 2013, it wrote \$26 million of premiums. With its head office in Charlottetown, Prince Edward Island, it also operates in New Brunswick and Nova Scotia. Cooke Holdings Inc., a minority shareholder of ICPEI since its founding in 1987, remains a 25% owner of ICPEI. For more information, see www.icpei.ca.

About SGI CANADA

SGI CANADA sells property and casualty insurance in four provinces. It operates as SGI CANADA in Saskatchewan, Alberta and Manitoba, and Coachman Insurance Company in Ontario. It sells its products exclusively through independent insurance brokers in all jurisdictions. Visit SGI CANADA at www.sgicanada.ca.

Forward-looking Information

This news release contains forward-looking information based on current expectations. This information includes, but is not limited to, statements about the operations, business, financial condition, priorities, targets, ongoing objectives, strategies and outlook of EGI for 2014 and subsequent periods.

This information is based upon certain material factors or assumptions that were applied in drawing a conclusion or making a projection as reflected in the forward-looking information. By its nature, this information is subject to inherent risks and uncertainties that may be general or specific. A variety of material factors, many of which are beyond EGI's control, affect the operations, performance and results of and its business and could cause actual results to differ materially from the expectations expressed in any of this forward-looking information.

EGI does not undertake to update any forward-looking information. Additional information about the risks and uncertainties about EGI's business is provided in its disclosure materials, including its Annual Information Form and Management Discussion & Analysis, filed with the securities regulatory authorities in Canada, available at www.sedar.com.

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