

FAIRFAX News Release

Stock Symbol: FFH

TORONTO, November 18, 1999

FAIRFAX ISSUES PREFERRED SHARES

Fairfax Financial Holdings Limited has today, by way of a private placement from treasury effected pursuant to an agency agreement with CIBC World Markets Inc., Nesbitt Burns Inc. and Scotia Capital Inc., issued 8,000,000 fixed/floating cumulative redeemable preferred shares, Series A, at a price per preferred share of \$25.00. The dividend rate has been fixed at 6.50% per annum until November 30, 2004. The shares are not retractable at the option of the holder. Fairfax realized proceeds from this issue, after agency fees and expenses of issue, of approximately \$198.2 million.

The proceeds from this issue will be used for general corporate purposes and the purchase of subordinate voting shares under Fairfax's outstanding normal course issuer bid.

Fairfax Financial Holdings Limited is a financial services holding company which, through its subsidiaries, is engaged in property, casualty and life insurance and reinsurance, investment management and insurance claims management.

For further information contact: John C. Varnell, Vice President at (416) 367-4941