FAIRFAX *News Release*

Stock Symbol: FFH (TSX and NYSE)

TORONTO, June 30, 2003

PROCEEDS OF CRUM & FORSTER HOLDINGS' DEBT ISSUE
RELEASED FROM ESCROW FOLLOWING
FAIRFAX'S RENEGOTIATION OF ITS BANK FACILITIES

Fairfax Financial Holdings Limited announces that the net proceeds of the recent US$300 million private debt issue by its wholly-owned subsidiary Crum & Forster Holdings Corp. are being released from escrow, as this debt issue is permitted under Fairfax's newly renegotiated bank credit facility. After issue expenses and establishing an escrow to fund the first four interest payments, over US$210 million of these proceeds will be distributed to Fairfax for use in purchasing or repaying outstanding indebtedness or to invest in cash, short term investments or marketable securities.

Fairfax's renegotiated bank agreement is a syndicated facility with ten banks extending to December 31, 2005 and providing aggregate revolving credit facilities of $474 million, declining to $337 million on September 30, 2003 and to $269 million by September 30, 2004. There are $240 million of letters of credit outstanding under the facility.

The facility is secured by the assets of Fairfax, including Fairfax's shares of its holding company subsidiaries Northbridge Financial Corporation, Odyssey Re Holdings Corp. and Crum & Forster Holdings Corp., and contains various restrictive covenants including a maximum net debt to equity ratio of 0.9 to 1. The facility is more flexible than Fairfax's current facility in that it allows for borrowing by Northbridge and Odyssey Re.

Fairfax is also exploring the possibility of an additional bank facility specifically for the purpose of issuing letters of credit.

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.

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