Fairfax Africa Holdings Corporation *News Release*

TSX Stock Symbol: FAH.U

TORONTO, February 14, 2019

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FINANCIAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2018

(Note: All dollar amounts in this news release are expressed in U.S. dollars except as otherwise noted. The financial results are prepared using the recognition and measurement requirements of International Financial Reporting Standards except as otherwise noted, and are unaudited.)

Fairfax Africa Holdings Corporation (TSX: FAH.U) announces fiscal year 2018 net loss of $60.6 million ($1.06 net loss per diluted share), compared to fiscal year 2017 net earnings of $23.5 million ($0.54 net earnings per diluted share), reflecting decreased net unrealized gains on investments and foreign exchange gains in fiscal year 2018.

Highlights for 2018 (with comparisons to 2017 except as otherwise noted) included the following:

- Net loss of $60.6 million in fiscal year 2018 included a net change in unrealized losses on investments of $40.7 million, principally from a decrease in the market price of the company's investment in the public company Atlas Mara that depreciated by $49.6 million and an unrealized loss from a derivative obligation in relation to the Consolidated Infrastructure Group Limited ("CIG") rights offer of $5.7 million, partially offset by an increase in the fair value in the company's private investment in the indirect equity interest in AFGRI of $18.1 million. Fiscal year 2018 was also negatively impacted by net foreign exchange losses of $25.9 million.
- On December 31, 2018 the company entered into a second amending agreement with Nova Pioneer, under the same terms as the prior investment, to provide an additional $10.0 million investment (comprised of bonds and warrants). By January 11, 2019 approximately $4.3 million of the additional investment in Nova Pioneer had been completed.
- On December 13, 2018 the company entered into a second secured lending arrangement with AFGRI pursuant to which Fairfax Africa provided $13.1 million (180 million South African rand) of financing. The facility will earn interest at a rate of the South African prime rate plus 2.0%. At December 31, 2018 the facility was not drawn down by AFGRI. Subsequently on January 21, 2019 the full $13.1 million (180 million South African rand) was advanced to AFGRI and will mature on July 19, 2019.
- During the fourth quarter of 2018 the company purchased for cancellation 108,224 subordinate voting shares under the terms of the normal course issuer bid at a cost of $1.0 million (approximately $9.05 per subordinate voting share). Subsequent to December 31, 2018 and up to February 14, 2019, the company purchased for cancellation 573,737 subordinate voting shares at a cost of $5.0 million (approximately $8.70 per subordinate voting share).
- At December 31, 2018 common shareholders' equity was $603.1 million, or book value per share of $9.60, compared to $516.7 million, or book value per share of $10.21, at December 31, 2017, a decrease of 6.0% primarily related to a net loss in 2018, partially offset by the issuance of subordinate voting shares at $12.25 per share.

Subsequent to December 31, 2018:

- On January 4, 2019 CIG completed its previously announced rights offering for $57.2 million (800 million South African rand). Upon closing of the CIG rights offer the company acquired 178,995,353 ordinary shares of CIG for net cash consideration of $49.7 million (696 million South African rand) and has invested aggregate net cash consideration of $53.8 million for a 49.1% equity interest in CIG.

There were 62.9 million and 50.6 million weighted average shares outstanding during the fourth quarters of 2018 and 2017 respectively. At December 31, 2018 there were 32,811,965 subordinate voting shares and 30,000,000 multiple voting shares outstanding.

Unaudited consolidated balance sheets, earnings and comprehensive income information follow and form part of this news release.

In presenting the company's results in this news release, management has included book value per basic share. Book value per basic share is calculated by the company as common shareholders' equity divided by the number of common shares outstanding.

Fairfax Africa is an investment holding company whose investment objective is to achieve long-term capital appreciation, while preserving capital, by investing in public and private equity securities and debt instruments in Africa and African businesses or other businesses with customers, suppliers or business primarily conducted in, or dependent on, Africa.

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This press release may contain forward-looking information within the meaning of applicable securities legislation. Forward-looking statements may relate to the company's future outlook and anticipated events or results and may include statements regarding the financial position, business strategy, growth strategy, budgets, operations, financial results, taxes, dividends, plans and objectives of the company. Particularly, statements regarding future results, performance, achievements, prospects or opportunities of the company or the African market are forward-looking statements. In some cases, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate" or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", "will" or "will be taken", "occur" or "be achieved".

Forward-looking statements are based on the opinions and estimates of the company as of the date of this press release, and they are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking statements, including but not limited to the following factors: taxation of the company and its subsidiaries; substantial loss of capital; long-term nature of investment; limited number of investments; geographic concentration of investments; potential lack of diversification; financial market fluctuations; pace of completing investments; control or significant influence position risk; minority investments; ranking of company investments and structural subordination; follow-on investments; prepayments of debt investments; risks upon dispositions of investments; bridge financings; reliance on key personnel; effect of fees; performance fee could induce Fairfax to make speculative investments; operating and financial risks of investments; allocation of personnel; potential conflicts of interest; employee misconduct at the portfolio advisor could harm the company; valuation methodologies involve subjective judgments; lawsuits; foreign currency fluctuation; derivative risks; unknown merits and risks of future investments; resources could be wasted in researching investment opportunities that are not ultimately completed; investments may be made in foreign private businesses where information is unreliable or unavailable; illiquidity of investments; competitive market for investment opportunities; use of leverage; investing in leveraged businesses; regulation; investment and repatriation restrictions; aggregation restrictions; restrictions relating to debt securities; pricing guidelines; emerging markets; corporate disclosure, governance and regulatory requirements; legal and regulatory risks; volatility of the African securities markets; political, economic, social and other factors; governance issues risk; African tax law; changes in law; exposure to permanent establishment; enforcement of rights; smaller company risk; due diligence and conduct of potential investment entities; African economic risk; reliance on trading partners risk; natural disaster risks; government debt risk; and economic risk. Additional risks and uncertainties are described in the company's annual information form dated March 9, 2018 which is available on SEDAR at www.sedar.com and on the company's website at www.fairfaxafrica.ca. These factors and assumptions are not intended to represent a complete list of the factors and assumptions that could affect the company. These factors and assumptions, however, should be considered carefully.

Although the company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The company does not undertake to update any forward-looking statements contained herein, except as required by applicable securities laws.

Information on

CONSOLIDATED BALANCE SHEETS

as at December 31, 2018 and December 31, 2017

(unaudited - US$ thousands)

	December 31, 2018	December 31, 2017
Assets		
Cash and cash equivalents	**230,858**	13,012
Restricted cash	—	313,000
Short term investments	**38,723**	32,968
Loans	**38,595**	24,233
Bonds	**59,856**	19,414
Common stocks	**270,284**	261,917
Derivatives	**2,017**	520
Total cash and investments	**640,333**	665,064
Interest receivable	**2,472**	3,506
Other assets	**1,025**	541
Total assets	**643,830**	669,111
Liabilities		
Accounts payable and accrued liabilities	**531**	811
Derivative obligation	**5,724**	—
Payable to related parties	**1,658**	1,482
Income taxes payable	**3,263**	82
Borrowings	**29,527**	150,000
Total liabilities	**40,703**	152,375
Equity		
Common shareholders' equity	**603,127**	516,736
	643,830	669,111

Information on
CONSOLIDATED STATEMENTS OF EARNINGS AND COMPREHENSIVE INCOME
for the three and twelve months ended December 31, 2018 and 2017
(unaudited - US$ thousands except per share amounts)

	Fourth quarter		Year ended December 31,	
	2018	2017	**2018**	2017
Income				
Interest	**6,606**	2,950	**20,848**	7,589
Net realized gains (losses) on investments	**1,878**	(151)	**3,661**	11,274
Net change in unrealized gains (losses) on investments	**(45,524)**	(28,912)	**(40,690)**	2,362
Net foreign exchange gains (losses)	**(3,996)**	9,684	**(25,927)**	10,626
	(41,036)	(16,429)	**(42,108)**	31,851
Expenses				
Investment and advisory fees	**1,559**	1,395	**6,440**	3,400
Performance fee	**—**	(5,314)	**(319)**	319
General and administration expenses	**995**	636	**4,281**	2,076
Interest expense	**248**	1,195	**3,200**	2,087
	2,802	(2,088)	**13,602**	7,882
Earnings (loss) before income taxes	**(43,838)**	(14,341)	**(55,710)**	23,969
Provision for (recovery of) income taxes	**3,732**	(492)	**4,870**	485
Net earnings (loss) and comprehensive income (loss)	**(47,570)**	(13,849)	**(60,580)**	23,484
Net earnings (loss) per share (basic and diluted)	**$ (0.76)**	$ (0.27)	**$ (1.06)**	$ 0.54
Shares outstanding (weighted average)	**62,884,806**	50,620,189	**57,249,901**	43,329,044