

Fairfax Africa Holdings Corporation

TSX Stock Symbol: FAH.U

News Release

TORONTO, May 3, 2018

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FIRST QUARTER FINANCIAL RESULTS

(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 net earnings of \$40.9 million in the first quarter of 2018 (\$0.80 net earnings per diluted share), compared to net earnings of \$0.6 million in the first quarter of 2017 (\$0.02 net earnings per diluted share), principally reflecting net unrealized gains on investments.

Highlights in the first quarter of 2018 included the following:

- On February 28, 2018 the company entered into a secured lending arrangement with Philafrica Foods Proprietary Ltd. ("Philafrica"), a subsidiary of AFGRI, pursuant to which the company provided Philafrica with a \$27.9 million credit facility. This facility was made available following AFGRI's repayment in full on January 31, 2018 of a prior \$24.2 million bridge facility with the company. The Philafrica bridge facility matures in October 2018 and was provided on an interim basis in advance of an expected future equity capital raise by Philafrica, in the form of a rights offering of Philafrica shares to AFGRI shareholders. The proceeds from the facility will be used by Philafrica to fund strategic acquisitions and for general corporate purposes.
- On January 31, 2018 the company, through Joseph Holdings, paid \$18.5 million to purchase ordinary shares under the previously disclosed AFGRI rights issue and increased its indirect voting interest in AFGRI from 42.2% to 43.8%.
- On January 31, 2018, the company extended the maturity of its \$150 million corporate secured term loan to August 31, 2018.
- In 2017, the company terminated its letter of credit facility related to the partial offer to purchase shares of PPC Limited, resulting in \$162 million of cash used as collateral to be released from restricted cash on January 12, 2018.
- At March 31, 2018 common shareholders' equity was \$557.6 million, or \$11.02 per share, compared to \$516.7 million, or \$10.21 per share, at December 31, 2017, an increase of 7.9%.

Subsequent to March 31, 2018:

- On April 24, 2018 the company agreed to invest \$16 million in Atlas Mara through the purchase of secured convertible bonds maturing in 2020, as an anchor investment in connection with a targeted \$37.5 million debt fundraising by Atlas Mara. The proceeds of the debt fundraising will be used by Atlas Mara for general corporate purposes, including providing ongoing liquidity support for Atlas Mara's operations. In connection with the investment, Fairfax Africa will earn a structuring fee equal to 3.0% of the total debt fundraising. Closing of the investment is subject to the finalization of security documentation.

FAIRFAX AFRICA HOLDINGS CORPORATION

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There were 50.6 million and 24.1 million weighted average shares outstanding during the first quarters of 2018 and 2017 respectively. At March 31, 2018 there were 20,620,189 subordinate voting shares and 30,000,000 multiple voting shares outstanding.

Fairfax Africa's detailed first quarter report can be accessed at its website www.fairfaxafrica.ca.

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.