

Fairfax Africa Holdings Corporation

TSX Stock Symbol: FAH.U

News Release

TORONTO, June 30, 2017

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FAIRFAX AFRICA PROVIDES GROWTH CAPITAL TO AFGRI AND INVESTS IN NOVA PIONEER EDUCATION GROUP

(Note: All dollar amounts in this news release are expressed in U.S. dollars, except as otherwise noted.)

Fairfax Africa Holdings Corporation (“Fairfax Africa”) (TSX: FAH.U) is pleased to announce that it has provided bridge financing to AFGRI Group Holdings Proprietary Limited (“AFGRI”) for growth initiatives in advance of a future equity capital increase and that it has separately agreed to invest in Nova Pioneer Education Group (“Nova Pioneer”).

FACILITY AGREEMENT WITH AFGRI

Fairfax Africa has entered into a secured lending arrangement with AFGRI, pursuant to which it has provided ZAR300 million (approximately \$23 million at current exchange rates) (the “AFGRI Facility”). AFGRI sought out the financing ahead of an expected future equity capital raise by AFGRI for growth initiatives.

The AFGRI Facility matures on December 24, 2017 and bears interest at a rate of South African Prime plus 2%. Fairfax Africa has been paid an upfront fee equal to 2% of the loan proceeds (approximately \$460,000), which fee has been capitalized and added to the principal amount of the AFGRI Facility.

The proceeds from the AFGRI Facility will be used by AFGRI primarily for growth capital, in particular for growth-oriented capital expenditure projects, pending acquisitions, and to repay certain other obligations.

Fairfax Africa indirectly controls, and is the largest shareholder in, AFGRI, owning a 42.2% indirect interest in AFGRI. Based in South Africa, AFGRI is a leading agricultural services and food processing company with a core focus on grain commodities.

INVESTMENT IN NOVA PIONEER EDUCATION GROUP

Fairfax Africa has agreed to invest \$20 million in Ascendant Learning Limited (“Ascendant”), the Mauritius based parent entity of Nova Pioneer (the “Nova Pioneer Investment”). Nova Pioneer is an independent school network with campuses in South Africa and Kenya, which offers preschool through secondary education for students from ages 3 through 19.

The Nova Pioneer Investment will consist of \$20,000,000 of secured debentures (due December 31, 2024) (the “Debentures”) and 200,000 warrants (the “Warrants”). The Debentures will bear interest at a rate of 20% per annum and will be redeemable by Ascendant at par at any time after June 30, 2021, except in the event of the satisfaction of certain conditions after a change of control or value realization event.

Each Warrant will be exercisable by the holder thereof to acquire one ordinary share of Ascendant (a “Share”). Assuming the exercise of all of the Warrants, Fairfax Africa, through its subsidiaries, would beneficially own 200,000 of the issued and outstanding Shares, representing approximately 9.2% of all

issued and outstanding Shares. Except in certain circumstances relating to a change of control or value realization event, the Warrants may only be exercised after June 30, 2021.

The proceeds of the Nova Pioneer Investment will be used to support Nova Pioneer's growth initiatives, as well as for working capital requirements and for general corporate purposes. Completion of the Nova Pioneer Investment is subject to customary closing conditions.

In advance of the Nova Pioneer Investment, Fairfax Africa and Ascendant have entered into a Loan Facility Agreement (the "NP Facility"), pursuant to which Ascendant is permitted to borrow up to \$4 million. The NP Facility matures on June 8, 2018 and bears interest at a rate of 5%, which rate increases to 18% on June 30, 2017. The NP Facility is secured against certain assets of Ascendant and its subsidiaries and will be repaid in full upon the closing of the Nova Pioneer Investment. Currently, Ascendant has borrowed \$3 million under the NP Facility. The proceeds of the NP Facility will be used to support Nova Pioneer's working capital requirements and for general corporate purposes.

About Fairfax Africa

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

Forward-Looking Statements

This press release may contain forward-looking information within the meaning of applicable securities legislation, which reflects the Company's current expectations regarding future events. Forward-looking information is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond the Company's control, which could cause actual results and events to differ materially from those that are disclosed in or implied by such forward-looking information. The Company does not undertake any obligation to update such forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required by applicable law.

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For further information, contact:

Fairfax Africa Holdings Corporation
Guy Bentinck
Chief Financial Officer and Corporate Secretary
(416) 646-4181