

Fairfax Africa Holdings Corporation

TSX Stock Symbol: FAH.U

News Release

TORONTO, November 2, 2017

NOT FOR DISTRIBUTION TO US NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

THIRD 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 \$33.0 million in the third quarter of 2017 (\$0.65 per basic and diluted share).

Book value per basic share was \$10.49 at September 30, 2017.

Highlights in and subsequent to the third quarter of 2017 included the following:

- On August 22, 2017 the company committed to invest \$20 million in Ascendant Learning Limited, the Mauritius-based parent entity of Nova Pioneer Education Group ("Nova Pioneer"). The investment was comprised of \$20 million in secured bonds with a maturity date of December 31, 2024 and 2 million share purchase warrants. On August 22, 2017 the company completed the first tranche, comprised of \$10 million in secured bonds and 1 million share purchase warrants. Subsequently, on October 10, 2017 a second tranche of \$5 million in secured bonds and 0.5 million share purchase warrants was completed, with the remaining commitment to be drawn no later than December 15, 2017. Nova Pioneer is a Pan-African independent school network offering preschool through secondary education to students in Kenya and South Africa.
- On August 31, 2017, through a series of transactions, the company acquired 70,758,670 ordinary shares of Atlas Mara Limited ("Atlas Mara") for aggregate purchase consideration of \$155.8 million, representing a 42.4% equity interest. Other existing shareholders invested approximately \$41 million alongside through an open offer, underwritten by the company. The company received a placing fee of \$2.8 million from Atlas Mara associated with the underwriting, which was recorded as a reduction to the cost base of the investment. The third quarter of 2017 included net realized gains of \$11.2 million related to the difference between the cost base of the investment and the fair price of the Atlas Mara shares on closing, and of a net unrealized gain of \$25.0 million primarily related to the change in fair value of Atlas Mara shares since closing. Atlas Mara is a Sub-Saharan African financial services group listed on the London Stock Exchange.
- On August 31, 2017, the company completed a secured term loan with a Canadian bank for \$150 million, bearing an interest rate of LIBOR plus 100 basis points and maturing on January 31, 2018.
- On September 4, 2017, the company announced that it had made a partial offer (the "Partial Offer") to the board of directors of PPC Limited ("PPC") to acquire common shares of PPC for cash consideration of R5.75 (approximately \$0.44) per share for an aggregate purchase consideration of R2 billion (\$153.9 million). Simultaneously, the company entered into a letter of support with AfriSam Group Proprietary Limited ("AfriSam") and its major shareholders, whereby the company, its affiliates and certain allied co-investors would subscribe for R4 billion (\$307.8 million) in

common shares of AfriSam representing 60% of AfriSam's equity capital and voting rights (together with the Partial Offer, the "Transactions"). As required under South African law, a South African bank has provided a cash guarantee to the South Africa Takeover Regulation Panel in respect of the company's financial obligation to effect payment of the consideration for the Partial Offer. In connection with the cash guarantee, the company entered into a non-revolving term letter of credit with a Canadian bank, secured by \$162 million of cash. The Transactions are subject to a number of conditions, and there can be no assurances that the Transactions will be completed on the currently proposed terms, or at all.

There were 50.6 million weighted average shares outstanding during the third quarters of 2017. At September 30, 2017 there were 20,620,189 subordinate voting shares and 30,000,000 multiple voting shares outstanding.

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

Fairfax Africa is an investment holding company. Its 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.

For further information, contact: Guy Bentinck, Chief Financial Officer and Corporate Secretary
(416) 646-4181

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 31, 2017 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.