

FAIRFAX *News Release*

TSX Stock Symbol: FFH and FFH.U

TORONTO, May 20, 2011

FAIRFAX ANNOUNCES FURTHER AMENDMENTS TO ITS PREVIOUSLY ANNOUNCED TENDER OFFER

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

Fairfax Financial Holdings Limited (TSX: FFH and FFH.U) (“Fairfax”) announced today further amendments to certain terms of its previously announced offer to purchase for cash (as amended, the “Offer”) outstanding notes of the series listed in the table below (collectively, the “Notes”) of Fairfax and its wholly-owned subsidiaries Odyssey Re Holdings Corp. (“OdysseyRe”) and Crum & Forster Holdings Corp. (“Crum & Forster”). Fairfax has amended the terms of the Offer to increase the aggregate principal amount of Notes that may be purchased to \$691,233,000 (the “New Tender Cap”) from \$510,600,000 (the “Old Tender Cap”). Fairfax has also amended the terms of the Offer to increase the Maximum Tender Amount applicable to Fairfax’s 7.750% Senior Notes due 2017 (the “Fairfax 2017 Notes”) to \$233,561,000 from \$120,000,000. In addition, Fairfax has extended the expiration of the Offer to 8:00 a.m., New York City time, on June 6, 2011 from 8:00 a.m., New York City time, on June 2, 2011.

The following table sets forth the Notes that are subject to the Offer and certain other terms of the Offer, as amended hereby, as well as the aggregate principal amounts of Notes validly tendered and not validly withdrawn at or prior to 5:00 p.m., New York City time, on May 17, 2011, the Early Tender Date for the Offer:

Title of Securities	Issuer	CUSIP Numbers	Acceptance Priority Level	Aggregate Principal Amount Outstanding	Maximum Tender Amount	Aggregate Principal Amount Tendered as of the Early Tender Date
7.750% Senior Notes due 2012	Fairfax	303901AN2	1	\$180,568,000	\$180,568,000	\$92,318,000
7.750% Senior Notes due 2017	Crum & Forster	228800AF5	2	\$330,000,000	\$330,000,000	\$323,765,000
7.750% Senior Notes due 2017	Fairfax	303901AP7	3	\$282,625,000	\$233,561,000	\$233,561,000
7.650% Senior Notes due 2013	OdysseyRe	67612WAC2	4	\$225,000,000	\$90,000,000	\$41,589,000
6.875% Senior Notes due 2015	OdysseyRe	67612WAD0	5	\$125,000,000	\$45,000,000	\$16,045,000
8.250% Senior Notes due 2015	Fairfax	303901AC6	6	\$90,864,000	\$30,000,000	\$52,763,000

The purchase by Fairfax of Notes in the principal amount of \$180,633,000 greater than the prior Old Tender Cap is subject to the satisfaction or waiver of the conditions to the Tender Offer, including the condition that, in addition to the offering of new notes already completed, Fairfax complete its offering in Canada of C\$400,000,000 principal amount of debt securities. Subject

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to the satisfaction or waiver of the conditions to the Offer, Fairfax expects that the purchase of Notes in addition to the Notes already accepted for payment will occur on June 6, 2011.

Except as set forth herein, the terms and conditions of the Offer remain unchanged, including the withdrawal deadline which was 5:00 p.m., New York City time, on May 17, 2011. Tendered Notes may no longer be withdrawn. Fairfax is making the Offer only by, and pursuant to the terms and conditions set forth in, the Offer to Purchase dated May 4, 2011 (the "Offer to Purchase") and the related Letter of Transmittal, except as amended by Fairfax's press release dated May 18, 2011 and as further amended hereby. As provided in the Offer to Purchase, Fairfax reserves the right to amend, modify or, waive at any time, or from time to time, the terms of the Offer in any respect with respect to any or all Series of Notes.

BofA Merrill Lynch is the Lead Dealer Manager for the Offer. Questions regarding the Offer may be directed to BofA Merrill Lynch Debt Advisory Services at (888) 292-0070 (toll-free) or (980) 388-9217 (collect). Global Bondholder Services Corporation has been retained as depositary and information agent for the Offer. Requests for documents may be directed to Global Bondholder Services Corporation by telephone at (866) 387-1500 (toll-free) or in writing at 65 Broadway – Suite 404, New York, New York 10006, Attention: Corporate Actions.

This news release shall not constitute an offer to sell, a solicitation to buy or an offer to purchase or sell any securities. No offer, solicitation, purchase or sale will be made in any jurisdiction in which such an offer, solicitation, or sale would be unlawful. The referenced offering of Canadian dollar-denominated debt securities has not been and will not be registered under the US Securities Act of 1933, as amended, and such securities may not be offered or sold in the United States or to US persons except pursuant to an applicable exemption from the registration requirements of such Act.

Fairfax Financial Holdings Limited is a financial services holding company which, through its subsidiaries, is engaged in property and casualty insurance and reinsurance and investment management.

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