

Disclosure of ceasing to have substantial holding

Section 279, Financial Markets Conduct Act 2013

Note: This form must be completed in accordance with the instructions at the end of the form.

To **NZX Limited**
and
To **Tower Limited**

Date this disclosure made: 29 June 2017

Date last disclosure made: 9 February 2017

Date on which substantial holding ceased: 29 June 2017

Substantial product holder(s) giving disclosure

Full name(s): Fairfax Financial Holdings Limited (**Fairfax**)

Summary of previous substantial holding

Class of quoted voting products: Tower Limited (**Tower**) ordinary shares

Summary for Fairfax:

For **last** disclosure,—

(a) total number held in class: **30,569,302**

(b) total in class: **168,662,150**

(c) total percentage held in class: **18.125%**

For current holding **after** ceasing to have substantial holding,—

(a) total number held in class: **0**

(b) total in class: **168,662,150**

(c) total percentage held in class: **0%**

Details of transactions and events giving rise to ceasing of substantial holding

Details of the transactions or other events requiring disclosure:

On 29 June 2017, the voting support deeds dated 9 February 2017 (**Voting Support Deeds**) between Fairfax and:

(a) Salt Fund Management Limited (**Salt**) in relation to 16,965,182 ordinary shares in Tower; and

(b) Accident Compensation Corporation (**ACC**) in relation to 13,604,120 ordinary shares in Tower,

lapsed in accordance with their terms.

The Voting Support Deeds were attached to the Substantial Product Holding Notice issued by Fairfax on 9 February 2017. Clause 5.3(a) of each of the Voting Support Deeds provided that the relevant deed would automatically terminate on termination of the agreement between Fairfax and Tower dated 9 February 2017 relating to implementation of a proposed scheme of arrangement under Part 15 of the Companies Act 1993 by which Fairfax would acquire all of the shares in Tower for cash consideration of \$1.17 per Tower share (the **Scheme Implementation Agreement**). The Scheme Implementation Agreement was terminated by Fairfax and Tower on 29 June 2017.

Additional information

Address(es) of substantial product holder(s): 95 Wellington Street West, Suite 800, Toronto, Ontario M5J 2N7, Canada

Contact details: Christos Gazeas, Senior Legal Counsel, Fairfax Financial Holdings Limited, Phone: +001 416 367 4941

Certification

I, Michael Pollard, partner of Simpson Grierson, external counsel for Fairfax Financial Holdings Limited, certify that, to the best of my knowledge and belief, the information contained in this disclosure is correct and that I am duly authorised to make this disclosure by all persons for whom it is made.