

ANNOUNCEMENT

FAIRFAX SHARES ISSUED UNDER SHARE PURCHASE PLAN PRICED AT \$2.77 PER SHARE

SYDNEY, June 18, 2003 -- John Fairfax Holdings Limited [ASX:FXJ] today announced that shareholders who participated in its Share Purchase Plan (SPP) will be issued ordinary shares at A\$2.77 per share, the same price as that paid by institutional investors in the share placement completed on April 15, 2003.

The funds raised will be applied to the pending acquisition of the New Zealand publishing business of Independent Newspapers Limited [NZSE:INL] which is due to close on June 30, 2003.

As outlined in the SPP offer, the price represents the lower of A\$2.77 (being the price paid by institutional investors in the recent placement) and a 2.5% discount to the average of the daily volume weighted average market price of Fairfax ordinary shares over the five trading days from 10 June to 16 June 2003 inclusive.

Under the SPP, A\$60,789,000 worth of ordinary shares were applied for by shareholders. All shareholders who submitted a valid application form will be allotted the full amount of shares for which they applied. Over 14,300 Fairfax shareholders – approximately 32% – participated in the SPP, a higher-than-average response to SPPs offered by Australian companies over the past two years.

A total of 21,944,829 shares will be issued to SPP participants on 20 June 2003 with ASX quotation of the shares expected to occur on 25 June 2003.

Statements detailing the number of shares issued to each shareholder will be mailed to participating shareholders on 23 June 2003.

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