

Hamilton, Bermuda, 7 November 2006

LANCASHIRE HOLDINGS LIMITED

Results of AGM

Lancashire Holdings Limited (the "Company") is pleased to announce that at its Annual General Meeting ("AGM"), held on 2 November 2006 at its Bermuda offices at 1.00 pm, all the resolutions set out in the AGM Notice dated 3 October 2006 were duly passed.

Further details of the AGM results will be available shortly on the Company's website (www.lancashire.bm).

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About Lancashire

Lancashire was established in 2005 as a new insurance and reinsurance business to take advantage of the favourable underwriting conditions expected to arise from the large insured losses incurred in 2004 and 2005. The Company has an A.M. Best rating of A- (Excellent) with a stable outlook.

Lancashire was admitted to AIM on 16 December 2005 following an Offer of Common Shares to investors. The Common Shares trade on AIM under the ticker symbol LRE.

NOTE REGARDING FORWARD-LOOKING STATEMENTS

CERTAIN STATEMENTS MADE IN THIS ANNOUNCEMENT THAT ARE NOT BASED ON CURRENT OR HISTORICAL FACTS ARE FORWARD-LOOKING IN NATURE INCLUDING, WITHOUT LIMITATION, STATEMENTS CONTAINING WORDS "BELIEVES", "ANTICIPATES", "PLANS", "PROJECTS", "INTENDS", "EXPECTS", "ESTIMATES", "PREDICTS", "MAY", "WILL", "SEEKS", "SHOULD" OR, IN EACH CASE, THEIR NEGATIVE OR COMPARABLE TERMINOLOGY. ALL STATEMENTS OTHER THAN STATEMENTS OF HISTORICAL FACTS INCLUDING, WITHOUT LIMITATION, THOSE REGARDING THE GROUP'S FINANCIAL POSITION, RESULTS OF OPERATIONS, LIQUIDITY, PROSPECTS, GROWTH, BUSINESS STRATEGY, PLANS AND OBJECTIVES OF MANAGEMENT FOR FUTURE OPERATIONS (INCLUDING DEVELOPMENT PLANS AND OBJECTIVES RELATING TO THE GROUP'S INSURANCE BUSINESS) ARE FORWARD-LOOKING STATEMENTS. SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER IMPORTANT FACTORS THAT COULD CAUSE THE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS OF THE GROUP TO BE MATERIALLY DIFFERENT FROM FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THESE FORWARD-LOOKING STATEMENTS SPEAK ONLY AS AT THE DATE OF THIS ANNOUNCEMENT OR OTHER INFORMATION CONCERNED. LANCASHIRE HOLDINGS LIMITED EXPRESSLY DISCLAIMS ANY OBLIGATION OR UNDERTAKING

(SAVE AS REQUIRED TO COMPLY WITH ANY LEGAL OR REGULATORY OBLIGATIONS (INCLUDING THE AIM RULES)) TO DISSEMINATE ANY UPDATES OR REVISIONS TO ANY FORWARD-LOOKING STATEMENTS CONTAINED HEREIN TO REFLECT ANY CHANGES IN THE GROUP'S EXPECTATIONS WITH REGARD THERETO OR ANY CHANGE IN EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH ANY SUCH STATEMENT IS BASED.