

Lancashire Holdings Limited

2 May 2007

Appointment of Chairman and Senior Independent Director

The Board is pleased to announce that Martin Thomas has been appointed as Chairman of Lancashire Holdings Limited (the "Company"). His appointment as Chairman takes effect as from the end of the Company's annual general meeting held yesterday.

Martin has served as a non-executive Director of the Company since September 2006. The Board believes that his considerable experience in the financial services sector will be of significant value to the Lancashire group in its future development.

Robert Spass, the retiring Chairman, will continue to serve as a non-executive Director of the Company.

In addition, the Board has appointed Ralf Oelssner as Senior Independent Director. Ralf has been a non-executive Director of the Company since December 2005. His appointment as Senior Independent Director also takes effect as from the end of the Company's annual general meeting held yesterday.

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About Lancashire

Lancashire, through its UK and Bermuda-based insurance subsidiaries, is a global provider of specialty insurance products. Its insurance subsidiaries carry the Lancashire group rating of A minus (Excellent) from A.M. Best with a stable outlook. Lancashire has capital in excess of US\$1 billion and its common shares trade on AIM under the ticker symbol LRE. Lancashire is headquartered at Mintflower Place, 8 Par-La-Ville Road, Hamilton HM 08, Bermuda. The mailing address is Lancashire Holdings Limited, P.O. Box HM 2358, Hamilton HM HX, Bermuda. For more information on Lancashire, visit the Company's website at www.lancashiregroup.com.

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