

QUEENSWAY FINANCIAL HOLDINGS LIMITED

MATERIAL CHANGE REPORT

Item 1 - Reporting Issuer

Queensway Financial Holdings Limited ("Queensway")
90 Adelaide Street West
Suite 500
Toronto, Ontario
M5H 3V9

Item 2 - Date of Material Change

June 19, 2000

Item 3 - Press Release

A Press Release was issued at Toronto on June 19, 2000.

Item 4 - Summary of Material Change

See attached press release.

Item 5 - Full Description of Material Change

See attached press release.

Item 6 - Confidentiality

Not applicable.

Item 7 - Omitted Information

Not applicable

Item 8 - Senior Officer

The following senior officer of Queensway is knowledgeable about the material change and this report:

James G. Petcoff
Chairman, President and Chief Executive Officer
Tel: (248) 358-1171

Item 9 - Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

DATED at Southfield, Michigan, this 21st day of June, 2000.

QUEENSWAY FINANCIAL HOLDINGS LIMITED

“James G. Petcoff”

James G. Petcoff
Chairman, President and Chief Executive Officer

NEWS RELEASE

TSE SYMBOL: QFH

QUEENSWAY FINANCIAL HOLDINGS LIMITED

TORONTO (June 19, 2000/CCN) Queensway Financial Holdings Limited ("Queensway") today announced that Glenn Gibson, its Senior Vice President and Chief Financial Officer, has decided to accept a position in another industry. He will leave Queensway at the end of June.

"We thank Glenn for his contributions to Queensway. He was an integral part of the team that restored the company's focus to its core insurance operations," said Jim Petcoff, Chairman, President and Chief Executive Officer, Queensway Financial Holdings Limited. "We expect to introduce our new Chief Financial Officer in the next few weeks."

Queensway Financial Holdings Limited is a specialty insurance group that provides a range of individual and commercial insurance coverages. Queensway operates through a number of subsidiaries located in the United States and Canada.

For further information, please contact:

Jim Petcoff
Chairman, President and Chief Executive Officer
Queensway Financial Holdings Limited
Tel: (248) 358-1171
Fax: (248) 358-3091