

NOTICE

Re: The Loyalist Insurance Group Limited (the “Issuer”)

Please take notice of the following:

1. On April 28, 2006, the Issuer filed a document which purported to be an Annual Information Form within the meaning of National Instrument 51-102 *Continuous Disclosure Obligations* (the “**Document**”).
2. The Document does not comply with the requirements of Form 51-102-F2 *Annual Information Form* and does not constitute an Annual Information Form.
3. The Document was filed in error.
4. The Issuer is a venture issuer within the meaning of National Instrument 51-102 *Continuous Disclosure Obligations* and is not required to file an Annual Information Form under such Instrument.
5. The Issuer hereby withdraws the Document, and confirms that it did not intend, and does not intend, to rely on the Document in order to access the short form prospectus system under National Instrument 44-101 *Short Form Prospectus Distributions*.

DATED this 5th day of April, 2007.

THE LOYALIST INSURANCE GROUP LIMITED

(Signed) “*Donald W. Coons*”

Donald W. Coons

President and Chief Executive Officer