

## Atlas Announces Geographic Expansion

Chicago, Illinois (July 25, 2011) - Atlas Financial Holdings, Inc. ("Atlas" or the "Company"; TSXV: AFH) announced today that it is generating core lines of business in seventeen U.S. states through the Company's growing retail agent distribution channel. Two additional states, New Jersey and Colorado, will be added in August 2011. Atlas' operating insurance subsidiaries, American Country Insurance Company and American Service Insurance Company, Inc. are collectively licensed in forty-seven states. The Company expects to actively write business in more than twenty of these by the end of 2011.

"Our strategic expansion is moving forward as planned." said Scott Wollney, Atlas President & CEO. "Atlas' strong value proposition is aligned with the needs of our policyholders and distribution partners in existing and expansion states alike."

The Company's expanded geographic distribution footprint will support both organic growth and potential acquisitions.

### About Atlas

The primary business of Atlas is commercial automobile insurance in the United States, with a niche market orientation and focus on insurance for the "light" commercial automobile sector including taxi cabs, non-emergency paratransit, limousine/livery and business auto. The business of Atlas is carried on through its subsidiaries American Country Insurance Company and American Service Insurance Company, Inc. Atlas' operating subsidiaries have decades of experience with a commitment to always be an industry leader in these specialized areas of insurance.

Notice regarding forward-looking statements:

*This release includes forward-looking statements regarding the Company and its subsidiaries and businesses. Such statements are based on the current expectations of the management of each entity. The forward-looking events and circumstances discussed in this release, including acceptance of the transaction, may not occur and could differ materially as a result of known and unknown risk factors and uncertainties affecting the companies, including risks regarding the insurance industry, economic factors and the equity markets generally. No forward-looking statement can be guaranteed. Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and the Company and its subsidiaries undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.*

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