



Exchange Income Corporation Announces \$100 Million Bought Deal Offering of Common Shares

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WINNIPEG, Manitoba – June 6, 2023 – Exchange Income Corporation (TSX:EIF) (“EIC” or the “Corporation”) is pleased to announce that it has entered into an agreement to sell, on a bought deal basis, 1,920,000 common shares (the “Shares”) from treasury to a syndicate of underwriters (the “Underwriters”) co-led by CIBC Capital Markets and National Bank Financial Inc. The Shares will be offered at a price of \$52.25 per Share, for gross proceeds to the Corporation of approximately \$100,320,000 (the “Offering”).

The net proceeds of the offering will be used to fund the Corporation’s growth initiatives, including partially funding the investments associated with the recent announcements at Carson Air and PAL Airlines, and for general corporate purposes.

The Corporation has also granted the Underwriters an option to purchase up to an additional 288,000 Shares, representing 15% of the size of the Offering (the “Over-Allotment Option”), on the same terms and conditions, exercisable at any time, in whole or in part, up to 30 days after the closing of the Offering. If the Over-Allotment Option is exercised in full, the Corporation will receive additional gross proceeds of \$15,048,000 for aggregate gross proceeds from the Offering of \$115,368,000.

“EIC is excited about the opportunities created by our two most recently announced growth initiatives, our long-term medevac contract with the Province of British Columbia and our proposed agreement with Air Canada to continue to expand our service offering at PAL Airlines. This financing provides the financial flexibility to pursue those initiatives as well as a number of other exciting opportunities currently being evaluated,” said Mike Pyle, CEO of Exchange Income Corporation.

Closing of the Offering is expected to occur on or about June 14, 2023. The Offering is subject to normal regulatory approvals, including approval of the Toronto Stock Exchange of the listing of the Shares, and will be offered in each of the provinces of Canada by way of a prospectus supplement to the short form base shelf prospectus dated September 2, 2022.

The Shares have not been and will not be registered under the United States Securities Act of 1933, as amended, and accordingly will not be offered, sold or delivered, directly or indirectly within the United States, its possessions and other areas subject to its jurisdiction or to, or for the account or for the benefit of a United States person, except pursuant to applicable exemptions from the registration requirements.

About Exchange Income Corporation:

Exchange Income Corporation is a diversified acquisition-oriented company, focused in two sectors: aerospace & aviation services and equipment, and manufacturing. The Corporation uses a disciplined acquisition strategy to identify already profitable, well-established companies that have strong management teams, generate steady cash flow, operate in niche markets and have opportunities for

organic growth. For more information on the Corporation, please visit www.ExchangeIncomeCorp.ca. Additional information relating to the Corporation, including all public filings, is available on SEDAR (www.sedar.com).

Caution Concerning Forward-Looking Statements

The statements contained in this news release that are forward-looking are based on current expectations and are subject to a number of uncertainties and risks, and actual results may differ materially. These uncertainties and risks include, but are not limited to, COVID-19 and pandemic related risks, the dependence of Exchange Income Corporation on the operations and assets currently owned by it, the degree to which its subsidiaries are leveraged, the fact that cash distributions are not guaranteed and will fluctuate with the Corporation's financial performance, dilution, restrictions on potential future growth, the risk of shareholder liability, competitive pressures (including price competition), changes in market activity, the cyclicity of the industries, seasonality of the businesses, poor weather conditions, and foreign currency fluctuations, legal proceedings, commodity prices and raw material exposure, dependence on key personnel, and environmental, health and safety and other regulatory requirements. Except as required by Canadian Securities Law, Exchange does not undertake to update any forward-looking statements; such statements speak only as of the date made. Further information about these and other risks and uncertainties can be found in the disclosure documents filed by Exchange Income Corporation with the securities regulatory authorities, available at www.sedar.com.

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