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NEWS RELEASE

Exchange Income Corporation Announces Closing of Offering of Debentures

WINNIPEG, Manitoba – February 11, 2014 – Exchange Income Corporation (TSX: EIF) (the “Corporation”) announced today that it has closed its previously announced bought deal offering (the “Offering”) of 7 Year 6.00% Convertible Unsecured Subordinated Debentures due March 31, 2021 (the “Debentures”). At the closing of the Offering, the Corporation issued \$40,000,000 principal amount of Debentures to the underwriters of the Offering. The underwriters were also granted an over-allotment option to purchase up to \$6,000,000 principal amount of Debenture at any time up to 30 days from the date hereof.

The is Offering co-led by National Bank Financial Inc., CIBC and Laurentian Bank Securities Inc. and included Raymond James Ltd., Scotiabank, TD Securities Inc., Canaccord Genuity Corp., AltaCorp Capital Inc. and Stonecap Securities Inc.

The Corporation intends to use the net proceeds of the Offering to reduce the indebtedness of the Corporation outstanding under its revolving credit facility and for general corporate purposes.

The Debentures are listed for trading on the Toronto Stock Exchange under the symbol “EIF.DB.G”. Investors should be aware that the final short form prospectus of the Corporation relating to the Offering contained a typographical error as it stated that the Debentures would be listed under the symbol “EIF.DB.F”.

About Exchange Income Corporation

The Corporation is a diversified acquisition-oriented company, focused on opportunities in the industrial products and transportation sectors which are ideally suited for public markets except for their size. The strategy of the Corporation is to invest in profitable, well-established companies with strong cash flows operating in niche markets in Canada and/or the United States.

The Corporation is currently operating in two niche business segments: aviation and specialty manufacturing. The aviation segment consists of the operations by Perimeter Aviation, Keewatin Air, Calm Air International, Bearskin Lake Services, Custom Helicopters and Regional One, and the specialty manufacturing segment consists of the operations by Jasper Tank, Overlanders Manufacturing, Water Blast Manufacturing, Stainless Fabrication and WesTower Communications. For more information on Exchange Income Corporation, please visit www.exchangeincomecorp.ca.

Additional information relating to the Corporation, including all public filings, is available on SEDAR (www.sedar.com).

Forward-Looking Information:

This news release of the Corporation contains certain statements that constitute forward-looking information within the meaning of applicable securities laws (“forward-looking statements”). All statements other than statements of historical fact contained herein are forward-looking statements, including, without limitation, statements regarding the offering and the results, performance, achievements and developments of the Corporation and/or its subsidiaries. Words such as “believes”, “expects”, “will”, “may”, “could”, “intends”, “projects”, “anticipates”, “plans”,



"estimates", "continues" or similar words or the negative thereof are intended to identify forward-looking statements. Forward-looking statements are necessarily based upon a number of expectations or assumptions that, while considered reasonable by management at the time the statements are made, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Readers are cautioned to not place undue reliance on forward-looking statements which only speak as to the date they are made. Although management believes that the expectations and assumptions underlying such forward-looking statements are reasonable, there can be no assurance that such expectations or assumptions will prove to be correct. A number of factors could cause actual future results, performance, achievements and developments of the Corporation and/or its subsidiaries to differ materially from anticipated results, performance, achievements and developments expressed or implied by such forward-looking statements. Such factors include, but are not limited to:(i) risks associated with the offering; (ii) risks specific to the Corporation, including risks related to the credit facilities of the Corporation, level of economic growth, state of capital markets, management of acquisitions, availability of dividends, volatility of the price of the Corporation's shares, availability of future financing, growth initiatives by the Corporation, interest rates, diversification, capital investment, general economic factors, regulation, investment risk, dilution risk, dependence on key personnel and income tax issues; (iii) risks specific to the Corporation's operating subsidiaries, including risks related to seasonality and cyclicity, restrictions on potential growth of the Corporation's operating subsidiaries, dependence on key personnel, competition, risk of liability, management and operations, general uninsured losses, environmental matters, foreign exchange risk, commodity price risk, raw material exposure, potential conflicts of interest, labour disruptions, labour supply and dependence on information systems and technology; (iv) risks relating to the aviation industry, including fluctuations in operating results, seasonality and cyclicity, contract with the Government of Nunavut, fuel costs, compliance with government regulations, government funding for First Nations health care and aviation accidents; and (v) risks specifically relating to the specialty manufacturing industry, including supply dependency, contracts with distributors, dependence on sales and marketing organizations, market trends, labour supply and exposure to the Alberta economy and the energy sector.

The foregoing list of factors is not exhaustive of the factors that may affect any of the Corporation's forward-looking statements. Risks and uncertainties regarding the Corporation and its subsidiaries are more fully discussed in the Corporation's filings with Canadian provincial securities regulatory authorities, including its most recent annual information form and management discussion and analysis, copies of which are available on www.sedar.com. The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The Corporation does not undertake any obligation to update forward-looking statements.

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