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NEWS RELEASE

EXCHANGE INCOME CORPORATION ANNOUNCES EARLY REDEMPTION OF SERIES I DEBENTURES

WINNIPEG, Manitoba – February 19, 2015 – Exchange Income Corporation (TSX: EIF) (the “Corporation”) announced today that it has delivered notice to the holders of the Corporation’s outstanding 5 Year 5.75% Series I Convertible Senior Secured Debentures due January 31, 2016 (the “Debentures”) that pursuant to Section 4.2 of the trust indenture governing the Debentures dated January 11, 2011 (the “Trust Indenture”), the Corporation will, effective March 31, 2015 (the “Redemption Date”), redeem all issued and outstanding Debentures, plus accrued interest thereon.

There are currently 34,944 Debentures issued and outstanding in the aggregate principal amount of \$34,944,000 (\$1,000 per Debenture) as at the date hereof. Accordingly, on the Redemption Date, subject to compliance with the Trust Indenture, the holder of each Debenture (unless converted prior to the Redemption Date in accordance with the terms of the Trust Indenture) will receive a total payment of \$1,009.29452, comprised of a principal repayment of \$1,000.00 and interest of \$9.29452 for the 59 day period from January 31, 2015 up to but excluding the Redemption Date. All interest on the Debentures shall cease from and after the Redemption Date.

“The previously announced expansion of our senior debt facility along with our strong operating results provides us with the financial capacity to retire this series of convertible debentures early. The early redemption will result in an immediate, significant cost savings on debt service for what would have been the remainder of the term of the debentures, and simplifies our capital structure.” said Mike Pyle, CEO of EIC.

Certificates representing the Debentures must be tendered to the indenture trustee, BNY Trust Company of Canada, at 320 Bay Street, 11th Floor, Toronto, ON M5H 4A6 Attention: Operations Dept.

About Exchange Income Corporation

Exchange Income Corporation is a diversified acquisition-oriented company, focused in two sectors: 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.

The Corporation currently operates two segments: Aviation and Manufacturing. The Aviation segment consists of the operations by Perimeter Aviation, Keewatin Air, Calm Air International, Bearskin Lake Air Service, Custom Helicopters, Regional One and Provincial Aerospace. The Manufacturing segment consists of the operations by Jasper Tank, Overlanders Manufacturing, Water Blast Manufacturing, Stainless Fabrication and WesTower Communications in Canada. 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, 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 cyclical nature 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. 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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