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NEWS RELEASE

Exchange Income Corporation Announces Closing of \$86,250,000 Debenture Offering Including the Full Exercise of Over-Allotment Option

WINNIPEG, Manitoba – March 26, 2019 – Exchange Income Corporation (TSX: EIF) (the “Corporation” or “EIC”) announced today that it has closed its previously announced bought deal offering (the “Offering”) of 7 Year 5.75% convertible unsecured subordinated debentures due March 31, 2026 (the “Debentures”). At the closing of the Offering, the Corporation issued \$86,250,000 principal amount of Debentures to the underwriters of the Offering, which includes the exercise of the full \$11,250,000 over-allotment option granted to the underwriters.

Michael Pyle, Chief Executive Officer of the Corporation, stated “EIC has always been committed to maintaining a strong balance sheet including accessing the public markets when appropriate. This successful offering further strengthens our balance sheet. The full over-allotment on this offering was exercised, which marks the fifth consecutive time our securities offerings have resulted in the over-allotment option being exercised or the deal size increased. We are very pleased with yet another oversubscribed offering highlighting the market demand for EIC securities.”

The Offering was co-led by National Bank Financial Inc., CIBC Capital Markets and Laurentian Bank Securities Inc., and included Raymond James Ltd., RBC Capital Markets, Scotiabank, TD Securities Inc., BMO Capital Markets, Canaccord Genuity Corp., Wellington-Altus Private Wealth Inc., AltaCorp Capital Inc., Cormark Securities Inc., Industrial Alliance Securities Inc. and Macquarie Capital Markets Canada Ltd.

The Debentures are listed for trading on the Toronto Stock Exchange under the symbol “EIF.DB.K”.

The Corporation intends to use the net proceeds of the Offering to fund the redemption of its outstanding 7 year 6.00% convertible unsecured subordinated debentures maturing on March 31, 2021 (the “February 2014 Debentures”) and to repay indebtedness under the credit facility of the Corporation. The Corporation will issue a notice of redemption to the holders of the February 2014 Debentures today to redeem all issued and outstanding February 2014 Debentures on April 26, 2019 (the “Redemption Date”) at a redemption price equal to their principal amount, plus accrued and unpaid interest thereon up to, but excluding, the Redemption Date. Holders of the February 2014 Debentures have the option to convert such debentures into common shares of the Corporation prior to the Redemption Date.

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.

The Corporation currently operates two segments: Aerospace & Aviation and Manufacturing. The Aerospace & Aviation segment consists of the operations by Perimeter Aviation, Keewatin Air, Calm

Air International, Bearskin Lake Air Service (operating as a division of Perimeter Aviation), Custom Helicopters, Regional One, Provincial Aerospace and Moncton Flight College, and an investment in Wasaya Group. The Manufacturing segment consists of the operations of Overlanders Manufacturing, Water Blast, Stainless Fabrication, WesTower Communications, Ben Machine and Quest Window Systems. 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 the 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 the Corporation with the securities regulatory authorities, available at www.sedar.com.

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