



## NEWS RELEASE

### Exchange Income Corporation Responds to the Announcement by North West Company Inc. to Acquire North Star Air

**WINNIPEG, Manitoba – April 28, 2017** – Exchange Income Corporation (TSX: EIF) (the “Corporation” or “EIC”), a diversified, acquisition-oriented company focused on opportunities in aerospace, aviation and manufacturing sectors responds to the announcement by North West Company Inc. (“North West”) that it will be purchasing North Star Air out of Thunder Bay, Ontario. EIC, through its Calm Air subsidiary, provides freight service to North West throughout Manitoba and in the Kivalliq region of Nunavut. EIC has received notice from North West that it will be transitioning the freight service to its new subsidiary in 90 days and as such, at that time we will cease our relationship as a supplier to North West.

Calm Air generated annualized revenue of approximately \$14 million from the movement of North West freight. North West freight is moved on dedicated freight charters and not through Calm Air’s fleet of combination aircraft on which it transports both passengers and freight and as such, it will have no impact on the efficiency or profitability of those operations. Calm Air’s carriage of North West freight was particularly competitively priced and as such, the impact to its bottom line after adjusting its capacity will be very small, under \$1 million. Calm Air also provides freight service for the other multi-location retailer in the far north, Arctic Cooperatives, under a new long-term contract. Calm Air’s work for Arctic Cooperatives will not be affected by this change.

#### **About Exchange Income Corporation**

Exchange Income Corporation is a diversified, acquisition-oriented company focused on opportunities in aerospace, aviation 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 and operate in niche markets.

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, Custom Helicopters, Regional One and Provincial Aerospace. The Manufacturing segment consists of the operations by Jasper Tank, Overlanders Manufacturing, Water Blast Manufacturing, Stainless Fabrication, WesTower Communications and Ben Machine Products. For more information on the Corporation, please visit [www.ExchangeIncomeCorp.ca](http://www.ExchangeIncomeCorp.ca). Additional information relating to the Corporation, including all public filings, is available on SEDAR ([www.sedar.com](http://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 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. 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](http://www.sedar.com).*

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