



NEWS RELEASE

Exchange Income Corporation Announces the Completion of Its Redemption of Its Series J Debentures

WINNIPEG, Manitoba – July 13, 2016 – Exchange Income Corporation (TSX: EIF) (the “Corporation”), a diversified, acquisition-oriented company focused on opportunities in aviation and manufacturing sectors today announced the completion of its redemption of its 7 year 6.25% Series J convertible senior secured debentures (the “Series J Debentures”) outstanding on June 30, 2016 (the “Redemption Date”).

On May 17, 2016, the Corporation issued a notice of redemption to the holders of the Series J Debentures to redeem all issued and outstanding Series J Debentures 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 Series J Debentures had the option to convert such debentures into common shares of the Corporation prior to the Redemption Date. Prior to the Redemption Date, \$27,143,000 principal amount of Series J Debentures were converted into 887,015 common shares at a price of \$30.60 per share. On June 30, 2016, the remaining outstanding Series J Debentures in the principal amount of \$30,357,000 in were redeemed by the Corporation.

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 and operate in niche markets.

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, WesTower Communications and Ben Machine Products. 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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