



## **Exchange Income Corporation is pleased with the C295 Team Win for Canada's Fixed Wing Search and Rescue Aircraft Replacement Program**

**Winnipeg, Manitoba – December 8, 2016** – Exchange Income Corporation (EIC) (TSX: EIF), is pleased with the Government of Canada announcement that the Fixed Wing Search and Rescue (FWSAR) Aircraft Replacement Program has been awarded to the C295 team. PAL Aerospace (an EIC company) is partnered with Airbus Defence and Space who were successful in the pursuit of Canada's FWSAR contract.

The contract award follows a commitment from the Government of Canada to replace the aging CC-115 Buffalo and the CC-130 Hercules aircraft. The Fixed Wing Search and Rescue contract includes a brand new fleet of Airbus C295W, sensor-equipped aircraft and up to 20 years of in-service support.

"We are very excited about this news," said Mike Pyle, Chief Executive Officer, EIC. "Not only does it reinforce PAL Aerospace's strong relationship with the Government of Canada but it provides a sustainable, long-term revenue stream for the company with minimal capital investment."

"We are extremely proud of our team at PAL Aerospace and with the confidence that Airbus Defence and Space has placed in our team to provide these crucial services," added Mike Pyle.

PAL Aerospace will be responsible for the In-Service Support which covers all aspects of the maintenance work not undertaken by the RCAF technicians. It will include high value work such as repairs, 2nd and 3rd level maintenance, future modification work and deep level inspection of the aircraft.

"We look forward to providing more information on this contract and its benefits to PAL Aerospace, EIC and most importantly to the people of Canada who will benefit through the investments in Canadian jobs, in our communities and in technology and innovation," Added Mike Pyle.

PAL Aerospace has a proven track record of success for In-Service Support (ISS) contracts, and has been awarded a number of other contracts in the past for the provision of ISS both domestically and internationally.

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### **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 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 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](http://www.sedar.com).*

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