

Exchange Income Corporation's Subsidiary, Regional One, Completes Joint Venture with SkyWest, Inc.

WINNIPEG, Manitoba – February 19, 2019 – Exchange Income Corporation (TSX: EIF) (the “Corporation” or EIC”), a diversified, acquisition-oriented company focused on opportunities in the aviation, aerospace and manufacturing sectors, is pleased to announce that it has completed an Agreement to purchase CRJ airframes and enter into a joint venture on engines with SkyWest, Inc. (NASDAQ: SKYW) (“SkyWest”).

Regional One has expanded its relationship with SkyWest by entering into a joint venture to acquire, lease and sell CF34 engines. In addition, Regional One will purchase CRJ700 airframes from SkyWest. The airframes will be parted out, leased, and sold consistent with Regional One's model.

Regional One's President, Hank Gibson stated, “This partnership follows our strategy to partner with the leading industry players allowing us to mutually benefit from our strengths. SkyWest is the largest operator of CRJ aircraft in the world. They bring both a large portfolio of assets and a deep knowledge of these aircraft which is invaluable. We see this as the beginning stages of a mutually beneficial, symbiotic relationship.”

“This mutually beneficial partnership allows us to utilize Regional One's domestic and international distribution network with these assets,” said Wade Steel, SkyWest Chief Commercial Officer. “We are pleased to partner with Regional One to enhance opportunity within our leasing business.”

Mike Pyle, Chief Executive Officer, EIC added, “Regional One has been successful in partnering with industry leaders to grow its portfolio of assets. Regional One already has agreements with leading OEM's and is now extending this model to the leading regional airline. This provides not only a sizable investment opportunity, but more importantly a deep rooted relationship, which will lead to more strategic opportunities for both partners.”

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).

About SkyWest, Inc.

SkyWest, Inc. is the holding company for SkyWest Airlines and SkyWest Leasing, an aircraft leasing company. SkyWest Airlines has a fleet of nearly 500 aircraft connecting millions of passengers each month to over 250 destinations and provides commercial air service in cities throughout North America with more than 2,100 daily flights. SkyWest Airlines operates through partnerships with United Airlines, Delta Air Lines, American Airlines and Alaska Airlines to carry more than 38 million passengers annually. Based in St. George, Utah, SkyWest continues to set the standard for excellence across the regional industry with exceptional value for customers, shareholders and its nearly 14,000 employees.

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, foreign currency fluctuations, legal proceedings, commodity prices and raw material exposure, dependence on key personnel, and environmental, health and safety and other regulatory requirements. Except as required by Canadian Securities Law, Exchange does not undertake to update any forward-looking statements; such statements speak only as of the date made. 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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