



WASAYA GROUP AND EXCHANGE INCOME CORPORATION ANNOUNCE PARTNERSHIP

Winnipeg, Manitoba, February 1, 2018 – We are pleased to announce Wasaya Group (“Wasaya”), its shareholders and Exchange Income Corporation (“EIC”) (TSX:EIF) have entered into an agreement to partner whereby EIC will both recapitalize Wasaya and the Wasaya shareholders will exchange a portion of their interests in Wasaya for shares of EIC. These transactions, together with anticipated growth capital, are expected to be approximately \$25 million through a combination of debt and equity. This partnership will enhance the level of service in Northern Ontario and benefit customers in their communities.

“The partnership provides Wasaya a unique opportunity for long term sustainability and growth together with a tremendously experienced partner delivering to Wasaya buying power and operational efficiencies such as EIC’s heavy maintenance capabilities and its centralized Charter Connexions Group, just to name a few”, said Michael Rodyniuk, President and Chief Executive Officer of Wasaya. “The partnership with EIC will serve Wasaya and its First Nation owners well into the future. Through this partnership, Wasaya will be recapitalized successfully representing the final step of its new business plan, started over three years ago.”

“We are proud to be investing in and helping to facilitate the growth of Wasaya,” stated Mike Pyle, Chief Executive Officer of EIC. “A core principle of EIC is to invest in and partner with our First Nation stakeholders. The partnership with Wasaya allows us to further enhance and extend our First Nation relations.” “Wasaya is a deep rooted valued brand and we are excited to become a part of their legacy,” added Carmele Peter, President of EIC.

EIC has funded an initial investment in Wasaya with the remaining transactions expected to be completed within the first quarter of 2018.

About Wasaya Group

Wasaya Group, including Wasaya Airways and Wasaya Petroleum, is directly or indirectly owned by 12 First Nations: Bearskin Lake; Fort Severn; Kasabonika Lake; Keewaywin; Kingfisher Lake; Kitchenuhmaykoosib Inninuwug; Muskrat Dam; Nibinamik; Pikangikum; Sandy Lake; Wapekeka; and Wunnumin Lake. Wasaya serves 25 destinations in Northwestern Ontario with 60 daily flights and employs 320 employees, of which over one third are First Nation.

About Exchange Income Corporation

Exchange Income Corporation is a diversified acquisition-oriented company, focused in two sectors: aerospace and 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 of Perimeter Aviation (including Bearskin Airlines), Keewatin Air, Calm Air International, Custom Helicopters, Regional One and Provincial Aerospace. The Manufacturing segment consists of the operations of Overlanders, Water Blast, Stainless Fabrication, WesTower Communications, Ben Machine and Quest. 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 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. Except as required by Canadian Securities Law, the Corporation 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 the Corporation with the securities regulatory authorities, available at www.sedar.com.

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