

News Release

ACE AVIATION FILES FIRST QUARTER FINANCIALS

MONTRÉAL, May 8, 2009 – ACE Aviation Holdings Inc. (ACE) today filed its interim unaudited financial statements and MD&A for Quarter 1, 2009.

In accordance with the applicable accounting standards, the financial statements are prepared on a liquidation basis of presentation. If ACE subsequently does not proceed with the liquidation of its net assets, ACE will revert to a going concern basis of presentation.

At April 30, 2009, ACE's principal assets are cash and cash equivalents of \$373 million and its 75 million shares in Air Canada, which had a market value of \$62 million on that date. ACE's investment in ACTS Aero has been written down to nil. ACE's obligations include convertible senior notes with a principal amount outstanding of \$64 million, 3.2 million convertible preferred shares with a fully accreted value of \$80 million at April 30, 2009 and accounts payable and accrued liabilities of \$16 million.

During the quarter, ACE purchased for cancellation 80% of the convertible senior notes outstanding and 74% of the preferred shares outstanding for an aggregate purchase price of \$233 million and \$186 million, respectively, by way of three substantial issuer bids which concluded in January and March 2009.

ACE is continuing its ongoing dialogue with shareholders and considering alternatives available to it with a view to arriving at an optimal outcome. ACE is also assisting Air Canada in its efforts to deal with the significant challenges it faces in 2009 with a view to enhancing ACE shareholder value.

For further information on ACE's public disclosure file, including ACE's Annual Information Form, please consult SEDAR at www.sedar.com.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

Certain statements in this news release may contain forward-looking statements. These forward-looking statements are identified by the use of terms and phrases such as "anticipate", "believe", "could", "estimate", "expect", "intend", "may", "plan", "predict", "project", "will", "would", and similar terms and phrases, including references to assumptions. Such statements may involve but are not limited to comments with respect to strategies, expectations, planned operations or future actions. Forward-looking statements, by their nature, are based on assumptions and are subject to important risks and uncertainties. Any forecasts or forward-looking predictions or statements cannot be relied upon due to, amongst other things, changing external events and general uncertainties of the business. Actual results may differ materially from results indicated in forward-looking statements due to a number of factors, including without limitation, industry, market, credit and economic conditions, the ability to reduce operating costs and secure financing, pension issues, energy prices, currency

exchange and interest rates, employee and labour relations, competition, war, terrorist acts, epidemic diseases, insurance issues and costs, changes in demand due to the seasonal nature of the business, supply issues, changes in laws, regulatory developments or proceedings, pending and future litigation and actions by third parties as well as the factors identified throughout ACE's filings with securities regulators in Canada and, in particular, those identified in the Risk Factors section to ACE's 2008 MD&A dated February 13, 2009. ACE's liquidation by plan of arrangement is subject to the approval by the shareholders and the court, and the final completion of ACE's liquidation would be subject to the obtention of any required tax clearance certificates and any tax or other regulatory approvals. If ACE does not proceed with the liquidation of its assets, or to do so in a timely manner, ACE will continue to incur operating costs. The forward-looking statements contained herein represent ACE's expectations as of the date of they are made, and are subject to change after such date. However, ACE disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required under applicable securities regulations.

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