

News Release

ACE AVIATION REPORTS 2014 ANNUAL RESULTS, ANNOUNCES INTENT TO SEEK COURT APPROVAL FOR A \$115 MILLION DISTRIBUTION TO SHAREHOLDERS AND PROVIDES AN UPDATE ON ITS LIQUIDATION PROCESS

MONTRÉAL, April 28, 2015 – ACE Aviation Holdings Inc. (ACE) reported today its annual results for 2014, announced its intention to seek Court approval for an interim distribution to shareholders in the amount of \$115 million, and provided an update with respect to its liquidation process.

2014 Full-Year Results

For 2014, ACE recorded an increase in net assets in liquidation of approximately \$0.9 million. This increase was primarily due to interest income earned during the year offset by administrative and other expenses.

As at April 27, 2015, ACE's only remaining assets consist of cash and short-term investments in an aggregate amount of approximately \$133.8 million.

Liquidation Process and Court Approval for Interim Distribution to Shareholders

On June 28, 2012, further to the approval by ACE shareholders on April 25, 2012 of a special resolution providing for the voluntary liquidation of ACE, the Superior Court of Québec (Commercial Division) (the "**Court**") issued an order appointing Ernst & Young Inc. as liquidator of ACE (the "**Liquidator**").

Pursuant to an order issued by the Court on February 25, 2013, the Liquidator established a process for the identification, resolution and barring of claims and other contingent liabilities against ACE. Creditors had until May 13, 2013 to file their proof of claims, failing which their claims would be barred and extinguished. The audited annual consolidated financial statements of ACE for the year ended December 31, 2014 and the related management's discussion and analysis include a description of proofs of claim which were filed and the status thereof.

Given the results of the claims process and the expiry of a significant portion of the contingent obligations covered by proofs of claims filed in such process, the Liquidator announced today that it intends to seek Court approval for a distribution to shareholders of ACE in the aggregate amount of \$115 million. ACE currently expects that the Court hearing will be held on or about May 8, 2015. The Liquidator will post a copy of the relevant application to the Court and notice of the hearing date on its website at www.ey.com/ca/aceaviation at least 7 days in advance of the hearing date. Any distribution to shareholders is subject to Court approval and there is no certainty as to the amount or timing of such distribution. The record date and payment date for such a distribution would be announced by subsequent press release upon receipt of approval from the Court.

Future distributions of ACE's remaining net cash to its shareholders are subject to the expiration or settlement of any contingencies and there is no certainty as to the timing or amount of such distributions. The final distribution to shareholders and the cancellation of the shares of ACE will not

occur until all remaining contingent liabilities are settled or otherwise provided for. The distributions will generally be treated as deemed dividends from a Canadian tax standpoint. Such deemed dividends will be designated as eligible dividends for the purposes of the Income Tax Act (Canada).

As previously announced, effective as of June 28, 2012, all of the directors and officers of ACE resigned from their positions and the Liquidator was vested with the powers of the directors and the shareholders of ACE in accordance with the Canada Business Corporations Act and the Court order issued on June 28, 2012. Accordingly, ACE does not plan to hold an annual shareholder meeting in 2015 with respect to the financial year ended December 31, 2014. ACE will seek confirmation from the Court that no such shareholder meeting shall be held and the Liquidator will post a copy of the relevant application to the Court and notice of the hearing date on its website at www.ey.com/ca/aceaviation at least 7 days in advance of the hearing date. ACE currently expects that the Court hearing will be held on or about May 8, 2015. Shareholders who have questions or require additional information with respect to ACE and the liquidation process may contact the Liquidator by telephone (1-855-279-8388 or 416-943-4444) or by fax (1-416-943-3300).

For additional information with respect to the liquidation of ACE, refer to the management proxy circular dated March 9, 2012, the audited consolidated financial statements and related management's discussion and analysis for the year ended December 31, 2014 and the other public filings of ACE which are available at www.sedar.com and www.aceaviation.com.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

Certain statements in this news release may contain forward-looking statements. Forward-looking statements may relate to analyses and other information that are based on forecasts of future results and estimates of amounts not yet determinable. These statements may involve, but are not limited to, comments relating to strategies, expectations, planned operations, future actions, the timing of the liquidation, the timing and amount of further distributions to shareholders, the timing of Court hearings and Court approvals, the final distribution to shareholders and the cancellation of the shares of ACE. 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. 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, market, regulatory developments or proceedings, 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 of ACE's 2014 Annual MD&A dated April 28, 2015. ACE will continue to incur operating costs and fees for the duration of the winding-up process. The forward-looking statements contained in this news release represent ACE's expectations as of the date 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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