

News Release

ACE AVIATION REPORTS THIRD QUARTER RESULTS AND ANNOUNCES APPLICATION TO COURT TO APPROVE THE FINAL DISTRIBUTION TO SHAREHOLDERS AND THE DISSOLUTION OF ACE

MONTREAL, November 29, 2023 – ACE Aviation Holdings Inc. (ACE) announced today its results for the third quarter of 2023. ACE also announced today its intention to seek approval by the Court to proceed with the final distribution to shareholders and the dissolution of ACE.

2023 Third Quarter Results

In the third quarter of 2023, ACE recorded an increase in net assets in liquidation of \$50,000 as a result of interest income during the quarter which offset administrative and other expenses.

As at September 30, 2023, ACE's only material remaining assets consisted of cash in an aggregate amount of approximately \$6.0 million.

Liquidation Process

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 interim consolidated financial statements of ACE for the nine-month period ended September 30, 2023 and the related management's discussion and analysis include a description of proofs of claim which were filed and the status thereof.

Court Hearing to Approve Final Distribution to Shareholders and Dissolution

The Liquidator intends to seek Court approval of its final accounts, approval to proceed with a final distribution to the shareholders of ACE and approval of the dissolution of ACE.

The final amount to be distributed to shareholders is currently estimated to be \$5.3 million, representing all of the remaining cash of ACE less accounts payable and a reserve to cover the remaining expenses of the liquidation and dissolution and remaining contingencies.

ACE is awaiting confirmation from the Court of the date of the hearing to be held at the Montreal Courthouse, located at 1 Notre-Dame Street East, Montreal, Quebec, H2Y 1B6. An additional press release will be issued by ACE once the date of the Court hearing is available.

The Liquidator will be posting a copy of the relevant application to the Court on its website at www.ey.com/ca/aceaviation. Shareholders and other parties who have questions or require additional information with respect to ACE and the final distribution and dissolution process may contact the Liquidator by telephone (1-855-279-8388 or 416-943-4444) or by fax (1-416-943-3300).

The amount of the final distribution will remain subject to modification until the final amount of the distribution is announced following receipt of Court approval. The record date and payment date for such distribution will be announced by subsequent press release upon receipt of approval from the Court. Subject to receipt of the Court approval, the Liquidator currently expects to proceed with the dissolution of ACE shortly following the payment of the final distribution to the shareholders. The payment of the final distribution and the completion of the dissolution of ACE are currently expected to occur in the first quarter of 2024, subject to receipt of Court approval.

The final distribution to shareholders, the cancellation of the shares of ACE and the dissolution of ACE will not occur until all necessary corporate, administrative and tax measures to dissolve ACE are completed and until the settlement of any remaining contingencies that may arise in connection with the remaining liquidation and dissolution steps of ACE. There is no certainty as to the timing or amount of such final distribution and dissolution. ACE will continue to incur operating costs and fees for the duration of the dissolution process.

The distributions to shareholders of ACE 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).

For additional information with respect to the liquidation of ACE, refer to the management proxy circular dated March 9, 2012, the interim consolidated financial statements and related management's discussion and analysis for the nine-month period ended September 30, 2023 and the other public filings of ACE which are available at www.sedarplus.ca 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, future actions, the timing of the liquidation, the expected amount of the final distribution to shareholders and the dissolution 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 2022 Annual MD&A dated April 28, 2023. ACE will continue to incur operating costs and fees for the duration of the dissolution 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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