



AIR CANADA

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Air Canada Receives Final Court Approval to Increase Permitted Foreign Ownership Levels to the Levels Permitted under Canada Transportation Act

MONTREAL, May 8, 2019 /CNW Telbec/ - Air Canada (TSX: AC) is pleased to announce that the Quebec Superior Court issued earlier today a final order approving the previously announced plan of arrangement under the *Canada Business Corporations Act* effecting amendments to Air Canada's articles of incorporation to align the permitted level of non-Canadian ownership and control of its voting shares within its articles with those prescribed by the new definition of "Canadian" under the *Canada Transportation Act* (CTA) as amended in June 2018.

Prior to the CTA amendments, no more than 25% of the voting interests of a Canadian air carrier could be owned or controlled by non-Canadians. The Government of Canada's stated purpose in implementing the CTA amendments is to attract more foreign investment and encourage growth in the aviation sector by increasing, from 25% to 49%, the permitted level of foreign ownership of Canadian air carriers. At the same time, the CTA amendments introduced two new limitations on voting ownership and control, by capping the voting rights of single non-Canadians and of the aggregate of non-Canadian air carriers at 25%.

Air Canada expects that its amended articles will be filed and become effective on or about May 8, 2019. Further details regarding the amendments are set out in the management proxy circular of Air Canada dated March 25, 2019 and in Air Canada's February 15, 2019 news release which are available on SEDAR under Air Canada's profile at www.sedar.com.

Caution Regarding Forward-Looking Information

This news release includes forward-looking statements within the meaning of applicable securities laws. Forward-looking statements are based on assumptions, are subject to important risks and uncertainties, and cannot be relied upon due to, among other things, changing external events. Actual results may differ materially from results indicated in forward-looking statements due to a number of factors, including the factors identified in Air Canada's public disclosure file available at www.sedar.com. In particular, the failure to satisfy the conditions to the implementation of the proposed plan of arrangement and the resulting amendments to Air Canada's articles may result in the proposed plan of arrangement and amendments not being completed on the proposed terms, or at all. The forward-looking statements contained or incorporated by reference in this news release represent Air Canada's expectations as of the date of this news release and are subject to change after such date. However, Air Canada disclaims any intention or obligation to update or revise any forward-looking statements whether because of new information, future events or otherwise, except as required under applicable securities regulations.

About Air Canada

Air Canada is Canada's largest domestic and international airline serving nearly 220 airports on six continents. Canada's flag carrier is among the 20 largest airlines in the world and in 2018 served nearly 51 million customers. Air Canada provides scheduled passenger service directly to 63 airports in Canada, 56 in the United States and 100 in Europe, the Middle East, Africa, Asia, Australia, the Caribbean, Mexico, Central America and South America. Air Canada is a founding member of Star Alliance, the world's most comprehensive air transportation network serving 1,317 airports in 193 countries. Air Canada is the only international network carrier in North America to receive a Four-Star ranking according to independent U.K. research firm Skytrax, which also named Air Canada the 2018 Best Airline in North America. For more information, please visit: aircanada.com/media, follow @AirCanada on Twitter and join Air Canada on Facebook.

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