
AIR CANADA

TREASURY OFFERING OF CLASS A VARIABLE VOTING SHARES AND/OR CLASS B VOTING SHARES

May 26, 2020

A preliminary short-form prospectus of the Company dated May 26, 2020 containing important information relating to the securities described in this document has been filed with the securities regulatory authorities in each of the provinces and territories of Canada. A copy of the preliminary short-form prospectus, and any amendment, is required to be delivered to any investor with this document. The preliminary short-form prospectus is still subject to completion.

There will not be any sale or any acceptance of an offer to buy the securities until a receipt for the final short-form prospectus has been issued.

The securities described in this document have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any U.S. state securities laws. Accordingly, the securities described herein will not be offered in the United States except to persons reasonably believed to be qualified institutional buyers, as defined under Rule 144A of the Securities Act, in reliance on exemptions from registration provided under the Securities Act and the rules thereunder.

This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the preliminary short-form prospectus, final short-form prospectus and any amendment for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.

ISSUER:	Air Canada (the "Company")
ISSUE:	• Class A Variable Voting Shares and/or Class B Voting Shares of the Company ("Shares").
AMOUNT:	Approximately C\$500 million.
ISSUE PRICE:	C\$● per Share.
OVER-ALLOTMENT OPTION:	The underwriters will have an option to purchase up to an additional 15% of the Issue at the Issue Price to cover over-allotments, exercisable in whole or in part at any time until 30 days after Closing.
USE OF PROCEEDS:	The net proceeds of this offering and the concurrent convertible notes offering will be used to supplement the Company's working capital and other general corporate purposes and will serve to increase the Company's cash position, thereby allowing for additional flexibility both from an operational standpoint and in the implementation of its planned mitigation and recovery measures in response to the COVID-19 pandemic.
CONCURRENT CONVERTIBLE NOTES OFFERING:	Concurrent with this offering of Shares, the Company intends to issue approximately US\$400 million aggregate principal amount of convertible senior unsecured notes on a marketed private placement basis.
CANADIAN / NON- CANADIAN PURCHASERS:	Canadians (as defined by the <i>Canada Transportation Act</i>) will receive Class B Voting Shares. Non-Canadians (as defined by the <i>Canada Transportation Act</i>) will receive Class A Variable Voting Shares.
FORM OF OFFERING:	Marketed public offering in all provinces and territories of Canada by way of a short-form prospectus. Private placement in the United States to "qualified institutional buyers" pursuant to Rule 144A of the U.S. Securities Act of 1933.
LISTING:	Air Canada Class B Voting and Class A Variable Voting Shares are listed on the Toronto Stock Exchange ("TSX") under the symbol "AC". The Company has applied to list the Shares on the TSX. Listing of the Shares will be subject to the Company's fulfilment of all of the listing requirements of the TSX.
ELIGIBILITY:	The Class B Voting Shares will be eligible for RRSPs, RRIFs, RESPs, RDSPs, TFSA's and DPSPs.
ACTIVE BOOKRUNNERS:	TD Securities Inc., J.P. Morgan Securities Canada Inc. and Citigroup Global Markets Canada Inc.



J.P.Morgan



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UNDERWRITING FEE: 4.00%.

CLOSING: June •, 2020.



J.P.Morgan

