



**ASTON HILL ANNOUNCES AMENDMENTS
TO PREVIOUSLY ANNOUNCED FRONT STREET ACQUISITION
AND DEBENTURE AMENDMENTS**

- Meetings of Shareholders and Debentureholders to be held November 22, 2016
- Voting support agreements representing 24% of outstanding Debentures and 33% of outstanding Common Shares
- Transaction expected to close late November

Toronto: November 10, 2016: Aston Hill Financial Inc. (“Aston Hill” or the “Company”) (TSX:AHF) today announced the postponement of its special meeting of holders of common shares (“Shareholders”) of the Company (“Common Shares”) and special meeting of holders of 6.50% extendible convertible unsecured subordinated debentures (“Debentureholders”) due January 31, 2019 (“Debentures”), which were both originally scheduled to be held on November 15, 2016, until November 22, 2016 in order for Shareholders and Debentureholders to consider certain amendments to the terms of the Company’s previously announced transaction with Front Street Capital 2004 (“Front Street”) to combine their respective companies (the “Amended Transaction”).

A supplement (the “Supplement”) dated November 9, 2016 to the Joint Management Information Circular of the Company dated October 14, 2016 providing additional information with respect to the terms and conditions of the Amended Transaction is being mailed to Shareholders and Debentureholders. A copy of the Supplement has been filed on SEDAR at www.sedar.com and is also available on the Company’s website at www.astonhill.ca.

Terms of the Amended Transaction

The Amended Transaction follows consultations with Debentureholders in respect of the previously announced proposed amendments to the Debentures. As more particularly described below and in the Supplement, there are four significant changes to the proposed amendments to the Debentures under the Amended Transaction: (i) the Company is proposing to keep the conversion feature of the Debentures, while reducing the conversion price from the existing \$0.65 per Common Share to \$0.30 per Common Share; (ii) the number of Common Shares that each Debentureholder will receive for each \$1,000 principal amount of Debentures held by such Debentureholder will increase from 1,000 Common Shares to 1,445 Common Shares; (iii) the maturity date of the Debentures is now proposed to be June 30, 2021; and (iv) related to the change of maturity date, the applicable redemption dates for the Debentures will be adjusted accordingly. Accordingly, as a result of the Amended Transaction, an aggregate of 48,710,950 Common Shares will be issued to the Debentureholders.

Certain Debentureholders who own, control or direct an aggregate principal amount of \$6,782,000 Debentures (representing 20.1% of the outstanding Debentures) have entered into voting support agreements with the Company as of the date hereof to, among other things, vote in favour of the Amended Transaction at the special meeting of Debentureholders.

As a result of such proposed amendments, the Debentureholders are now being asked to consider and, if deemed appropriate, to adopt, with or without amendment, an extraordinary resolution approving, among other things: (a) the extension of the maturity date of the Debentures from January 31, 2019 to June 30, 2021; (b) the reduction (in part by virtue of a partial repayment through the issuance of Common Shares) of the aggregate principal amount of the Debentures from \$33,710,000 to \$20,226,000 (being a reduction of from \$1000 par value to \$600 par value per Debenture); (c) the increase to the interest rate on the Debenture from 6.50% to 7.00% and a change in the corresponding interest payment dates from January 31 and July 31 to June 30 and December 31 of each year; (d) the reduction to the conversion price for each Common Share to be issued upon the conversion of the Debentures from the existing \$0.65 per Common Share to \$0.30 per Common Share; (e) the removal of the ability of the Company to pay the redemption price, interest or principal in-kind; and (f) the introduction of certain negative covenants in respect of the Company.

In addition, to compensate the Front Street partners for the additional dilution resulting from the amendments to the terms of the Debentures described above, under the terms of the Amended Transaction current Front Street partners will receive an additional 10 million Common Shares (for aggregate total consideration of 134.5 million Common Shares). As a result, the current Front Street partners will own approximately 45.9% and the current Aston Hill shareholders will own approximately 36.4% in the combined company (34.6% and 27.5%, respectively, on a fully diluted basis) after giving effect to the foregoing.

The Postponed Meetings

In connection with the Amended Transaction, the special meetings of the Shareholders and Debentureholders (collectively, the “Meetings”) previously scheduled to be held on November 15, 2016 will be postponed until November 22, 2016 and the proxy cut off will be November 18, 2016.

The postponed special meeting of Debentureholders will now be held at the offices of Stikeman Elliott LLP, 5300 Commerce Court West, 199 Bay Street, Toronto, Ontario, Canada at 10:00 a.m. (Toronto time).

The postponed special meeting of Shareholders will now be held concurrently on Tuesday, November 22, 2016 at the offices of Stikeman Elliott LLP, 4300 Bankers Hall West, 888 – 3rd Street S.W., Calgary, Alberta, Canada at 9:00 a.m. (Calgary time) and at the offices of Stikeman Elliott LLP, 5300 Commerce Court West, 199 Bay Street, Toronto, Ontario, Canada at 11:00 a.m. (Toronto time).

The record date of October 3, 2016 in respect of each of the Meetings will remain the same.

Shareholders or Debentureholders who have already voted their Common Shares or Debentures, as applicable, and who do not wish to change their vote need not take any further action to maintain their previously cast vote in respect of the Amended

Transaction. This applies regardless of the capacity in which a Shareholder or Debentureholder owns their Common Shares or Debentures, as applicable.

Shareholders or Debentureholders who have already voted their Common Shares or Debentures, as applicable, and who wish to change their vote will need to revoke their previously cast vote and submit a new proxy or voting instruction form.

Shareholders and Debentureholders are encouraged to vote regardless of how many Common Shares or Debentures they own, as applicable. Shareholders and Debentureholders should follow the instructions on the form or proxy or voting instruction form previously mailed to Shareholders and Debentureholders with the Joint Management Information Circular of the Company dated October 14, 2016 in order to ensure their vote is counted at the Meetings.

If you have any questions or require more information with regard to voting your Common Shares or your Debentures please contact the Company at 416-583-2300, toll free in North America at 1-800-513-3868 or by email to info@astonhill.ca.

Board Recommendation

The board of directors of Aston Hill, after consultation with its financial and legal advisors, and based on the unanimous recommendation of a Special Committee of the Aston Hill board of directors (the “Special Committee”) established to review the transaction with Front Street, has unanimously recommended that holders of Common Shares and Debentures vote in favour of the Amended Transaction. The Special Committee has received a fairness opinion from Scotiabank that, as of the date of such opinion, and subject to the assumptions, limitations and qualifications set forth therein, the consideration payable in respect of the Amended Transaction is fair from a financial point of view to Shareholders. The Special Committee has also received a fairness opinion from MPA Morrison Park Advisors Inc. to the effect that, as of the date of such opinion, and subject to the assumptions, limitations and qualifications set forth therein, the consideration being offered to the Debentureholders pursuant to the Amended Transaction is fair from a financial point of view to holders of Aston Hill’s Debentures.

The closing of the Transaction is still expected to occur by late November 2016 and remains subject to a number of conditions precedent including the approval of Shareholders and Debentureholders at the Meetings, securities regulatory approval, and satisfaction of other customary closing conditions.

The directors and senior officers of Aston Hill and other key shareholders, representing an aggregate of 33% of the Common Shares, have entered into amended and restated voting support agreements as of the date hereof to, among other things, reaffirm their commitment to vote in favour of the Amended Transaction.

About Aston Hill

Aston Hill Financial Inc. is a diversified asset management company with a suite of retail mutual funds, closed end funds, hedge funds and segregated institutional funds.

For further information concerning this press release, please contact:

James Werry
President & Chief Executive Officer
Aston Hill Financial Inc.
(416) 583-2300
james@astonhill.ca

Derek Slemko
Chief Financial Officer & Chief Operating
Officer
Aston Hill Financial Inc.
(416) 583-2300
derek@astonhill.ca

About Front Street

Front Street has been providing Canadians with innovative mutual funds for over 10 years, including growth, income and tax-minded portfolios offered as mutual funds, hedge funds, and flow-through limited partnerships. Front Street is focused on providing Canadian investors and advisors with access to a broad range of investments which can fill core and strategic roles in an investor's portfolio.

Nevin Markwart
President & Chief Executive Officer
Front Street Capital
(416) 915-2424
nmarkwart@frontstreetcapital.com

The TSX has neither approved nor disapproved the information contained herein.

Cautionary Statement

This news release contains certain "forward-looking statements" within the meaning of such statements under applicable securities law. Forward-looking statements are frequently characterized by words such as "plan", "continue", "expect", "project", "intend", "believe", "anticipate", "estimate", "may", "will", "potential", "proposed" and other similar words, or statements that certain events or conditions "may" or "will" occur. These statements are only predictions. Various assumptions were used in drawing the conclusions or making the projections contained in the forward-looking statements throughout this news release. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements including: future operating results and funding requirements; the ability to achieve synergies; future general economic and market conditions; and changes in laws and regulations. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. Aston Hill does not undertake to update any forward-looking information contained herein, except as required by applicable securities laws. There are a number of conditions precedent to the completion of the Transaction and there can be no assurance that such

conditions precedent will be satisfied and that the Transaction will be completed.