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CARGOJET ANNOUNCES CLOSING OF C\$100 MILLION BOUGHT DEAL OFFERING OF 5.25% LISTED SENIOR UNSECURED HYBRID DEBENTURES DUE JUNE 2026

MISSISSAUGA, ON, July 16, 2020 /CNW/ - Cargojet Inc. ("Cargojet" or the "Corporation") (TSX: CJT) is pleased to announce that it has closed its previously announced offering of C\$100 million aggregate principal amount of 5.25% listed senior unsecured hybrid debentures (the "Debentures") at a price of C\$1,000 per Debenture (the "Offering"). The Debentures bear interest at a rate of 5.25% per annum, payable semi-annually in arrears on June 30 and December 31 of each year, commencing December 31, 2020, and will mature on June 30, 2026.

"Cargojet continues to optimize our capital structure, and our robust network while managing capacity prudently as we experience an increased demand from our customers at this time. Our excellent team of professionals continues to perform diligently with utmost safety, providing the unparalleled On Time Performance and service to our customers," said Ajay Virmani, CEO.

The Offering was made pursuant to a final short form prospectus dated July 9, 2020, and the Debentures will commence trading today on the Toronto Stock Exchange under the symbol "CJT.DB.F".

The Corporation intends to use the net proceeds of the Offering to pay down the Corporation's revolving credit facility and to free up capacity to fund future anticipated capital expenditures, including the purchase of aircraft.

The Debentures were offered by a syndicate of underwriters co-led by RBC Capital Markets, CIBC Capital Markets and Scotiabank. The Corporation has granted to the underwriters an over-allotment option, exercisable in whole or in part, at any time until 30 days following the closing of the Offering, to purchase up to an additional \$15,000,000 aggregate principal amount of Debentures, on the same terms and conditions as the Offering.

The securities issued pursuant to the Offering have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of such Act. This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

Cargojet is Canada's leading provider of time-sensitive overnight air cargo services and carries over 1,300,000 pounds of cargo each business night. Cargojet operates its network across North America each business night, utilizing a fleet of all-cargo aircraft.

Notice on Forward-Looking Statements:

Certain statements contained herein, including statements related to the use of the net proceeds of the Offering, constitute "forward-looking statements". Forward-looking statements look into the future and provide an opinion as to the effect of certain events and trends on the business. Forward-looking statements may include words such as "plans," "intends," "anticipates," "should," "estimates," "expects," "believes," "indicates," "targeting," "suggests" and similar expressions. These forward-looking statements are based on current expectations and entail various risks and uncertainties. Reference should be made to the Corporation's public filings available at www.sedar.com and at www.cargojet.com, including its most recent Annual Information Form filed with the Canadian securities regulators, its most recent

Consolidated Financial Statements and Notes thereto and related Management's Discussion and Analysis (MD&A), and the final short form prospectus filed in connection with the Offering, for a summary of material risks. These risks are not intended to represent a complete list of the risks that could affect the Corporation; however, these risks should be considered carefully. Actual results may materially differ from expectations, if known and unknown risks or uncertainties affect our business, or if the Corporation's estimates or assumptions prove inaccurate. The forward-looking statements contained herein describe the Corporation's expectations at the date of this news release and, accordingly, are subject to change after such date. The Corporation assumes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or any other reason, other than as required by applicable securities laws. In the event the Corporation does update any forward-looking statement, no inference should be made that the Corporation will make additional updates with respect to that statement, related matters, or any other forward-looking statement. Readers are cautioned not to place undue reliance on these forward-looking statements.

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