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## CHORUS AVIATION INC.

### Treasury Offering of Units

Term Sheet

March 16, 2021

A preliminary short form prospectus containing important information relating to the securities described in this document has not yet been filed with the securities regulatory authorities in each of the provinces and territories of Canada. A copy of the preliminary short form prospectus is required to be delivered to any investor that received this document and expressed an interest in acquiring the securities.

Copies of the preliminary short form prospectus, once available, may be obtained from RBC Capital Markets by emailing [Distribution.RBCDS@rbccm.com](mailto:Distribution.RBCDS@rbccm.com) or by calling (416) 842-5349.

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.

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.

(All amounts in Canadian Dollars unless otherwise noted)

<b>Issuer:</b>	Chorus Aviation Inc. ("Chorus" or the "Company").
<b>Offering:</b>	<p>10,890,000 Units of the Company (the "Units"), each representing the right to receive one common share (the "Common Shares") of the Company and one-half of a Common Share purchase warrant (together the "Unit Offering").</p> <p>The Common Shares, for greater certainty, shall mean for Canadian investors participating in the Offering, Class B Voting Shares of the Company, and for non-Canadian investors participating in the Offering, Class A Variable Voting Shares of the Company.</p>
<b>Offering Size:</b>	\$50,094,000 before giving effect to the Over-Allotment Option.
<b>Offering Price:</b>	\$4.60 per Unit.
<b>Warrants:</b>	Each whole warrant will entitle the holder thereof to purchase one Common Share at an exercise price of C\$6.20 for a period of 12 months following the Closing of the Offering.
<b>Over-Allotment Option:</b>	The Underwriters have been granted an over-allotment option exercisable in whole or in part, until 30 days following the Closing of the Offering, to purchase up to an additional 1,633,500 Units on the same terms as the Units sold under the Unit Offering, to cover over-allotments, if any, and for market stabilization purposes.
<b>Concurrent Debenture Offering:</b>	Concurrent with the Unit Offering, the Company will issue \$50,000,000 of convertible senior unsecured debentures (the "Debenture Offering" and together with the Unit Offering, the "Offering").
<b>Concurrent Private Placement:</b>	<p>Concurrent with the Offering, the Company will issue 3,260,000 Units at the Offering Price and \$15,000,000 of convertible senior unsecured debentures on the same terms and conditions as the Debenture Offering to NordStar Capital Inc. and/or its affiliates ("NordStar") and Alberta Investment Management Corporation and/or its affiliates ("AIMCo") (the "Concurrent Private Placement").</p> <p>The securities issued under the Concurrent Private Placement will be subject to a 4 month plus one day statutory hold period commencing on the Closing. The Company will pay NordStar and AIMCo a capital commitment payment equal to 3.0% of the proceeds of the Concurrent Private Placement as well as reimburse NordStar and AIMCo for certain expenses up to an aggregate of \$360,000. The closing of the Concurrent Private Placement is scheduled to occur on the same day as the Closing of the Offering and is conditional on the concurrent closing of</p>

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a majority of the Offering. The Offering is not conditional on completion of the Concurrent Private Placement.

<b>Use of Proceeds:</b>	The net proceeds of the Offering and Concurrent Private Placement will be used to position Chorus to pursue growth opportunities (including purchasing additional aircraft to continue expanding the Company's regional aircraft leasing business and expanding into additional contracted flying operations), provide additional balance sheet flexibility, repay indebtedness (including the use of up to 35% of the Debenture Offering proceeds to repay part of the balance outstanding under the Company's US\$100 million revolving debt facility), and for general corporate purposes.
<b>Lock-Up Restrictions:</b>	The Company and each director and executive officer of the Company who holds Common Shares immediately prior to the closing of the Offering will be subject to a 90 day lock-up, subject to certain exceptions.
<b>Offering Basis:</b>	Public offering in all provinces and territories of Canada pursuant to a short form prospectus and offered in the United States on a private placement basis pursuant to Rule 144A under the United States Securities Act of 1933, as amended, and/or pursuant to other available exemptions from registration under U.S. securities laws and internationally as permitted pursuant to private placement exemptions under local securities laws.
<b>Underwriting Basis:</b>	"Bought Deal" by syndicate of underwriters led by RBC Capital Markets, and subject to a definitive underwriting agreement containing conventional "material change out", "regulatory out" and "disaster out" clauses running to the date of Closing.
<b>Listing:</b>	The Common Shares are listed on the Toronto Stock Exchange under the symbol "CHR". Subject to minimum listing requirements, the Company will take commercially reasonable efforts to have the Warrants listed.
<b>Eligibility:</b>	Subject to customary qualifications, the Common Shares are qualified investments for RRSPs, RRIFs, RESPs, TFSAs and DPSPs.
<b>Sole Bookrunner:</b>	RBC Capital Markets
<b>Commission:</b>	4.0% on the Unit Offering and 1.0% on the Concurrent Private Placement. The 1.0% Concurrent Private Placement fee will only be payable to RBC Capital Markets.
<b>Closing:</b>	On or about April 6, 2021 (the "Closing").