

ARCTIC GLACIER ISSUES DEFAULT STATUS REPORT PURSUANT TO NATIONAL POLICY 12-203

WINNIPEG – May 15, 2019 – Arctic Glacier Income Fund (CSE: AG.UN) (the “Fund”) is providing a default status report, in accordance with the alternative information guidelines set out in National Policy 12-203 *Cease Trade Orders for Continuous Disclosure Defaults* (“National Policy 12-203”).

On August 15, 2012, the Fund announced (the “Default Announcement”) that it would not be able to file an interim financial report and interim management's discussion and analysis for the period ended June 30, 2012, together with the related certification of filings under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (collectively, the “Continuous Disclosure Documents”) by August 29, 2012, the deadline prescribed by securities legislation (the “Specified Requirement”).

Except as discussed below, there have been no material changes to the information contained in the Default Announcement or any other changes required to be disclosed under National Policy 12-203.

The Fund still intends to file the Continuous Disclosure Documents as soon as is commercially reasonable, or as required by the Manitoba Court of Queen's Bench pursuant to the Fund's *Companies' Creditors Arrangement Act* (the “CCAA”) proceedings. More information about the Arctic Glacier Parties' CCAA proceeding can be found on the website of its Court-appointed monitor at <http://www.alvarezandmarsal.com/arctic-glacier-income-fund-arctic-glacier-inc-and-subsidiaries>.

Forward-Looking Statements

Certain statements included herein constitute “forward-looking statements”. All statements, other than statements of historical fact, included in this release that address future activities, events, developments or financial performance are forward-looking statements. These forward-looking statements can be identified by the use of forward-looking words such as “may”, “should”, “will”, “could”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “believe”, “future” or “continue” or the negative thereof or similar variations. In particular, statements about the Fund's intentions to satisfy the provisions of the alternative information guidelines and file information with the applicable securities regulatory authorities, as well as the expected timetable for satisfying the Specified Requirement, are or involve forward-looking information. These forward-looking statements are based on certain assumptions and analyses made by the Fund and its management, in light of their experiences and their perception of historical trends, current conditions and expected future developments, as well as other factors they believe are appropriate in the circumstances. Investors are cautioned not to put undue reliance on such forward-looking statements, which are not a guarantee of performance and are subject to a number of uncertainties, assumptions and other factors, many of which are outside the control of the Fund, which could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Important factors that could cause actual results to differ

materially from those expressed or implied by such forward-looking statements include, among other things, the CCAA process and the Fund's ability to secure sufficient resources to prepare the Continuous Disclosure Documents. Readers are cautioned that the foregoing list is not exhaustive. Such forward-looking statements should, therefore, be construed in light of such factors. If any of these risks or uncertainties were to materialize, or if the factors and assumptions underlying the forward-looking information were to prove incorrect, actual results could vary materially from those that are expressed or implied by the forward-looking information contained herein. All forward-looking statements attributable to the Fund, or persons acting on its behalf, are expressly qualified in their entirety by the cautionary statements set forth above. Readers are cautioned not to place undue reliance on forward-looking statements contained herein, which reflect the analysis of the management of the Fund, as appropriate, only as of the date of this release. For more information regarding these and other risks, readers should consult the Fund's reports on file with applicable securities regulatory authorities accessible online by going to SEDAR at www.sedar.com or by going to the website of its Court-appointed monitor at <http://www.alvarezandmarsal.com/arctic-glacier-income-fund-arctic-glacier-inc-and-subsidiaries>. The Fund is under no obligation, and Fund expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

About the Fund

Arctic Glacier Income Fund trust units are listed on the Canadian National Stock Exchange under the trading symbol AG.UN. There are 350.3 million trust units outstanding.