

AN INVESTMENT IN

CANADA'S SIX BANKS

TSX: BK, BK.PR.A



Press Release: Canadian Banc Corp. Announces Overnight Offering

Toronto, ON – May 8, 2018 / Globe NewsWire: Canadian Banc Corp. (the “Company”) is pleased to announce it has filed a preliminary short form prospectus in each of the provinces of Canada with respect to an offering of Preferred Shares and Class A Shares of the Company. The offering will be co-led by National Bank Financial Inc., CIBC World Markets Inc., Scotia Capital Inc. and RBC Capital Markets, and will also include TD Securities Inc., BMO Capital Markets, Canaccord Genuity Corp., Industrial Alliance Securities Inc., Echelon Wealth Partners, GMP Securities L.P., Raymond James Ltd., Desjardins Securities Inc., Mackie Research Capital Corporation, and Manulife Securities Incorporated.

The Preferred Shares will be offered at a price of \$10.00 per Preferred Share to yield 5% and the Class A Shares will be offered at a price of \$13.35 per Class A Share to yield 10%.

The closing price on the TSX of each of the Preferred Shares and the Class A Shares on May 7, 2018 was \$10.13 and \$13.31, respectively.

Since inception of the Company, the aggregate dividends declared on the Preferred Shares have been \$6.81 per share and the aggregate dividends declared on the Class A Shares have been \$13.63 per share, for a combined total of \$20.44 per unit. All distributions to date have been made in tax advantaged eligible Canadian dividends or capital gains dividends.

The net proceeds of the offering will be used by the Company to invest in a portfolio of six publicly traded Canadian Banks as follows:

Bank of Montreal	Canadian Imperial Bank of Commerce	Royal Bank of Canada
The Bank of Nova Scotia	National Bank of Canada	The Toronto-Dominion Bank

The Company’s investment objectives are to:

Preferred Shares:

- provide holders with cumulative preferential floating rate monthly cash dividends at a rate per annum equal to the prevailing Canadian prime rate plus 0.75% (minimum annual rate of 5.0% and maximum annual rate of 7%) based on original issue price; and
- On or about December 1, 2018 or such other date as the Company may determine (the “termination date”) to pay holders the original \$10 issue price of those shares.

Class A Shares:

- provide holders with regular monthly cash distributions currently targeted to be at the annualized rate of 10% based upon the volume-weighted average trading price of the Class A Shares on the TSX for the last three trading days of the preceding month; and
- On the termination date to pay holders the original \$15 issue price of those shares.

The sales period of this overnight offering will end at 9:00 a.m. EST on May 9, 2018. The offering is expected to close on or about May 23, 2018 and is subject to certain closing conditions including approval by the TSX.

A preliminary short form prospectus containing important information relating to the Preferred Shares and the Class A Shares has been filed with securities commissions or similar authorities in all provinces of Canada. The preliminary short form prospectus is still subject to completion or amendment. Copies of the preliminary short form prospectus may be obtained from your registered financial advisor using the contact information for such advisor, or from representatives of the underwriters listed above. There will not be any sale or any acceptance of an offer to buy the Preferred Shares or the Class A Shares until a receipt for the final short form prospectus has been issued.