



16441 Yonge Street
Newmarket, Ontario, Canada, L3X 2G8
Tel: 905-751-1188 Fax: 905-751-1101
Email: info@airbossofamerica.com

NEWS RELEASE

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AirBoss Announces Creation of AirBoss Defense Group Through Merger Of AirBoss Defense and Critical Solutions International, Inc.

Newmarket, ON – AirBoss of America Corp. (TSX: BOS) (the "Company" or "AirBoss") announced today that it has entered into an agreement to form a new defense business, AirBoss Defense Group, through the merger of its AirBoss Defense business and other operations in Acton Vale, Quebec with Critical Solutions International, Inc. ("CSI"). CSI is a privately-owned U.S.-based company and is the leading global supplier of route clearance vehicles, countermine capability and survivability products to U.S. and foreign military forces.

AirBoss will contribute the shares of AirBoss Engineered Products Inc. and the membership interests of Immediate Response Technologies, LLC to newly formed Canadian and U.S. entities that will form AirBoss Defense Group. Critical Solutions Holdings Inc. ("CSH") will contribute all of the shares of CSI to the newly formed business. AirBoss' contribution is valued at US\$100 million and CSH's contribution is valued at US\$32.7 million. In consideration, AirBoss will receive 55% of the equity in AirBoss Defense Group and US\$60 million and CSH will receive 45% of the equity interest in AirBoss Defense Group. The US\$60 million is anticipated to be in the form of a Vendor Takeback Note at closing and to subsequently be refinanced with third-party debt.

Strategic and Financial Benefits of the Transaction for AirBoss

- Realizes partial value in the Defense business and operations in Acton Vale, Quebec, yielding solid returns for shareholders;
- Creates dedicated defense player that will be better positioned to capitalize on emerging opportunities arising from current geopolitical environment by combining the strength of AirBoss Defense in manufacturing and engineering design with CSI's expertise in global marketing and distribution of defense products;
- Diversifies product offering and provides significant cross-selling opportunities to an increasingly global combined customer base;
- Retains majority stake in the combined entity with enhanced long-term value creation potential; and
- Offers improved financial flexibility to fund planned capital expenditures, target potential acquisitions, as well as partially pay down debt.

"This transaction creates an array of potential opportunities to diversify and grow the Defense business in a more focused way, while also supporting accelerated additional investment in our other wholly-owned lines of business," said Lisa Swartzman, President of AirBoss. "Longer-term we expect this dual-pronged approach to growth will yield better results than if we operated in our current structure."

"The positive momentum in the U.S. and international defense markets supports the timing of this transaction," said CSI CEO Patrick Callahan. "By integrating the product innovation and advanced manufacturing capabilities of the AirBoss Defense business with the global business development strength of CSI, the newly launched AirBoss Defense Group will be well positioned to deliver a full spectrum of survivability solutions to servicemembers and first responders around the world."

"AirBoss has a well-established reputation for industry-leading capabilities in engineering, R&D, product development and manufacturing," said Gren Schoch, Chairman and CEO of AirBoss. "Our commitment to developing innovative new products and solutions will be complemented by the sales, marketing and support capabilities that CSI brings to the table. On closing, we intend to identify additional potential synergies, consistent with our current focus on driving improved overall business performance across the organization."

Acquisition Highlights

- CSI is located in Charleston, South Carolina and is the global leader in the development, systems integration and support of route clearance vehicles and servicemember survivability systems. An essential supplier to the U.S. and international defense and security services, CSI's products lead the way in the safe detection, identification and mitigation of hidden threats.
- AirBoss Defense Group will leverage CSI's extensive international customer network with AirBoss Defense's design, development and production know-how, which is expected to deliver additional value to an already engaged customer base

Following the closing, Patrick Callahan, the current CEO of CSI, will be the CEO of AirBoss Defense Group and Heather Miller, CSI's Chief Strategy Officer, will continue in this capacity for AirBoss Defense Group. Chris Bitsakakis, the COO of AirBoss, will also be the COO of AirBoss Defense Group.

The transaction, which is expected to close during the second half of 2019, is subject to regulatory approval, including approval by The Committee on Foreign Investment in the United States ("CFIUS"), and to customary closing conditions.

Houlihan Lokey Capital, Inc. is acting as financial advisor to AirBoss, while Davies Ward Phillips & Vineberg LLP is serving as AirBoss' legal counsel. Kirkland & Ellis LLP is serving as legal counsel to CSI and CSH, with Stikeman Elliott LLP serving as Canadian legal counsel.

AirBoss of America Corp.

AirBoss of America Corp. is a group of complementary businesses using compounding technology and engineering expertise to create value for its customers. With a capacity to process approximately 400 million turn pounds of rubber annually, AirBoss Rubber Solutions is one of North America's largest custom rubber compounding companies and a leading supplier of essential calendared and extruded products for a broad range of applications. AirBoss Engineered Products is a world leader in the supply of life saving products for the military and a leading supplier of innovative anti-vibration solutions to the North American automotive market. The Company's shares trade on the TSX under the symbol BOS. Visit www.airbossofamerica.com.

Contact: Lisa Swartzman, President or Gren Schoch, Chairman and CEO at 905-751-1188.

AIRBOSS FORWARD LOOKING INFORMATION DISCLAIMER

Certain statements contained or incorporated by reference herein, including those that express management's expectations or estimates of future developments or AirBoss' future performance, constitute "forward-looking information" or "forward-looking statements" within the meaning of applicable securities laws, and can generally be identified by words such as "will", "may", "could" "is expected to", "believes", "anticipates", "forecasts", "plans", "intends" or similar expressions. These statements are not historical facts but instead represent management's expectations, estimates and projections regarding future events and performance.

Statements containing forward-looking information are necessarily based upon a number of opinions, estimates and assumptions that, while considered reasonable by management at the time the statements are made, are inherently subject to significant business, economic and competitive risks, uncertainties and contingencies. AirBoss cautions that such forward-looking information involves known and unknown contingencies, uncertainties and other risks that may cause AirBoss' actual financial results, performance or achievements to be materially different from its estimated future results, performance or achievements expressed or implied by the forward-looking information. Numerous factors could cause actual results to differ materially from those in the forward-looking information, including without limitation: impact of general economic conditions; dependence on key customers; cyclical trends in the tire and automotive, construction, mining and retail industries; sufficient availability of raw materials at economical costs; weather conditions affecting raw materials, production and sales; AirBoss' ability to maintain existing customers or develop new customers in light of increased competition; AirBoss' ability to successfully integrate acquisitions of other businesses and/or companies or to realize on the anticipated benefits thereof, changes in accounting policies and methods, including uncertainties associated with critical accounting assumptions and estimates; changes in the value of the Canadian dollar relative to the US dollar; changes in tax laws and potential litigation; ability to obtain financing on acceptable terms; environmental damage and non-compliance with environmental laws and regulations; potential product liability and warranty claims and equipment malfunction. This list is not exhaustive of the factors that may affect any of AirBoss' forward-looking information.

All of the forward-looking information in this press release is expressly qualified by these cautionary statements. Investors are cautioned not to put undue reliance on forward-looking information. All subsequent written and oral forward-looking information attributable to AirBoss or persons acting on its behalf are expressly qualified in their entirety by this notice. Forward-looking information contained herein is made as of the date of this press release and, whether as a result of new information, future events or otherwise, AirBoss disclaims any intent or obligation to update publicly this forward-looking information except as required by applicable laws. Risks and uncertainties about AirBoss' business are more fully discussed under the heading "Risk Factors" in our most recent Annual Information Form and are otherwise disclosed in our filings with securities regulatory authorities which are available on SEDAR at www.sedar.com.