



AIRBOSS OF AMERICA CORP.

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

NEWS RELEASE

October 23, 2018

AirBoss Announces Defense Contract for Extreme Cold Vapor Barrier Boots for US Department of Defense

Newmarket, ON – AirBoss of America Corp. (TSX: BOS) announced today that AirBoss Defense, the defense products line of its Engineered Products segment, has been awarded an IDIQ contract from the US Department of Defense (DOD) for the manufacture of up to 198,240 pairs of Extreme Cold Vapor Barrier Boots (ECVBB), commonly known as bunny boots. The contract consists of an initial base year and one option year and is expected to be worth up to an aggregate amount of US\$51.5 million, assuming 198,240 pairs of ECVBBs are sold. Deliveries under the contract are expected to start in the fourth quarter of 2018.

The ECVBB was developed during the Korean War to combat extreme cold weather exposure and has been the DOD's standard extreme cold weather boot since 1978. The ECVBB is designed to the highest quality and protection specifications – waterproof and mildew-resistant with encapsulated thermal insulation and extreme thermal ratings of -54°C / -65°F. Manufactured in 13 different sizes with three different widths (36 size options total), the ECVBB was developed to be a versatile boot that provides optionality and functionality, including a proprietary air valve design that relieves pressure when airborne.

AirBoss Defense is a world leader in the design, development, and manufacture of CBRN personal protective equipment, as well as protection against communicable diseases and respiratory threats, for the individual, First Responder, Medical, Military, Law Enforcement, Fire and Industrial communities. For more than 40 years, AirBoss Defense has supplied military and first-response forces worldwide with hand wear, footwear, and respiratory protection from CBRN agents and extreme cold weather.

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 calendered 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.