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PREMIUM INCOME CORPORATION

PREMIUM INCOME CORPORATION ESTABLISHES AT-THE-MARKET EQUITY PROGRAM

Toronto, Ontario, September 8, 2022 – (TSX: PIC.A; PIC.PR.A) – Premium Income Corporation (the “Fund”) is pleased to announce it has established an at-the-market equity program (“ATM Program”) that allows the Fund to issue shares of the Fund to the public from time to time, at the Fund’s discretion, effective until September 24, 2024, unless terminated prior to such date by the Fund. Any Class A Shares or Preferred Shares sold in the ATM Program will be sold through the Toronto Stock Exchange (the “TSX”) or any other marketplace in Canada on which the Class A Shares and Preferred Shares are listed, quoted or otherwise traded at the prevailing market price at the time of sale. Sales of Class A Shares and Preferred Shares through the ATM Program will be made pursuant to the terms of an equity distribution agreement dated September 7, 2022 (the “Equity Distribution Agreement”) with National Bank Financial Inc. (the “Agent”).

Sales of Class A Shares and Preferred Shares will be made by way of “at-the-market distributions” as defined in National Instrument 44-102 *Shelf Distributions* on the TSX or on any marketplace for the Class A Shares and Preferred Shares in Canada. Since the Class A Shares and Preferred Shares will be distributed at the prevailing market prices at the time of the sale, prices may vary among purchasers during the period of distribution. The ATM Program is being offered pursuant to a prospectus supplement dated September 7, 2022 to the Fund’s short form base shelf prospectus dated August 23, 2022. The maximum gross proceeds from the issuance of the shares will be \$50,000,000. Copies of the prospectus supplement and the short form base shelf prospectus may be obtained from your registered financial advisor using the contact information for such advisor, or from representatives of the Agent and are available on SEDAR at www.sedar.com.

The volume and timing of distributions under the ATM Program, if any, will be determined at the Fund’s sole discretion. The Fund intends to use the proceeds from the ATM Program in accordance with the investment objectives and investment strategies of the Fund, subject to the investment restrictions of the Fund.

This ATM Program replaces the prior ATM program established in July 2021 that has terminated in accordance with its terms.

The Fund invests in a portfolio consisting principally of common shares of Bank of Montreal, The Bank of Nova Scotia, Canadian Imperial Bank of Commerce, National Bank of Canada, Royal Bank of Canada and The Toronto-Dominion Bank. To generate additional returns above the dividend income earned on the Fund’s portfolio, the Fund may selectively write covered call and put options in respect of some or all of the common shares in the Fund’s portfolio. The Fund may also purchase securities of public investment funds (including exchange traded funds and other funds managed by Mulvihill Capital Management Inc. (“Mulvihill”) (provided that no more than 15% of the net asset value of the Fund may be invested in securities of other Mulvihill funds), that provide exposure to such common shares. The manager and investment manager of the Fund is Mulvihill.

For further information, please contact Investor Relations at 416.681.3966, toll free at 1.800.725.7172, email at info@mulvihill.com or visit www.mulvihill.com

John Germain, Senior VP & CFO

Certain statements included in this news release constitute forward-looking statements, including, but not limited to, those identified by the expressions “intend”, “will” and similar expressions to the extent they relate to the Fund. The forward-looking statements are not historical facts but reflect the Fund’s current expectations regarding future results or events.

These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations. Although the Fund believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and, accordingly, readers are cautioned not to place undue reliance on such statements due to the inherent uncertainty therein. The Fund undertakes no obligation to update publicly or otherwise revise any forward-looking statement or information whether as a result of new information, future events or other such factors which affect this information, except as required by law.

A short form base shelf prospectus and prospectus supplement containing important detailed information about the securities being offered has been filed with securities commissions or similar authorities in each of the provinces of Canada. Copies of the short form base shelf prospectus may be obtained from the Agent. Investors should read the short form base shelf prospectus and the prospectus supplement before making an investment decision.

Commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

The securities offered have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or any applicable exemption from the registration requirements. This news release does not constitute an offer to sell or the solicitation of an offer to buy securities nor will there be any sale of such securities in any state in which such offer, solicitation or sale would be unlawful.