



Alliance Aviation Services Limited
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Alliance Aviation Services (ASX code: AQZ)

Debt Facilities Renewed on Improved Terms

Alliance Aviation Services Limited ("Alliance" or "the Company") is pleased to announce the renewal of debt facilities with its existing banks (Australia and New Zealand Banking Corporation and Commonwealth Bank of Australia). The facilities are for a term of three years, expiring January 2021.

Alliance has secured the facilities on improved terms compared to the existing facility that had been due to expire on 5th July 2018.

The renewal follows:

- A reduction in the Company's debt from approximately \$87M to \$71M over the course of the previous facility;
- Delivery of continued revenue diversification through increased wet lease and aviation services activities;
- Continued track record of major contract renewals;
- Significant expansion in flying activities such that flight hours for FY18 will increase up to 45% on the prior year; and

The structure of the new facility is as follows:

- Revolving Term Loan Facility: \$71,250,000 fully drawn
- Working Capital Facility: \$5,000,000 available

Commenting on the refinancing, Managing Director Scott McMillan, said: "This is an outstanding result for Alliance. It highlights the strong and long standing corporate and personal relationships we have with our banks."

The new facilities are aligned with the Board strategies to not only continue to reduce overall debt but increase fully franked dividends to shareholders."

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About Alliance

Alliance Aviation is Australasia's leading provider of contract, charter and allied aviation services currently employing in excess of 500 full time staff in Australia, New Zealand and Europe.

The Company provides essential services to mining, energy, tourism and government sectors and holds IATA's IOSA certification and Flight Safety Foundation "BARS Gold" status, the first such carrier in Australia to be so recognised. In addition a wide range of specialised aviation services including wet leasing, airport management, aircraft trading, parts sales and engine leasing are provided in Australia and internationally.

The Australian business currently operates a fleet of 18 Fokker F100, 9 Fokker 70LR jet aircraft and five Fokker 50 turboprops with additional fleet units scheduled to enter service in 2018.

Alliance has world leading operational performance, a key attribute sought by its customers.

The Company has operational bases in Brisbane, Townsville, Cairns, Melbourne, Adelaide, Perth Auckland and Bratislava.

An operational base will be established in Darwin during the first quarter of 2018.

For more information contact:

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Chief Financial Officer

Alliance Aviation Services Limited

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