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## **ASX RELEASE**

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## Alliance Aviation Services Limited further expands the fleet with the acquisition of an additional 16 Embraer E190 aircraft

Alliance Aviation Services Limited ("Alliance") has today entered into an agreement with Jetran LLC, of the United States, to further expand its fleet through the purchase of 16 additional Embraer E190 aircraft and one spare General Electric CF34 engine.

The total acquisition price for the package is AUD85 million which will be funded through a mixture of existing cash facilities, operating cash flows and debt.

"Alliance has again taken advantage of its strong financial position and current market conditions to acquire these quality aircraft at compelling value. The 100 seat jet aircraft market globally will rebound quickly as carriers look to focus on total trip costs rather than traditional metrics," said Managing Director, Scott McMillan.

The aircraft were previously operated by American Airlines and are in a 99 seat two-class cabin configuration and will deliver to Alliance over an eleven-month period beginning with five aircraft in December 2020 and then one a month until November 2021.

This additional capacity will be deployed to capture several growth opportunities across Australia including contract flying and wet and dry lease operations.

"The acquisition of these 16 aircraft is in addition to the previously disclosed acquisition of 14 E190 aircraft from Azzora Aviation. This transaction completes Alliance's short-term fleet expansion strategy and while the Azzora transaction included options for five additional aircraft, these options will now not be exercised." he said.

The E190 simulator purchased as part of the Azzora E190 transaction is currently in transit to Brisbane and will be utilised for most of the initial and all recurrent pilot training.

Alliance expects that the E190 will be added to its CASA Air Operator's Certificate during March 2021. There is forecast to be no material impact on the FY21 financial performance as a result of this acquisition, with the full year impact of the transaction expected in FY23.

Alliance will be releasing its half year results on Wednesday, 10<sup>th</sup>February 2021.

- Ends -

This announcement has been authorised for release by Alliance Aviation Services Limited's Board of Directors.

## About the Alliance Group

Alliance is Australasia's leading provider of contract, charter and allied aviation and maintenance services currently employing in excess of 600 full time staff.

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.

Alliance currently operates a fleet of 24 Fokker F100, 14 Fokker 70LR jet aircraft and five Fokker 50 turboprop aircraft.

In June 2020 Alliance announced the acquisition of 14 E190 jet aircraft together with associated spare parts, spare engines, tooling and a Full Flight Simulator. The first of these aircraft arrived in Brisbane on 29<sup>th</sup> October 2020 and will enter revenue service in March 2021. Subsequent fleet units from that acquisition and this one announced today will be added progressively through 2021 and 2022 providing the company with substantial growth capacity.

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, Darwin and Rockhampton and a dedicated engineering base located at Brisbane Airport.

For more information contact:

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