



MARTIN AIRCRAFT COMPANY LTD

—
ASX:MJP

MARCH 2016



IMPORTANT NOTICE & DISCLAIMER

This presentation ("Presentation") has been prepared by Martin Aircraft Company Limited NZ company number 901393, ARBN 601 582 638 ("Martin Aircraft"). The material in this Presentation provides general information in summary form only concerning Martin Aircraft. The Presentation should be read in conjunction with other information released by Martin Aircraft, including on Martin Aircraft's website www.martinjetpack.com.

This Presentation is not intended to be investment, legal or other advice and should not be relied upon as such. This Presentation does not, and is not intended to, constitute an offer or invitation or a recommendation by or on behalf of Martin Aircraft to any person to subscribe for, purchase or otherwise deal in any securities or services offered by Martin Aircraft.

While Martin Aircraft has made an effort to provide accurate information, no representation, express or implied, is made as to the fairness, accuracy, completeness or correctness of information contained in this Presentation, including the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in the Presentation ("forward-looking statements"). Such forward-looking statements are by their nature subject to significant uncertainties and contingencies and are based on a number of estimates and assumptions that are subject to change (and in many cases are outside the control of Martin Aircraft and its Directors) which may cause the actual results or performance of Martin Aircraft to be materially different from any future results or performance express or implied by such forward-looking statements. Neither Martin Aircraft nor any other person gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Presentation will actually occur. Past performance information is not a reliable indication of future performance.

To the maximum extent permitted by law neither Martin Aircraft nor any other person (including the directors, officers, employees, representatives, advisers or agents of Martin Aircraft) accepts any liability, including, without limitation, any liability arising from fault or negligence, for any loss arising from the inadequacy, incompleteness or inaccuracy of any statement or information contained in this Presentation or otherwise arising in connection with it.

This Presentation has not been and will not be filed with or approved by any regulatory authority in Australia or any other jurisdiction. The distribution of this Presentation in jurisdictions outside Australia may be restricted by law. If you are outside Australia you should seek advice on and observe any such restrictions.

All references to dollars are to Australian Dollars unless otherwise stated.

This Presentation may not be reproduced or published, in whole or in part, for any purpose without the prior written permission of Martin Aircraft.

THE PRESENTER



Peter Coker OBE
Managing Director &
Chief Executive Officer

- Appointed Chief Executive Officer in 2013.
- Former senior officer in the Royal Air Force, he has amassed over 5,000 military and civil flying hours and was a qualified flying and weapons instructor with substantial policy and procurement experience. He commanded both a squadron and station.
- Previously General Manager of Lockheed Martin (NZ) and Business Development Director for Asia Pacific for a Lockheed Martin Business Unit.
- Fellow New Zealand Institute of Management Southern.
- Member Institute of Directors.
- Upper Freeman of Honorable Guild of Air Pilots.
- Fellow Royal Aeronautical Society.

TOPICS

About the Martin Jetpack

Applications

Industry Overview

Production Roadmap

Technical Update

Successes to Date

Board and Management

Key Shareholders

Video

THE MARTIN JETPACK

THE P12 JETPACK:

- V4 2.0L engine
- 200 hp
- Drives 2 ducted fans
- Made from Carbon fibre and aluminium
- Range – 30kms
- Fuel – 45lt
- Runs on Petrol
- Fly by wire controls
- CAA registered aircraft (experimental)
- Vertical take -off and landing
- Manned or unmanned



PATENTED TECHNOLOGY:

- High efficiency zero torque ducted fans
- Fan free radiator cooling using Venturi Effect
- Flight training using computer constrained flight envelopes

OTHER FEATURES:

- 30min flight time
- 3,000 ft
- 120kg payload
- 74 kmph flight speed
- Future mule train capabilities

SAFETY FEATURES



- Ballistic parachute
- Pilot protective structure
- Landing undercarriage – 10G impact
- Computer navigation – GPS
- Hands free auto-height hold
- Reliable engine and drivetrain
- Low maintenance
- Multiple warning systems



APPLICATIONS FOR THE MARTIN JETPACK

First Responder/ Government Agency

- Natural disaster recovery and emergency response
- Search and rescue
- Police
- Fire Services
- Ambulance
- Border patrol
- Surf patrol

Military

- Surveillance
- Rapid insertion
- Forward supply
- Heavy lift
- Counter terrorism
- Remote Operations
- Ship to ship transfer
- IED detection

Commercial

- Promotional Display team
- Mining industry
- Farming
- Bridge building and tower inspections
- Oil and gas industry
- Medium and Heavy lift UAV

Recreation

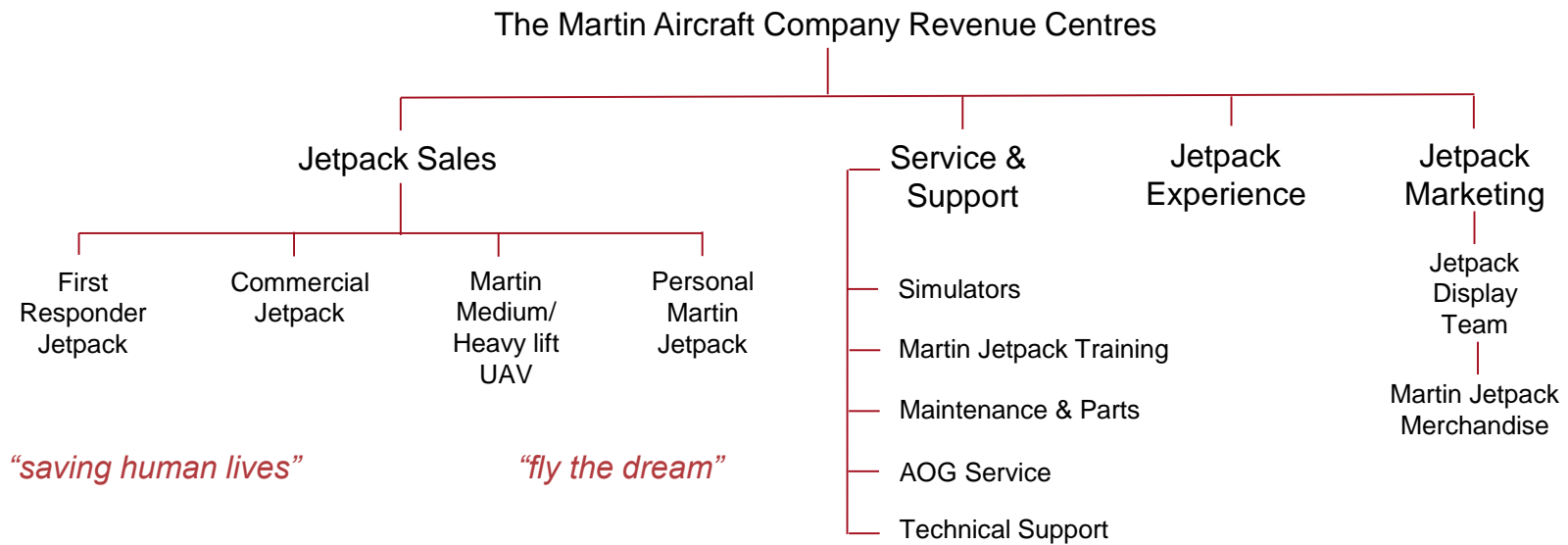
- Flight schools, training and hire of Jetpacks
- Personal aircraft
- Tourist ride: The Martin Jetpack Experience
- The Martin Jetpack Simulator



In addition to the sale of aircraft, the Company has the opportunity to generate extra revenue from the training, maintenance of the Jetpacks and the sale of parts and accessories.

SALES AND MARKETING

Business Lines



FIRST RESPONDERS' MARKET₁

- The emergency first response market globally earned revenue of US\$50 billion in 2012 and is expected to reach \$131 billion by 2019.
- North America accounts for the largest share of the market, followed by Asia Pacific. The market in South America is expected to overtake Europe in the long term.
- Unmanned aerial vehicles and intelligent transportation to emerge as the next generation emergency response system.



UAV MARKET

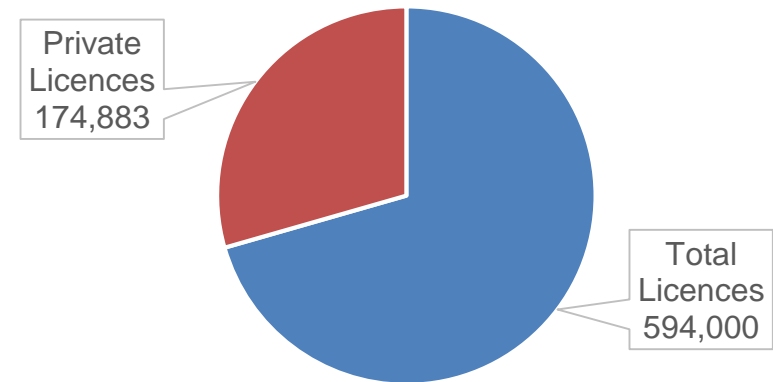
- Cumulative global spending on aerial drones and UAVs over the next decade is estimated to reach US\$120 billion, \$93 billion attributed to production and an additional \$30bn to military research.²
- Research attributes 72% of the UAV market to military, 23% consumer, and 5% civil cumulative for the decade, with civil being the fastest growing market as it starts from an extremely low base.³
- By 2035 the number of UAV operations each year is expected to surpass that of manned aircraft operations.⁴



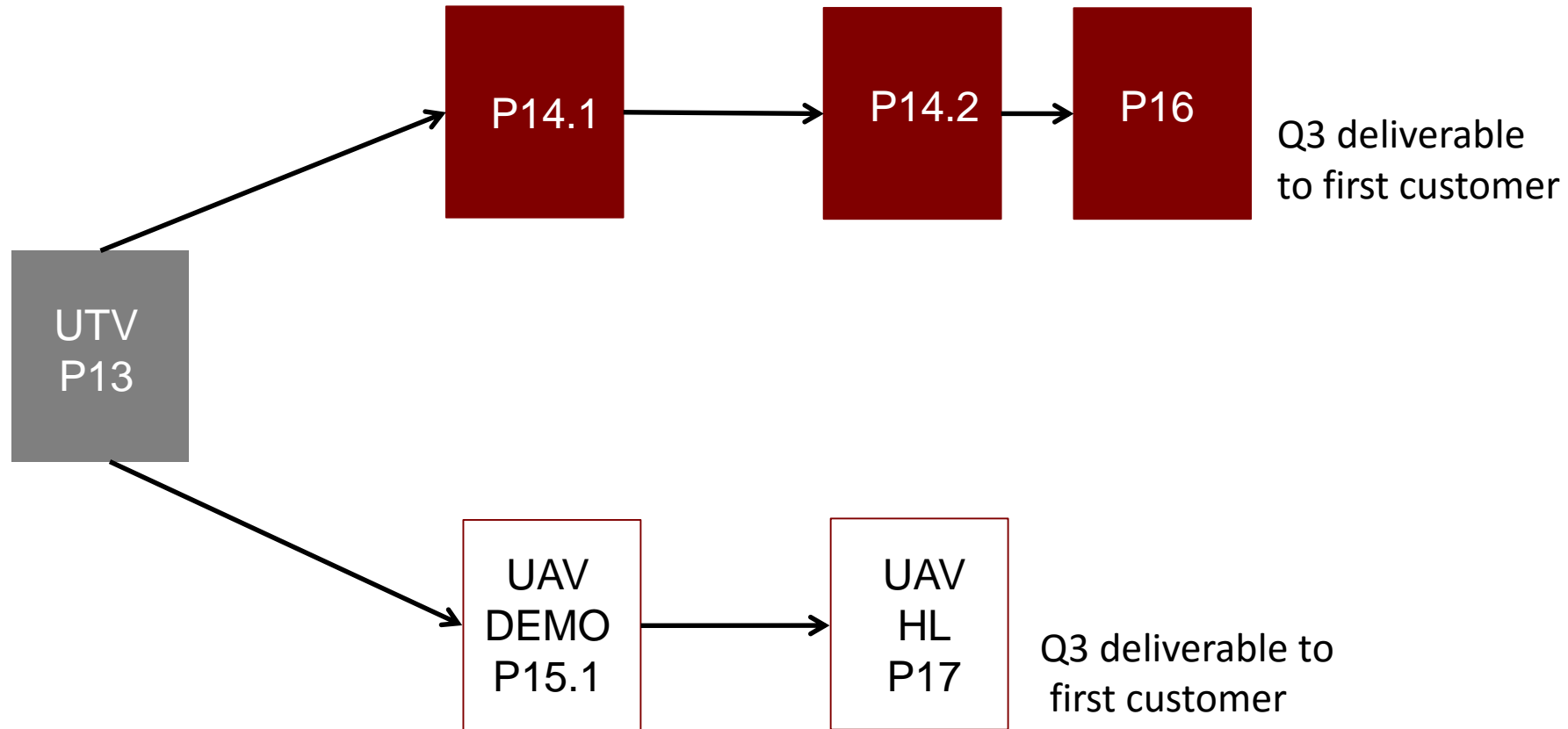
GENERAL AVIATION (NON-COMMERCIAL)

- US general aviation contributes more than US\$219 billion annually to the economy and employs more than 1.1 million people⁵.
- The number of general aviation hours flown in the US is projected to increase an average of 1.4 percent per year through to 2035⁶.
- In Australia, general aviation accounts for 48% of total hours flown in 2012 and provides vital services to many industries.

US Pilot Licences 2014⁷



PRODUCTION ROADMAP



TECHNICAL UPDATE

- New engine running on test rig in UK. Testing for both reliability and thrust.
Delivery of first engines end of Q1 2016
- Unmanned Test Vehicle in acceptance – to test new flight control system 2 axis then 6 axis (tethered)
- Ballistic Parachute – envelope expansion testing
- Safety Assessment in progress
- Preliminary design review complete for P14
- Critical design review in progress
- Airframe design freeze for P14
- Working closely with New Zealand Civil Aviation Authority who in turn are working with FAA
 - Certification plan for a Jetpack certification in works
 - Experimental - Restricted - Certified (experimental requirements slightly higher than microlight)
 - Part 102 UAV (already awarded)
 - Part 146/148 (Design/Manufacturing)
 - Part 100 H&S
 - Part 145 Maintenance

SALES AND MARKETING

- Success to Date

- Avwatch USA – MoU and LoI (3 aircraft and simulator)
- AVIC (Paris Airshow) MoU
- Beijing Flying Man (Paris Airshow) MoU
- Dubai Civil Defence MoU - (Dubai Airshow) – up to 20 aircraft, 2 simulators, training and support
- KCSMJP JV – At Shenzhen display Letters of Agreement (100 aircraft, 20 simulators, training and support)

- Attendance at Shows

- Paris
- Czech Republic
- Munich
- Dubai Airshow
- Shenzhen Public Display

- Confirmed Shows

- Wings over Wanaka
- Monaco Car Show
- India Defexpo



BOARD OF DIRECTORS

The Board of Directors has extensive relevant experience in technology and aviation and experience on Boards of both listed and unlisted companies.



Jon Mayson

CHAIRMAN

Jon is a former Chair of New Zealand Trade and Enterprise and is a companion to the New Zealand Order of Merit.



Peter Coker

CEO AND MANAGING DIRECTOR

Peter is a former senior officer in the Royal Air Force and was also previously GM of Lockheed Martin (NZ) and a Business Development Director for Asia Pacific.



Dr. Liu Ruopeng

NON-EXECUTIVE DIRECTOR

The founder of Kuang-Chi, Dr. Liu is currently the Chairman and Executive Director of KuangChi Science Limited.



Dr. Zhang Yangyang

NON-EXECUTIVE DIRECTOR

Dr. Zhang is the Executive Vice President of Kuang-Chi Institute of Advanced Technology and is currently the CEO and Executive Director of KuangChi Science Limited.



Dr. Luan Lin

NON-EXECUTIVE DIRECTOR

Dr. Luan is an Executive Director of KuangChi Science Limited and has been Vice President of Kuang-Chi Institute of Advanced Technology since 2010.



Steve Bayliss

NON-EXECUTIVE DIRECTOR

Currently Group General Manager Marketing for Foodstuffs (NZ) Ltd, Steve was previously General Manager Marketing for Air New Zealand.



Dennis Chapman

NON-EXECUTIVE DIRECTOR

Dennis was named Master Entrepreneur of the Year in 2000 and was inducted into the New Zealand Hi-Tech Hall of Fame in 2008. He is an Executive Director of Enatel.

EXPERIENCED MANAGEMENT TEAM

Martin Aircraft's management team has developed in-depth knowledge and relationships through years of experience in the industry.



Peter Coker

CEO AND MANAGING DIRECTOR

A former senior officer in the Royal Air Force, Peter has amassed over 5,000 flying hours and is a qualified flying and weapons instructor with substantial policy and procurement experience. He is a former GM of Lockheed Martin (NZ) and was Business Development Director for Asia Pacific for a Lockheed Martin Business Unit.



James West

CHIEF FINANCIAL OFFICER

James is a qualified Chartered Accountant and brings an immense amount of experience to the company having worked in a number of areas ranging from Financial Controller and Operations Manager through to CEO/CFO at both small and large companies.



Mike Tournier

VP SALES & MARKETING

Mike is an experienced sales and marketing practitioner with a strong record in successful international commercialisation across the world in both the private and public sector environments.



Simon Topping

VP DESIGN ENGINEERING

Simon is a mechanical engineer with substantial experience in research and development, composites and programme management. He has worked in the aviation industry delivering new systems.



Mike Read

VP FLIGHT OPERATIONS

Mike is a former Australian Air Force pilot. He has substantial experience in bringing aircraft into service along with considerable knowledge of aircraft regulatory environments around the world.



Ben Taylor

VP PROGRAMME & BUSINESS EXCELLENCE

Ben has substantial experience in engineering and manufacturing including operations and fleet management. He has led a number of excellence and quality teams in a variety of industries including both the automotive and aviation industries.

KEY SHAREHOLDER STRUCTURE

Major Shareholders		Current as of 29 February 2016
	Shares	%
KuangChi Science Ltd	206,417,364	52%
Glenn Martin	38,353,086	9.7%
NZVIF	18,420,333	4.6%

Key aspects of KuangChi Science (KCS) investment

- KuangChi Science subscribed for 52.5 million shares in the IPO at A\$0.40 per Share (IPO Shares), representing an investment of A\$21 million.
- A\$23 million convertible bond. (Subscribed for and shares issued on 29 February 2016.)
- In addition to the subscription for IPO Shares and convertible notes, KuangChi Science and MACL formed a separate joint venture company, KuangChi Martin Jetpack Limited, for the purposes of pursuing advanced research and development for the Martin Jetpack and to undertake sales and distribution of the Martin Jetpack in Hong Kong and China following its commercialisation.
- KCS has subsequently sold 46% of its interest in KuangChi Martin Jetpack in exchange for MJP shares. MACL now owns 95% of KuangChi Martin Jetpack.
- KCS and associated parties to own 55% of total issued capital on transaction completion on or before 22 August 2017.

Escrow arrangements

- 69 Shareholders post IPO were subject to restrictions contained in escrow arrangements with the ASX.
- 67.7 million shares and 4.8 million options held by Directors are restricted for 24 months from the date of listing.

Voluntary escrow arrangements

- No 8 Ventures' 46.9 million shares were removed from voluntary escrow on 1 December 2015 and distributed in specie to individual No 8 Ventures fund investors.



MARTIN
JETPACK

ASX: MJP

Contact:

Peter Coker

peter.coker@martinaircraft.co.nz

+64 21 811 005

+64 3 377 8584



QUESTIONS?