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ALPHA RECEIVES TYPE CERTIFICATE AND ANNOUNCES EXPANSION PLANS

New Zealand's newest aircraft manufacturer, Alpha Aviation, is celebrating the final step in its developmental phase. The Civil Aviation Authority (CAA) today presented the company's flagship aircraft the Alpha 160A with its Type Certificate.

The Type Certificate confirms that the aircraft is constructed to the type data specifications and meets all the relevant regulations. It is a costly and involved process and annually no more than a handful of Type Certificates are issued worldwide by the various international aviation authorities.

CAA R2000 Project Manager, Peter Gill says the achievement is noteworthy.

"I've been with CAA for 20 years and in that time, only three new Type Certificates have been issued. It's an exciting milestone for Alpha Aviation and the New Zealand aviation industry," he says.

Alpha Aviation Managing Director, Richard Sealy concurred saying that the issue of the Alpha 160A's type certificate is hugely significant for Alpha Aviation.

"The impact of type certification cannot be understated. Simply put, we cannot sell aircraft without it," he says.

With type certification now in place, Mr Sealy also took the opportunity to announce a major expansion of the Alpha Aviation facility at Hamilton International Airport.

"It gives me great pleasure to advise that our shareholders have approved a NZ\$3 million expansion of the existing Alpha Aviation facility to enable us to scale up production to eight aircraft per month by May 2007," he says.

The expansion will see the existing Ingram Road building increased in size by approximately 30 per cent. Council and airport authority approvals are currently being sought and once gained, construction will begin almost immediately. Alpha Aviation will also manufacture further tooling and jigs to meet the increased demands and in early 2007, will substantially increase staffing levels.

"The existing facility was opened in July 2005 by the Prime Minister, Helen Clark and despite being capable of assembling up to three to four aircraft each month, it simply won't meet the growing consumer demand for our aircraft. To date, we have 21 confirmed orders. We always believed our biggest challenge would not be selling the aircraft, but producing them in sufficient numbers to meet international demand. It's a nice position to be in, but does cause logistical headaches that can only be resolved by expansion," Mr Sealy says.

The speed with which Alpha Aviation is expanding is testament to what the company has achieved in the tightest of timeframes. It is only 14 months since the company launched, a mere 12 months since the production facility opened and just 10 weeks since the first aircraft - ZK-FXY nicknamed 'Foxy' - came off the production line and took her maiden flight over Hamilton.

"It's true that our expansion has been fast, but it is well-orchestrated and not unexpected. We have the existing orders and confidence in the future to justify the significant investment in terms of capital expenditure," Mr Sealy says.

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Also present at today's celebration were representatives from New Zealand Trade and Enterprise (NZTE). Alpha Aviation last year successfully applied for funding from NZTE to embark on several activities including obtaining official certification.

NZTE Waikato Regional Manager Tina Woods says Alpha Aviation is producing world-class aircraft.

"The assistance provided by NZTE recognises the strong growth potential and significant export business that Alpha Aviation will attract to Waikato and New Zealand," she says.

The NZTE funding came from its Growth Services Fund, which offers support for firms with high growth potential to undertake initiatives to purchase external advice, expertise, and market development services. The Growth Services Fund promotes long-term, sustainable growth and is aimed at businesses like Alpha that are determined to be world class.

"We are certainly grateful for the assistance provided by NZTE. I would like to think that having now achieved our Type Certificate and multiple export orders, today's announcement to scale up production is a welcome reward for their continued faith in Alpha Aviation," Mr Sealy says.

It is anticipated that Alpha Aviation's expanded facilities will be completed prior to the end of the year and that production will reach eight aircraft per month by May 2007.

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For more information, visit www.alphaaviation.co.nz

MEDIA CONTACTS:

Peter Gill
Certification Manager (Alpha project)
Civil Aviation Authority
+ 64 (0) 4 560 9567
gillp@caa.govt.nz

MEDIA CONTACTS:

Richard Sealy
Managing Director
Alpha Aviation Ltd
+ 64 (0) 7 843 0680
r.sealy@alphaaviation.co.nz