



FOR IMMEDIATE RELEASE – 9 MAY 2006

WORLD'S LEADING AIRLINE TRAINING ORGANISATION CHOOSES NEW ZEALAND ALPHA AIRCRAFT FOR FLEET UPGRADE

In a multi-million dollar deal announced today, one of the world's leading airline pilot training organisations, CTC Aviation has entered into contracts for the supply of 26 aircraft from New Zealand's newest aircraft manufacturer, Alpha Aviation Limited.

The deal will see United Kingdom headquartered CTC purchase 12 aircraft immediately, with an option to procure a further 14 during the next few years. The Alpha aircraft will be used to supplement and upgrade CTC's New Zealand fleet located at the Crew Training Centre in Hamilton. Alpha Aviation will begin delivering the Alpha 160A aircraft in September.

For both companies, this latest development is indicative of the exponential growth currently being experienced within the aviation industry worldwide. The increase in the world jet fleet, coupled with an ageing pilot population, has created significant demands for additional pilots, and thus suitable training aircraft.

CTC has three United Kingdom training facilities, and CTC New Zealand operates from its rapidly expanding Hamilton Crew Training Centre. At present, the CTC Hamilton facility trains 120 airline cadet pilots each year through its "CTC Wings" programme. Increased airline demand will see this figure grow towards 200 within the next 12 months.

In making the announcement, CTC New Zealand Chairman, and Head of Training, Captain Steve Billett, said that finding the right aircraft to meet the needs of their international business was paramount.

"Demand from leading international airlines for CTC trained pilots is unprecedented and we have to be able to meet those demands without compromise. This entails expanding our programmes to recruit more cadets and simultaneously increasing and upgrading our fleet of training aircraft.

"Over a period of months, we conducted an exhaustive competitive analysis of the training aircraft options available to us. In the end, the decision was relatively easy; the Alpha 160A training aircraft met our requirements on every level.

"When looking at training aircraft; build quality, robustness and operational flexibility are critical factors. The Alpha 160A amply meets these key requirements and in addition, our evaluation of its handling properties and performance indicate it's the ideal platform from which to teach embryonic airline pilots. Our instructors will welcome the visibility and comfort of the cabin, the enhanced equipment levels and training environment that the cockpit brings with its advanced layout.

"These are all factors to be considered when looking at optimising the training value of this aircraft. In pure training terms, the Alpha 160A represents the best training tool and is ideally suited for our rapidly expanding New Zealand operation," Captain Billett says.

Cont...



-2-

Being part of the Aviation Waikato cluster and the consequent close proximity of the two businesses on site at Hamilton International Airport, was another helpful factor in negotiating the deal.

“In Alpha Aviation, we found a willing business partner who not only shares our commitment to excellence, but also recognises that the very best business relationships are built on partnership. The fact that we are both part of the Waikato aviation cluster certainly assisted with the relationship building and provides a ‘feel good’ factor to the deal. It was a serendipitous by-product, rather than a key argument for proceeding with Alpha. The deal would not have been done had the Alpha not been the right aircraft for the task,” Captain Billett says.

Alpha Aviation Managing Director, Richard Sealy is delighted with this latest contract – the single biggest order of Alpha aircraft to date.

“We couldn’t be happier that CTC have recognised the outstanding attributes of our aircraft. We are a comparatively small player when considering the likes of Cessna, Piper and Diamond. Therefore, CTC’s decision to purchase Alpha aircraft to upgrade and expand their fleet endorses our long-held belief that the Alpha will be of significant interest to major international flight training organisations.

“The first New Zealand manufactured Alpha 160A came off the production line just three weeks ago. With this latest order, we now have 21 firm orders in place, we’re in the final stages of negotiation on a further 10 and CTC’s options for a further 14 aircraft mean our production schedule is now booked solid until late 2007. The future couldn’t be brighter,” Mr Sealy says.

The Aviation Waikato cluster was formed in 2005 by regional development agency, Katolyst. Katolyst Chief Executive, Graham Smith was thrilled to hear of the CTC Aviation purchase of Alpha aircraft.

“Katolyst congratulates both world class organisations for working together to their mutual benefit. CTC is at the forefront of training pilots for many leading international airlines. The fact that it has chosen the Alpha 160A against strong overseas competition is a fantastic vote of confidence in the Alpha business and their aircraft,” Mr Smith says.

Commenting on the ground-breaking deal, Hamilton City Councillor (Economic Development portfolio), Ewan Wilson was equally impressed.

“Given the competitiveness of the global aviation industry, it is important that companies in this region work together effectively. CTC is a world class training organisation and its order of the Alpha 160A training aircraft is a superb endorsement of both Alpha Aviation and the benefits of the cluster strategy being pursued by Katolyst,” Mr Wilson says.

Both Richard Sealy and Captain Billett paid tribute to Katolyst, the Waipa District Council, Hamilton City Council and the other councils within the Waikato region for their vision in fostering the aviation cluster.

Cont...



-3-

“New Zealand – and more particularly the greater Waikato region – has proven to be an ideal location for our business. Not merely from a geographical perspective, but more importantly in terms of national and local government support and facilitation. They have put strategies in place that have enabled our business to flourish.

“As a result, we have the necessary confidence to dramatically increase our available programmes in this region and hope to soon develop further opportunities for New Zealand pilots in addition to our recently announced “NZ Wings” Sponsored Instructor Programme,” Captain Billett says.

[ends]

For more information, visit www.ctcaviation.com and www.alphaaviation.co.nz

MEDIA CONTACTS:

Heather Claycomb
Communications Consultant
CTC Aviation Training (NZ) Ltd
+ 64 (0) 7 854 3382
heather@hmc-communications.co.nz

MEDIA CONTACTS:

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