



COMPLETION OF PURCHASE OF TWO AIRCRAFT

JANUARY 12, 2007

AVATION PLC
("AVATION" OR THE "COMPANY")
COMPLETES PURCHASE OF TWO AIRCRAFT

The Board of Avation PLC is pleased to announce an important milestone in the development of the Company with the completion of the purchase of two 100 seat Fokker 100 Aircraft.

1. The successful closing of a purchase agreement with AerCap BV (NYSE: AER) purchasing two F100 aircraft for a total of USD \$8,850,000.
2. The two leased aircraft which are expected to generate each year about USD \$1.8m in revenues for a term of 6 years amounting to about USD \$10.8m in revenues.
3. The two aircraft are leased to Skywest Airlines Pty Ltd.
4. Over the next 6 years the borrowing is fully amortizing
5. The economic closing date for the purchase of the plane was the 15th of November 2006 which means that revenue from the purchase has commenced effective that date

The Chairman, Mr Jeff Chatfield said "*Completing the purchase agreements gives the company a robust revenue flow effective from the 15th of November 2006. The financing for the purchase of the aircraft is fully amortizing over 6 years, resulting in full equity ownership in two leased commercial aircraft by the Company, which will at that time still have significant usable life left.*"

The directors take responsibility for the contents of this announcement.

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ENQUIRES:

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