

23 JULY 2007

AVATION PLC (AVAP.PL)  
("AVATION" OR THE "COMPANY")

#### PURCHASE OF TWO AIRCRAFT

The Board of Avation Plc announces that its subsidiary Capital Lease Aviation Plc ("CLA") has secured a further US \$48m finance facility and entered into a letter of intent to purchase two additional Fokker 100 jet Aircraft which will bring the Company's aircraft fleet to six Fokker 100 aircraft.

#### HIGHLIGHTS

- CLA has indicated to the vendor by binding letter of intent secured by a deposit its willingness to pay a total of up to US \$10.82m for the two aircraft. CLA has signed a binding letter of intent with the vendor.

Completion is subject to the usual conditions of acquisitions of this type;

- The aircraft are currently owned by a global aircraft leasing company, they are at the end of their existing leases and are thus available within weeks for re-lease to another airline;

- The intentions of the Company are to provide these to Skywest Airlines Pty Ltd ("Skywest") in order to support a capacity increase as is required by Skywest. These aircraft have been inspected by the fleet management of Skywest and found to be satisfactory;

- The Company has received an in principle approval from its existing bankers for a further debt facility of up to US \$48m for potentially a series of aircraft acquisitions. It is believed that the Company will purchase these two aircraft with the same debt to equity ratio which has been applied to the existing fleet; and

- The aircraft are expected to be leased at approximately US \$1m plus reserves per year to Skywest each;

Avation Plc Chairman Jeff Chatfield: "We are pleased to have agreed the terms for the purchases of our fifth and sixth aircraft. This will again increase our asset base, which along with the additional revenues and financing will provide scope to further boost the business via further aircraft acquisitions during the year."

The directors take responsibility for the contents of this announcement.

---ENDS---

ENQUIRES:

AVATION PLC 07783 942 553  
Jeff Chatfield, Chairman

STOCKBROKERS  
WH Ireland Ltd 020 7220 1670

Cornhill Asset Management Ltd 020 7645 8320

ADVISOR 020 7628 1128  
Dr Frank Lucas  
Loeb Aron & Company

MEDIA 020 7562 3350  
Maxine Barnes, Nick Rome  
Bishopsgate Communications