Certified ISO 9001 : 2000 by

BVQi

PACIFIC TURBINE BRISBANE LTD

UNSECURED NOTE ISSUE ANNOUNCEMENT

The Company is raising approximately $4 million in debt to fund the next stage of its turbine engine acquisition program for its US rental pool.
The money will be raised by issuing unsecured notes to sophisticated investors. A newly incorporated subsidiary company, PTB Finance Limited will issue the unsecured notes which will have a term of three years and will pay a return of 11.5% per annum. PTB Finance Limited will then loan the funds on a secured basis to a group engine owning subsidiary company. Pacific Turbine Brisbane Ltd will issue share options with a strike price of $1.60 per share to noteholders on the basis of one option for every $3 invested in Unsecured Notes. Assuming the Unsecured Note issue is fully subscribed this will result in 1.33 million ($1.60 strike price) share options being issued.

The National Flight engine pool acquired in October 2004 generated a return of 30.3% (annualised) from rental and trading opportunities over the period to 30 June 2005. The proposed new acquisitions are expected to earn an average annual return of 20% or better over a two or three year period.

PO Box 306
Hamilton
47-51 Pandanus Avenue
Brisbane Airport
Queensland 4007
Australia
Telephone: 61 7 3637 7000
Facsimile: 61 7 3860 4006

A.C.N. 098 390 991