

The Manager Companies
Newcastle Stock Exchange Ltd

PACIFIC TURBINE BRISBANE LTD MAINTENANCE AGREEMENT WITH TRANS MALDIVIAN AIRWAYS PRIV. LTD

Pacific Turbine Brisbane Ltd ('PTB') has reached agreement with Trans Maldivian Airways Priv. Ltd ('TMA') for a maintenance agreement for its fleet of PT6A engines.

The agreement is divided into two parts- the 'Power by the Hour' Agreement and the Engine Care & Maintenance Agreement.

Key highlights of the agreements include:

In respect of the Power by the Hour Agreement:

- PTB is responsible for off-wing hot section inspections and engine overhauls for PT6A engines owned by TMA;
- TMA is responsible for normal line maintenance;
- PTB is paid monthly based on hourly engine usage; and
- The term of the agreement is five years.

In respect of the Engine Care & Maintenance Agreement, PTB has become TMA's single point of contact for engine maintenance and management.

For the engines which are subject to the Power by the Hour Agreement, the agreement provides PTB with steady cash flow over the five year term of the agreement and enables TMA to smooth the cash flow impact of its major engine maintenance costs to a monthly expense. PTB expects to be able to program the TMA maintenance more effectively and provide timely access to key overhaul parts resulting in reduced aircraft downtime for TMA.

TMA operates a fleet of approximately 13 Twin Otter twin engine amphibious aircraft servicing the Maldives with its vast array of islands. This environment is a challenging one for aircraft and engines and a strong maintenance discipline is a necessity for an operator.

Craig Baker
Managing Director