

## **AVATION PLC**

(“Avation” or “the Company”)

### **TURBOPROP PORTFOLIO TRANSACTION**

Avation PLC (LSE: AVAP), the commercial passenger aircraft leasing company, announced on 16 March 2017 that it had entered into a letter of intent in relation to the sale of six ATR 72-600 aircraft. The Company confirms that it has now entered into definitive sale and purchase agreements with Chorus Aviation Capital Corp., and certain of its subsidiaries in relation to the aircraft.

Chorus Aviation Inc. (TSX: CHR), the parent company of Chorus Aviation Capital Corp., has made an announcement in respect of the transaction which is appended to this announcement. The sale and purchase agreements remain subject to confirmation of bank finance by Chorus Aviation Capital Corp., as well as other closing conditions typical of transactions of this nature including the novation of the lease agreements by the respective airlines. The transactions are expected to complete prior to the end of June 2017.

The completion of the sale of all six aircraft releases approximately US\$31 million in net proceeds to the Company after costs and debt repayments. The Directors will consider the redeployment of these proceeds through the acquisition of aircraft that further diversify Avation’s portfolio.

Executive Chairman Jeff Chatfield said, “We are pleased to have progressed our strategy to further diversify our fleet. The value rationale for this series of transactions is the release of equity, which can be reinvested for growth, as well as the creation of an opportunity to diversify Avation’s customer base. The company believes that improving airline customer diversification mitigates overall risk and therefore improves Avation’s credit metrics. We remain confident in the prospects for the ATR aircraft type which is the leading turboprop in the world with a market share of approximately 85 per cent.”

**-ENDS-**

More information on Avation can be seen at: [www.avation.net](http://www.avation.net)

#### **Enquiries:**

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#### *Notes to Editors:*

Avation PLC is a commercial passenger aircraft leasing company, owning and managing a fleet of 40 jet and turboprop aircraft which it leases to airlines across the world. The Company’s customers include Air France, Air Berlin, Air India, Condor, Flybe, Fiji Airways, Thomas Cook, Virgin Australia, UNI Air and Vietjet Air.

FULL TEXT OF CHORUS AVIATION INC. ANNOUNCEMENT:

**Chorus Aviation announces agreements to acquire  
six ATR 72-600 aircraft on lease to Flybe and Virgin Australia**

**Halifax, April 24, 2017** - Chorus Aviation Inc. ('Chorus') (TSX: CHR) announced today agreements by Chorus Aviation Capital's subsidiaries to acquire six ATR 72-600 aircraft with attached leases from Avation PLC. Three of these aircraft are currently on lease to U.K. carrier, Flybe, and three to Virgin Australia Airlines. The aircraft are between one and four years old and are the first ATRs added to Chorus Aviation Capital's growing regional aircraft fleet.

Commenting on the planned purchase, Chorus Aviation Capital's President, Steven Ridolfi, said, "We are delighted to announce this portfolio acquisition, adding two outstanding customers to our growing pool of airline lessees, and welcoming the addition of the first ATRs to our diversifying fleet."

Joe Randell, President and Chief Executive Officer, Chorus, said, "This investment further demonstrates the targeted expansion and growth strategy for Chorus into regional aircraft leasing. We are building a leading global regional aircraft lessor and look forward to announcing additional opportunities in the months ahead."

The aggregate purchase price for the aircraft is consistent with current market values for similar aircraft, and Chorus Aviation Capital intends to finance the purchase utilizing a combination of debt financing and cash with a leverage ratio of between three and four to one. The transactions are expected to close by the end of June 2017 and are subject to customary conditions precedent to closing, including novation of the existing leases and receipt of debt financing.

**About Chorus**

Headquartered in Halifax, Nova Scotia, Chorus was incorporated on September 27, 2010. Chorus' vision is to deliver regional aviation to the world. Chorus owns Jazz Aviation and Voyageur Aviation – companies that have long histories of safe and solid operations that deliver excellent customer service in the areas of contract flying operations, engineering, fleet management, and maintenance, repair and overhaul. Chorus has been leasing its owned regional aircraft into Jazz's Air Canada Express operation since 2009, and recently established Chorus Aviation Capital to become a leading, global provider of regional aircraft leases and support services. Chorus Class A Variable Voting Shares and Class B Voting Shares trade on the Toronto Stock Exchange under the trading symbol 'CHR'. For more information about Chorus and its subsidiaries, see [www.chorusaviation.ca](http://www.chorusaviation.ca).

**Forward-Looking Information**

This news release may contain "forward-looking information" as defined under applicable Canadian securities legislation. Forward-looking information typically contains words such as "anticipate", "believe", "could", "should", "estimate", "expect", "intend", "may", "plan", "predict", "project", "will", "would", and similar words and phrases, including references to assumptions. Such information may involve but is not limited to comments with respect to strategies, expectations, planned operations or future actions. Forward-looking information related to analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and other uncertain events. Forward looking information, by its nature, is based on assumptions, including those described below, and is subject to important risks and uncertainties. Any forecasts or forward-looking predictions or statements cannot be relied upon due to, amongst other things, changing external events and general uncertainties of the business. Such statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements to differ materially from those expressed in the forward-looking statements.

Factors that may cause results to differ materially from expectations in this news release include, without limitation, that the conditions precedent to the closing of the transactions contemplated by this news release are not fulfilled or waived by the parties. For a further discussion of risks, please refer to the section titled "Risk Factors" in Chorus' 2016 Annual Information Form. Any statements containing forward-looking information in this news release represent Chorus' expectations as of April 24, 2017. Chorus disclaims any intention or obligation to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required under applicable securities laws.

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