

12<sup>th</sup> June 2020

## Alliance Aviation Services Limited (ASX Code: AQZ)

### SUCCESSFUL COMPLETION OF \$91.9 MILLION PLACEMENT

Alliance Aviation Services Limited (**Alliance** or the **Company**) advises that, further to its ASX announcement dated 11 June 2020, it has successfully completed a fully underwritten \$91.9 million institutional placement of new fully paid ordinary shares in Alliance (**New Shares**) to eligible institutional investors (the **Placement**) at \$2.95 per New Share (the **Placement Price**).<sup>1</sup>

The Placement generated significant interest from Alliance's existing institutional shareholders and other institutional investors. Eligible institutional shareholders who bid for an amount of New Shares less than or equal to their 'pro-rata' share<sup>2</sup> of New Shares under the Placement were allocated their full bid.

The approach Alliance took in identifying investors to participate in the Placement was to engage with eligible existing institutional shareholders and potential new institutional investors with investment strategies that Alliance believes are aligned with its business.

Alliance determined the respective allocations of investors by applying the following key objectives and criteria:

- Alliance used best efforts to allocate eligible institutional shareholders, who bid for up to their 'pro rata' share of New Shares under the Placement, their full bid. As stated above, those shareholders were allocated their full bid.
- For the remaining New Shares under the Placement, applications were preferred from existing shareholders and new institutional investors with the characteristics described above.
- No New Shares under the Placement will be issued to any person identified within ASX Listing Rule 10.11 (related parties).

---

<sup>1</sup> The Placement (representing approximately 24.4% of Alliance's existing issued share capital) was undertaken in accordance with ASX's *Class Waiver Decision – Temporary Extract Placement Capacity* dated 23 April 2020 (**ASX Class Waiver**). Accordingly, no shareholder approval was required in connection with the Placement.

<sup>2</sup> For this purpose, an eligible institutional shareholder's 'pro rata' share of New Shares under the Placement was estimated by reference to Alliance's beneficial register on 26 May 2020 (and any updates provided by these shareholders), but without undertaking any reconciliation processes and ignoring New Shares that may be issued under the SPP. Unlike in a rights issue, this may not truly reflect the participating shareholder's actual pro rata share of the New Shares under the Placement. Alliance has no obligation to reconcile assumed holdings (e.g. for recent trading or swap positions) when determining a shareholder's 'pro rata' share of New Shares under the Placement. Institutional investors who do not reside in Australia or other eligible jurisdictions were not able to participate in the Placement. Alliance and the lead manager disclaim any duty or liability (including for negligence) in respect of the determination of a shareholder's 'pro rata' share of New Shares under the Placement.

- No New Shares under the Placement will be issued to the Ord Minnett Limited as underwriter.

As far as Alliance is aware, there were no significant exceptions or deviations from those objectives and criteria.

Alliance's Managing Director, Scott McMillan, said "The overwhelming support for the Placement in such turbulent times for the aviation sector further demonstrates Alliance's ability to succeed in challenging environments. More importantly, the support shown by our investors provides Alliance with the opportunity for continued growth and expansion. We thank them for their support."

Settlement of the approximately 31.1 million New Shares under the Placement is expected to occur on 17 June 2020 with allotment expected to occur and normal trading of those shares expected to commence on 18 June 2020. New Shares issued under the Placement will rank equally with existing Alliance ordinary shares from their date of issue.

Alliance shares are expected to recommence normal trading on ASX from market open today (12 June 2020).

### **Share Purchase Plan**

As also announced on 11 June 2020, Alliance will offer existing eligible shareholders the opportunity to participate in a non-underwritten share purchase plan (**SPP**) to raise up to \$30.0 million.<sup>2</sup>

Under the SPP, eligible Alliance shareholders, being shareholders with a registered address in Australia or New Zealand on Alliance's register as at 7.00pm (Brisbane time) on Wednesday, 10 June 2020, will have the opportunity to apply for up to \$30,000 of New Shares without incurring brokerage or other transaction costs.

The SPP offer period will open on Friday, 19 June 2020 and is expected to close at 5.00pm (Brisbane time) on Thursday, 9 July 2020.

The issue price of the New Shares under the SPP will be the lower of:

- the Placement Price of \$2.95 per New Share; or
- a 2.0% discount (rounded to the nearest cent) to the 5-day VWAP of Alliance shares on ASX up to, and including, the closing date of the SPP (expected to be Thursday, 9 July 2020).

The terms and conditions of the SPP will be set out in the SPP offer booklet, which is expected to be released to the ASX and dispatched to eligible shareholders via their preferred method of contact on Friday, 19 June 2020.

---

<sup>2</sup> As the SPP is not underwritten, the SPP may raise more or less than this amount. If the SPP raises more than \$30 million, Alliance may decide in its absolute discretion to accept applications (in whole or in part) that result in the SPP raising more than \$30 million. If Alliance decides to conduct any scale back of applications, for example because the aggregate amount applied for under the SPP exceeds Alliance's requirements, the scale back will be applied on a pro rata basis to shareholdings of participating eligible shareholders at the record date for the SPP.

### Key Dates<sup>3</sup>

| EVENT  | DATE  |
|--|---|
| Record date for the SPP                          | 7.00pm (Brisbane time), Wednesday, 10 June 2020 |
| Settlement of Placement shares                   | Wednesday, 17 June 2020                         |
| Allotment and normal trading of Placement shares | Thursday, 18 June 2020                          |
| SPP offer opens and SPP offer booklet dispatched | Friday, 19 June 2020                            |
| SPP offer closes                                 | 5.00pm (Brisbane time), Thursday, 9 July 2020   |
| Announcement of results of SPP                   | Tuesday, 14 July 2020                           |
| SPP allotment date                               | Monday, 20 July 2020                            |
| Normal trading of SPP shares                     | Tuesday, 21 July 2020                           |
| Dispatch of holding statements                   | Wednesday, 22 July 2020                         |

Further details of the Placement and SPP are set out in the investor presentation released to ASX on 11 June 2020 (**Investor Presentation**). The Investor Presentation contains important information including key risks and foreign selling restrictions with respect to the Placement.

For more information contact:

Marc Devine  
 Company Secretary  
 Alliance Aviation Services Limited  
 +61 7 3212 1201

This announcement has been authorised by the Board of Alliance Aviation Services Limited.

**ENDS**

---

<sup>3</sup> The above timetable is indicative only and subject to change. The commencement and quotation of New Shares is subject to confirmation from ASX. Subject to the requirements of the Corporations Act, the ASX Listing Rules and other applicable rules, Alliance reserves the right to amend this timetable at any time, including extending the period for the SPP or accepting late applications, either generally or in particular cases, without notice.

### **About Alliance**

Alliance is Australia's leading provider of contract, charter and allied aviation services currently employing in excess of 550 full time staff.

The Company provides essential services to mining, energy, tourism and government sectors and holds IATA's IOSA certification and Flight Safety Foundation "BARS Gold" status, the first such carrier in Australia to be so recognised.

Alliance's Air Operators Certificate permits High Capacity Regular Public Transport services throughout Australia and the Pacific.

Alliance currently operates a fleet of 24 Fokker F100, 13 Fokker 70LR jet aircraft and five Fokker 50 turboprops with an additional three aircraft in storage and available for entry into the fleet.

Alliance has world leading operational performance, a key attribute rightly valued by its customers.

The Company has operational bases in Brisbane, Townsville, Cairns, Melbourne, Adelaide, Perth, Darwin and Rockhampton.

### **NOT FOR RELEASE OR DISTRIBUTION IN THE UNITED STATES**

This announcement is not financial product advice and has not taken into account your objectives, financial situation or needs. This announcement has been prepared for release in Australia. This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or in any jurisdiction in which such an offer would be illegal. The New Shares have not been, nor will be, registered under the U.S. Securities Act of 1933 (the **Securities Act**) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold, directly or indirectly, to any person in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.