



Alliance Aviation Services Limited
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ASX Release

22nd October 2020

Alliance Aviation Services Limited (ASX: AQZ) (“Alliance”) signs five-year extension with BHP Olympic Dam operations

- Milestone extension with a key long-term customer which was awarded through a competitive tender process.
- Transition from Fokker 50 turboprop to Fokker 100 jet aircraft to coincide with the opening of the newly upgraded Olympic Dam Airport.
- Achieving cost reductions and efficiencies for both BHP Olympic Dam and Alliance as an immediate result of increased capacity on larger jets.

Alliance announces that it has signed a contract extension with BHP Olympic Dam for a period of three years with two 12-month extension options, permitting a full term of up to five years.

The extension will see Alliance continue to operate charter services for the BHP Olympic Dam mine site operations as well as scheduled services supporting the local community of Roxby Downs. Alliance has been servicing Olympic Dam and the Roxby Downs community since 2007 and if exercised for the full term by the end of this contract extension will see continuous operations in support of Olympic Dam, by Alliance, of at least 19 years.

The contract will see the introduction of Fokker 100 jet aircraft, a 100 passenger seat aircraft, into Olympic Dam Airport to coincide with the significant upgrades that are currently occurring to the airport which are due for completion in February 2021.

The introduction of larger capacity aircraft will provide ongoing savings to both Alliance and BHP Olympic Dam, provide BHP Olympic Dam with greater scalability for future growth plans and provide greater comfort for all passengers.

Alliance’s Chief Executive Officer, Mr Lee Schofield, said, “Alliance is delighted to be in a position to provide jet services into Roxby Downs. Passengers will enjoy a smoother, quieter and, more importantly, a quicker flight between Adelaide and Roxby Downs with a reduction of 20 minutes or 25%.”

“Since our first service into Olympic Dam in 2007 we have safely transported in excess of 1,000,000 passengers with industry leading on time performance throughout the past 14 years. Alliance has also been an active participant in the local community with staff living in the local community and actively participating in local community events.”

“We are also the largest provider of air charter services to the BHP group servicing mines in South Australia, Western Australia and Queensland.”

In May 2019 BHP presented Alliance with an Aviation Safety Award in recognition of the safe carriage of 3.5 million BHP staff and contractors on charter and scheduled services since our first charter flight for BHP in April 2002. This is an award that Alliance is very proud of because it is a result of long-term close collaboration with our colleagues at BHP through shared values of safety, reliability and sustainability.

Alliance employs 77 local staff across Roxby Downs and Adelaide and as a result of the contract extension, jet introduction and airport upgrade many of these staff will have their skills upgraded to be part of this exciting transition.

Alliance looks forward to introducing jet services into the Roxy Downs region and continuing to provide on time, safe and reliable operations to the community for the next five years.

~ Ends ~

This announcement has been authorised for release by Alliance Aviation Services Limited's Chief Executive Officer, Mr Lee Schofield.

About Alliance

Alliance is Australasia'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 currently operates a fleet of 24 Fokker F100, 13 Fokker 70LR jet aircraft and five Fokker 50 turboprops with an additional F70LR to enter the fleet in 2020.

In August 2020, Alliance announced the purchase of 14 Embraer E190 jet aircraft. These aircraft are required for fleet expansion and will be delivered to Alliance over an eight-month period beginning in September 2020. The first revenue service is expected to commence in February 2021.

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

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