

MARTIN AIRCRAFT COMPANY LIMITED
ASX ANNOUNCEMENT



INDUSTRY: Aviation

MARTIN AIRCRAFT COMPANY LIMITED

A company registered in New Zealand with company number 901393 (ARBN 601 582 638)

39 Ballarat Way, Wigram
Christchurch 8042
New Zealand
Ph: +64 3 377 8584
www.martinjetpack.com

COMPANY CONTACT

Peter Coker
CEO & Managing Director
Ph: +64 2 181 1005
Peter.coker@martinaircraft.co.nz

ASX Code: MJP

BOARD OF DIRECTORS

Jon Mayson
Non-Executive Chairman

Peter Coker
CEO & Managing Director

Steve Bayliss
Non-Executive Director

Dr Liu Ruopeng
Non-Executive Director

Dr Zhang YangYang
Non-Executive Director

Dr Luan Lin
Non-Executive Director

Dennis Chapman
Non-Executive Director

Further information

James West
Company Secretary
Ph +64 (0)3 377 8584
Mobile:+64 (0)27 296 4402
James.West@martinaircraft.co.nz

June 2016 MACL Newsletter

9 June 2016

Welcome to our June 2016 Newsletter.

This month we're excited to announce that our prototype P12.3 and P12.4 aircraft have achieved experimental status. For our enthusiasts we've included a graphic on basic Jetpack assembly, excluding sub-assemblies, and we introduce two key members of our team as we move to production and delivery.

Martin Aircraft P12.3 and P12.4 Jetpacks Receive Experimental Certification



We have previously announced that Martin Aircraft Company had made a decision to move away from our original microlight certification pathway towards type certifying the Jetpack. Type certifying the Jetpack consists of three main stages:

- Experimental
- Restricted
- Full Type Certification

Since the announcement we have been working with the New Zealand CAA to obtain *Special Category – Experimental Airworthiness Certificates* for the P12 Jetpacks.

We are pleased to announce that the *Experimental Airworthiness Certificates* were received in May for both our P12.3 and P12.4 aircraft (registered as ZK-JMK and ZK-JML).

Says Peter Coker, CEO and Managing Director of Martin Aircraft Company, "The certificates are the result of considerable effort on the part of the Flight Operations, In-Service Support, Production and Engineering teams in collaboration with the New Zealand CAA and marks the next step on our path to commercialisation. The fact that the Jetpacks are now experimental aircraft means we are now subject to regulatory requirements that represent a higher standard of operations for the Martin Aircraft Company. For example, our test pilots are now required to pass a CAA-approved test pilot training syllabus, which we have developed, and each flight of an experimental aircraft requires the CAA to approve the purpose and test plan for the flight."

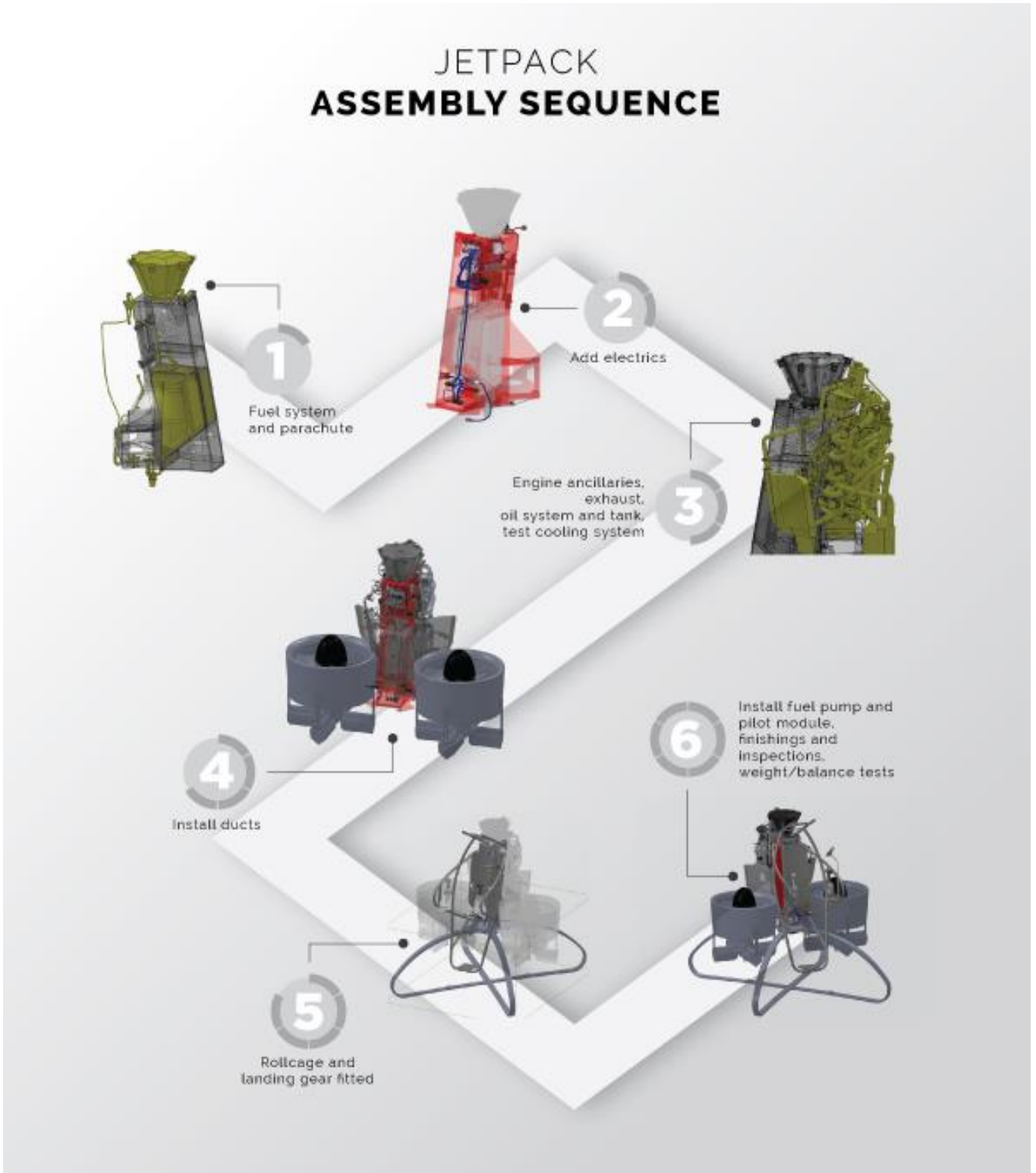
As mentioned in last month's newsletter, the first aircraft that will be produced under strict design and build standards will be the Prototype 14 aircraft. This aircraft will form the basis of the Series 1 manned and unmanned aircraft that will be the first of the non-prototype Jetpacks delivered this year. The Series One aircraft is initially intended to be an experimental aircraft that will be flown by test pilots under approved experimental testing and demonstration operations. It will be used in conjunction with our "beachhead" customers to demonstrate and test capability to enable an order book to be built.

The next steps in the certification process will see Martin Aircraft Company continue discussions with the New Zealand CAA to confirm the path that will move the Jetpack towards Restricted followed by Full Type certification as a standard category aircraft. The certification pathway, its timeline and cost is a fundamental aspect of Martin Aircraft Company's future direction that has been in discussion for some time. Each certification step (experimental, restricted, full type) allows increasing access to different customer and market sets. Our present marketing strategy takes into consideration this approach.

It should be noted that while our approach is at present targeted at the manned Jetpack capability, Martin Aircraft Company is aware of the informal regulatory discussions taking place in many countries around more stringent certification of Unmanned Aerial Vehicles (UAVs) (or Unmanned Aerial Systems (UAS)). By keeping commonality across both the design and production processes of the manned and unmanned aircraft, we believe we will be well placed for any future regulatory changes affecting unmanned air vehicle manufacturers.

Shareholders will continue to be updated on certification progress as discussions with the New Zealand CAA mature.

Basic Jetpack Assembly (excludes sub-assemblies)



Meet the Team – Greg Jones and Teresa Schuster

Production processes for the build of the Martin Jetpack are being finalised, which has allowed the order process for parts based on the design team drawings to commence. This is very much the start of the production process, the final part being the build delivery itself. The production schedule aligns the delivery of parts to the build requirement timeline for deliveries to our first customers expected later this year.

Strict management of the assembly process along with post-delivery maintenance and engineering support are both key to ensuring Martin Aircraft Company will consistently meet and surpass the expectations of our customers. These two important roles fall to our Head of Production, Greg Jones, and Teresa Schuster, who was recently promoted to the newly created position of Director of In-service Support.



Greg joined Martin Aircraft Company in August 2014 managing prototype builds, including supply chain development, project managing various initiatives and implementing processes and procedures to prepare for start of production. Initially from the UK, he has over thirty years' experience as a mechanical engineer, the majority at a senior level as Manufacturing or Quality Engineer in the transportation sector. After working at Vauxhall Motors in the UK, he moved to TRW Automotive where he led a

number of initiatives across the business to introduce new products and streamline product design and processes, not only at local sites but also at the company's international locations. Following his move to New Zealand, Greg worked as Engineering Group Manager at Steelbro New Zealand where as part of the executive leadership team he was responsible for the development and management of company strategy, business plans and budgets.

Teresa joined Martin Aircraft Company in April this year and brings over 17 years' experience in maintenance and engineering operations to her role. She previously served



the United States defense sector at L3 Communications Corporation Integrated Systems Division and honed her systems engineering skills at Lockheed Martin Aerospace and Frontier Engineering.

Throughout Teresa's career she has presented to high ranking officials, translated customer requirements, liaised with maintenance, procurement and production, mentored engineers of varied disciplines, managed senior engineers, and conducted flight operations involving up to 30 people, including pilots, crew, technicians, engineers, auditors, airport support and civil authorities.

Airborne Law Enforcement Association Expo 2016



ADVANCING PUBLIC SAFETY AVIATION

Martin Aircraft Company is pleased to announce that it will be attending the US Airborne Law Enforcement Association (ALEA) Expo 2016 to be held at the Savannah International Trade & Convention Centre in Savannah, Georgia, from 20–22 July.

The ALEA Expo brings together public safety pilots, tactical flight officers, administrators and technicians for a week of exceptional educational and networking events. It also offers attendees the opportunity to view the latest, cutting-edge technology for public safety aviation via its exhibition floor.

The ALEA Expo presents a great opportunity for us to present the Martin Jetpack to potential first responder customers in the US,” says CEO and Managing Director of Martin Aircraft Company, Peter Coker. “ALEA was founded to support and encourage the use of aircraft in public safety and this aligns completely with our focus on saving human lives. The expo is well known for setting the standard for excellence in the field of public safety aviation and it will give us the opportunity to showcase our product to aviation decision makers as well as end-users.”



New Web Site Launched



With the first of the P14 and Series 1 experimental Martin Jetpacks due to roll off the assembly line later in the year, Martin Aircraft Company has completely revamped its web site to align with the strategic direction of the business.

The new site embraces cutting edge web technologies and current trends while remaining user friendly and informative, enhancing the customer experience by allowing users to immerse themselves in the possibilities the Jetpack has to offer through video and

applications.

Says CEO and Managing Director, Peter Coker, "The site has been completely reworked to reflect that we are moving from a pre-revenue company to a company that produces and sells Jetpacks. The entire site has been developed to be flexible and to expand with the company as it grows. The new web site also better reflects our brand image and target markets."

Go to www.martinjetpack.com to view the new web site.

Concept of Operations Video



Our latest video release in the series takes a deeper look into the applications and operational uses for the Martin Jetpack across the First Responder, Military and Commercial markets.

Working with our Launch Customers using a Concept of Operations (CONOPS) approach we have identified a number of key areas where the Martin Jetpack will have a clear advantage over traditional VTOL aircraft. The video captures initial ideas around potential Jetpack applications for the First Responder and Commercial markets and represents a thought piece to inspire disruptive thinking as to how they can use the Jetpack within their organisations and operational environments to save human lives.

Comments Mike Tournier, VP Sales & Marketing at Martin Aircraft Company, "The video is

currently done as an animated piece. Some of these scenarios are being worked into Standard Operating Procedures and training scenarios. Later this year as part of delivery we will commence operational field testing and trials. These will provide the basis for further marketing and training material, including live action scenes in future iterations of the video, as part of our planned roll out of the next series of Martin Jetpacks."

ABOUT THE MARTIN AIRCRAFT COMPANY LIMITED

Martin Aircraft Company Limited (Martin Aircraft) is currently developing the Martin Jetpack, the world's first practical jetpack, with potential search and rescue, military, recreational and commercial applications, both manned and unmanned. The Martin Jetpack was initially conceived and developed by Glenn Martin in Dunedin in 1981. This led to the founding of Martin Aircraft Company in 1998 and the development of a Jetpack that, based on current testing, is expected to have over 30 minutes' flight capability at a speed of up to 74 km/h and an altitude up to 1,000 m (3000ft).

The Martin Jetpack is a disruptive technology; much like the helicopter was when first developed, with significant capabilities and is able to be flown either by a pilot or via remote control. The jetpack can take off and land vertically (VTOL) and because of its small dimensions, it can operate in confined spaces (such as close to or in between buildings), near trees or in confined areas that other VTOL aircraft such as helicopters cannot access.

More detailed information about Martin Aircraft and the Martin Jetpack is available at www.martinjetpack.com