

For immediate release via RNS

8 August 2006

**Advent Air Limited  
("Advent Air" or the "Company")**

**Strategic partnership with Avion Group**

The Board of Advent Air announces today that it has conditionally agreed a strategic partnership with Avion Group, the Iceland-based investment company specialising in air, land and sea transportation solutions worldwide, to utilise certain additional aircraft in the Skywest Ltd air services network.

Advent Air controls Skywest Ltd in which it currently has a relevant ownership interest of 78.1 per cent. Advent Air has made a takeover offer seeking to increase its ownership of Skywest Ltd to 100 per cent. The closing date for the takeover offer is currently the 22<sup>nd</sup> of August 2006 unless extended.

The conditional agreement provides for a profit sharing arrangement. Two of the airlines that Avion Group owns, Star Airlines of France and Star Europe of Germany, are to provide between one and four Airbus A320 Aircraft, from a fleet which comprises some of the newest and highest quality aircraft within the market place. It is intended that the aircraft shall be placed on Skywest's Australian high capacity Air Operators Certificate ("AOC") for operation by Skywest in its airline network. Further aircraft may be added to the AOC as applicable for seasonal work, if demand is sufficient, under temporary importation arrangements. The parties have agreed to jointly provide a marketing budget to establish various new services. The terms of the profit sharing arrangement are that each party pays its own costs and depending on route flown either 75% or 50% of the profits remain with Skywest Ltd. Neither Advent Air nor Skywest Ltd are exposed to the capital investment risk associated with ownership of these relatively new aircraft.

**Jeff Chatfield, Chairman of Advent Air said:**

"With increasing demand for air travel in the region along with increasing tourism growth, the strategic partnership provides the Advent Air group with a flexible opportunity to attempt to grow its fleet and service capacity using larger aircraft, without making substantial capital investments. New Airbus aircraft are highly fuel efficient, thus providing lower operating costs per passenger. This arrangement provides the opportunity to accommodate additional passengers in the network as well as provide opportunities for growth of the network itself. Skywest's existing aircraft may be redeployed to service resource industry charter opportunities that have resulted from the current buoyant resources sector environment that Skywest operates in.

The new aircraft are to be deployed with enhanced leg room that matches Skywest's existing seat configuration; we believe that our passengers will enjoy a superior level of comfort and service."

**About Skywest Airlines**

Skywest is an award winning airline that has been meeting the needs of Australian domestic and international tourist and business travellers for more than 42 years. Skywest has flown millions of passengers throughout Western Australia, to the Northern Territory of Australia, and to Indonesia. Skywest has enjoyed high growth rates in revenue, profits and passenger numbers from 2004 when the Company became its dominant shareholder with a controlling interest.

**About Avion Group**

Avion Group is a global transportation solutions group founded on January 1, 2005. The Avion Group is listed on the Icelandic Stock Exchange and is organized into three business divisions -- Aviation Services, Charter & Leisure and Shipping & Logistics. Aviation Services consists of ACMI (Aircraft, Crew,

Maintenance, Insurance) provider Air Atlanta Icelandic, maintenance provider Avia Technical Services and airport handling provider Southair. Charter & Leisure is represented by leisure service travel provider Excel Airways Group (UK), Star Airlines (France) and Star Europe (Germany). The Shipping and Logistics division is represented by Eimskip, the prime maritime transportation company in Iceland, with its fleet of approximately 30 ships. In addition to the vessels, there are currently approximately 60 Boeing and Airbus aircraft in the fleet.

Avion Group employs close to 6,000 people at 110 operational bases worldwide.

***Enquires:***

Jeff Chatfield, Chairman, Advent Air Ltd	07783 942 553
Roland Cornish, Beaumont Cornish Limited	0207 628 3396
Philip Haydn-Slater, W H Ireland Limited	0207 220 1690
Leesa Peters / Abigail Singleton , Conduit PR	0207 429 6666 +44 (0) 7812159 885
Suzanne Brocks, Buchanan Communications on behalf of Avion Group	0207 466 5000