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News release via Canada NewsWire, Toronto 416-863-9350

Attention Business Editors:  
Magellan Aerospace Corporation Announces  
Offer to Acquire Haley Industries Limited

TORONTO, July 3 /CNW/ - Magellan Aerospace Corporation ("Magellan") and Haley Industries Limited ("Haley") announced today that Magellan has entered into an agreement with Haley and Amcan Consolidated Technologies Corp. ("Amcan") providing for Magellan or a wholly-owned subsidiary of Magellan to make an offer to acquire all of the outstanding shares of Haley, including shares issued on the exercise of any outstanding Haley options. Under the offer, to be mailed to Haley shareholders by July 18, 2002, Haley shareholders will receive at their election, either \$2.15 cash for each Haley common share (the "Cash Option"), or 0.425 common shares of Magellan for each Haley common share (the "Share Option"). The conditions of the offer will include that not less than 50% of the outstanding Haley shares calculated on a fully diluted basis be tendered. The board of directors of Haley has not made any recommendation with respect to the Offer. The board intends to review the formal take-over bid circular and to provide shareholders with its views on the Offer in the directors circular that is expected to be mailed to shareholders in July.

Amcan, Haley's controlling shareholder, has delivered to Magellan a lock-up agreement under which Amcan agrees to deposit 5,677,050 Haley shares (approximately 54% of the outstanding shares of Haley) under the offer and agrees to elect to be paid under the Cash Option.

"Haley's capabilities and strength in providing castings for the aerospace sector are complementary to the products and services currently provided by Magellan," stated Richard Neill, President and COO of Magellan. "The addition of Haley capabilities will extend the range of Magellan's product offerings in the aerospace sector while affording Magellan opportunities to achieve efficiencies in supply management and to add Haley as an internal supplier for Magellan's casting needs."

Haley Industries Limited produces magnesium and aluminum castings primarily for the aerospace industry. Haley is a public company whose shares trade on the Toronto Stock Exchange (T: HLY), with facilities located in Haley, Ontario and Glendale, Arizona.

Magellan Aerospace Corporation is one of the world's most integrated and comprehensive aerospace industry suppliers. Magellan designs, engineers, and manufactures aeroengine and aerostructure components for aerospace markets, advanced products for military and space markets, and complementary specialty products. Magellan is a public company whose shares trade on the Toronto Stock Exchange (T: MAL), with operating units throughout the United States and Canada.

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