

FOR IMMEDIATE RELEASE VIA THE CANADIAN CUSTOM DISCLOSURE NETWORK

NEWS RELEASE

**MAGELLAN AEROSPACE CORPORATION ANNOUNCES ENTERING INTO AN
AMENDED CREDIT AGREEMENT AND EXTENSION OF PREVIOUSLY ANNOUNCED
SUBORDINATED LOAN ARRANGEMENTS**

TORONTO, March 26, 2010 / CNW / - Magellan Aerospace Corporation ("Magellan" or the "Corporation") announces that it has amended its operating credit agreement with its existing lenders and has completed the subordinated loan financing previously announced on December 23, 2009.

Under the terms of the amended operating credit agreement, Magellan and the lenders have agreed that the maximum available under the operating credit facility will be amended to Cdn. \$105 million (up from Cdn. \$90 million) and U.S. \$70 million (down from U.S. \$85 million) and the maturity date will be extended to May 21, 2011 and will continue to be fully guaranteed until May 21, 2011 by N. Murray Edwards, the Chairman of the Board of the Corporation, in consideration of the continued payment by the Corporation of an annual fee payable monthly equal to 1.15% (down from 1.35%) of the loan amount. The facility is extendible for unlimited future one year renewal periods, subject to mutual consent of the syndicate of lenders and the Corporation.

The terms of the amended operating credit facility permit Magellan to (i) repay, in whole or in part, the secured subordinated loan in the principal amount of \$65 million from Edco Capital Corporation ("Edco") and (ii) retract up to 20% (\$4,000,000) of the Series A Preference Shares on each of April 30 and October 31 (or the next business day if that day is not a business day) of each year starting with April 30, 2010, together with accrued and unpaid dividends on the shares to be retracted provided there is no current default or event of default under the operating credit facility and after the repayment of the loan and the payment of the retraction amount Magellan has at least \$25 million in availability under the operating credit facility. With respect to the Preference Shares, any permitted retraction amount not used on any prior date can be carried forward to future retraction dates. As a result, subject to such limitation under the operating credit facility and to applicable laws, Magellan will retract on each of April 30 and October 31, beginning April 30, 2010, any Series A Preference Shares tendered for retraction up to the permitted percentage of Series A Preference Shares.

In addition, the previously announced extension and restatement of the previous secured subordinated loan in the principal amount of \$65 million from Edco, which is wholly owned by Mr. Edwards, to the Corporation was completed. The interest rate was decreased from 12% per annum to 11% per annum commencing July 1, 2010 and the loan extended to July 1, 2011 in consideration of the payments of an aggregate fee to Edco equal to 1% of the principal amount.

The extension of the loan of Edco constitutes a related party transaction within the meaning of Ontario Securities Policy 61-501. The extension of the loan is not subject to the formal valuation requirements and is exempt from the minority approval provisions as the transaction has no equity participation component and is on reasonable commercial terms that are not less advantageous to Magellan than if obtained from an arm's length person from Magellan. The transaction was reviewed by a committee of independent directors, recommended to the Board of Directors and approved by the independent members of the Board of Directors.

Magellan Aerospace Corporation is one of the world's most integrated and comprehensive aerospace industry suppliers. Magellan designs, engineers, and manufactures aeroengine and aerostructure assemblies and 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 (TSX: MAL), with operating units throughout Canada, the United States and the United Kingdom.

Forward Looking Statements:

This press release contains information and statements of a forward-looking nature and is based on assumptions and uncertainties as well as on management's reasonable evaluation of future events. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to predict, and/or are beyond the Corporation's control. A number of important factors could cause actual outcomes and results to differ materially from those expressed in these forward-looking statements.

For further information or to obtain a copy of the early warning report of Mr. Edwards contact:

James S. Butyniec
(905) 677-1889 ext. 233
President and Chief Executive Officer

John B. Dekker
(905) 677-1889 ext. 224
Vice President Finance & Corporate Secretary