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FOR IMMEDIATE RELEASE VIA THE CANADIAN CUSTOM DISCLOSURE NETWORK

Magellan Aerospace to Invest up to \$120 Million to Support JSF Work in Winnipeg

Toronto, Ontario and Winnipeg, Manitoba - September 2 2008 – Magellan Aerospace announced today that it plans to invest up to \$120 million (Cdn) in its Winnipeg Bristol Aerospace plant to facilitate work on the Joint Strike Fighter (JSF) program. The Canadian Government's Strategic Aerospace and Defence Initiative (SADI) program is providing repayable cash-flow support of up to \$43.4 million (Cdn) for technology and process development. The investments commence this quarter and will be made over a period of five to seven years as the program delivery rate ramps up to full-scale production. The SADI participation supports the development of new manufacturing and process technology for composite and metallic materials for the multi-national JSF F-35 Lightning II aircraft.

Jim Butyniec, Magellan CEO, discussed the importance of participation on the JSF program: "The JSF is a game-changing program due to its size, its advanced technology, and most importantly for Magellan, its manufacturing and process technology. We are pleased that the Canadian Government, through the SADI program, is able to provide Magellan Winnipeg - Bristol Aerospace division with critical assistance in meeting the technology investments required to launch this program. We are also investing in capability for the JSF program in other Magellan locations, and we have been in discussions with various levels of Government in the areas of training and sophisticated tooling, both in Manitoba and Ontario." The balance of the funding for these investments will be met by applying a portion of Magellan's annual capital budget over the five to seven years of the program buildup.

Lockheed Martin is developing the F-35 with its principal industrial partners, Northrop Grumman and BAE Systems. The F-35 is a supersonic, multi-role, 5th generation stealth fighter. Three F-35 variants, derived from a common design, developed together, and using the same sustainment infrastructure worldwide, will replace at least 13 types of aircraft for 11 nations initially, making the F-35 the most cost-effective fighter program in history. Two separate, interchangeable F-35 engines are under development: the Pratt and Whitney F135; and, the GE Rolls-Royce Fighter Engine Team F136.

Magellan has been manufacturing low quantities of components and assemblies of the JSF program for five years as the aircraft has progressed through test articles, prototypes, and low rate production stages, including initial work on the two engine candidates. As a result Magellan considers itself to be well positioned to secure future contracts for participation in the JSF programs related to the F-35. "The precision required for components and assemblies has advanced the manufacturing technologies to a new level of performance," said Don Boitson, Magellan's Vice President and General Manager of the Winnipeg facilities. "We have benefitted through material testing in our Winnipeg labs, and through collaboration with the Winnipeg-based Composites Innovation Centre. We have also received outstanding assistance from our customers. The program prime contractor, Lockheed Martin of Fort Worth, Texas, has been engaged throughout the initial phases and we look forward to growing this relationship as the program matures."



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In particular, Magellan has entered into contracts with Pratt and Whitney and Rolls-Royce for initial engine work. The F135 fan sync ring and the F136 front frame are critical hardware that requires advanced machining capabilities and strict quality standards. Magellan has also entered into letters of intent with each of BAE Systems and Lockheed Martin in relation to the production of two major assemblies on the aircraft, and is pursuing additional participation in engine production and after-market support. Based on current estimates for the scope of the JSF program and the status of its discussions with Lockheed Martin and BAE Systems, Magellan management estimates that the scope for deliveries by Magellan of aircraft and engine components over the next 25-30 years as a result of the JSF program could be as much as \$3 billion (US), with revenues of up to \$120 million (US) per year once full rate production is achieved.

The estimate of deliveries over the next 25-30 years is subject to a number of assumptions and risks, including that the JSF program for the F-35 aircraft continues and is not delayed, and that final contractual relationships are established between Magellan and its customers. For more details on the assumptions, risks and uncertainties relating to such estimates, see "Forward Looking Statements" at the end of this press release.

About Magellan Aerospace Corporation:

Magellan Aerospace Corporation is one of the world's most integrated 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 forward looking statements to provide investors and potential investors with information about the impact or possible impact of the Joint Strike Fighter (JSF) program related to the F-35 Lightning II aircraft on the business of Magellan. Readers are cautioned that the information may not be appropriate for other purposes.

In regard to such forward looking statements contained in this press release, we have made assumptions regarding, among other things, our ability to leverage our participation in the initial low-rate production stages of the JSF program into long-term contracts, our ability to reach long-term contracts with BAE Systems and Lockheed Martin (which are both progressing from the letter of intent stage) for our participation in the JSF program, the continuance of the JSF program as currently scheduled, the continuance of any contractual relationships of Magellan relating to the JSF program and Magellan's percentage share of production for various components to be delivered under the JSF program.

Although Magellan believes that the estimates or expectations reflected in the forward looking statements, and the assumptions on which they are made, are reasonable, there can be no assurance that such estimates and expectations will prove to be correct.



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Readers are cautioned not to place undue reliance on forward-looking statements included in this document, as there can be no assurance that the plans, intentions or expectations upon which the forward-looking statements are based will occur. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties that contribute to the possibility that the expectations and estimates of management will not occur, which may cause Magellan's actual performance and financial results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking statements. These risks and uncertainties include, among other things: the risk of the termination of the JSF Program or delay in its implementation; the failure of Magellan to secure firm contracts for participation in the JSF program or delays in orders under any contracts, or termination of such contracts; competition from other suppliers in securing such contracts and other risks disclosed in Magellan's annual filings (including our Annual Information Form) available at www.sedar.com. Readers are cautioned that this list of risk factors should not be construed as exhaustive.

The forward-looking statements contained in this document speak only as of the date of this press release. Except as expressly required by applicable securities laws, Magellan does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained in this document are expressly qualified by this cautionary statement.

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