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NEWS RELEASE

MAGELLAN AEROSPACE DELIVERS TO GE ROLLS-ROYCE FIGHTER ENGINE TEAM

Farnborough Air Show, Farnborough, UK – 16 July 2008 - The GE Rolls-Royce Fighter Engine Team has received the first deliveries of front fan frames from Magellan Aerospace in Canada for the F136 engine which will power the F-35 Lightning II aircraft.

The F136 engine is the most advanced fighter aircraft engine ever developed and will be available to power all variants of the F-35 for the US military and eight partner nations.

The high-tech fan frame, constructed mainly of titanium, was delivered this year to Rolls-Royce defence facilities in Bristol, UK. The frame will serve as the front portion of the first F136 engine in production configuration. The engine will be completed in upcoming months and begin testing in early 2009.

The F136 front fan frame is the largest example of this product type manufactured by Magellan at its Orenda Aerospace facility in Mississauga, Ontario, Canada.

Mark Rhodes, Senior Vice President of the GE Rolls-Royce Fighter Engine Team, praised the work of Magellan in delivering the key component for the F136 engine. “The expertise of Magellan Aerospace is crucial in the delivery of this portion of the F136 engine. These high-tech components reflect the very best of Canadian industry and will make a significant contribution toward our success. The impressive power of the F136 engine begins, literally, with Magellan Aerospace and its front fan frame.”

“The technology and extensive know-how contained in a fighter engine front frame is one of the key core capabilities within Magellan. The Magellan team is able to provide excellent value by introducing manufacturing engineering solutions to optimize the production process,” said Jim Butyniec, President and Chief Executive Officer of Magellan Aerospace Corporation.

The Fighter Engine Team will begin testing this first production engine in early 2009. This is the first engine to be delivered under the System Development and Demonstration contract with the US Government. First flight of the F136 engine in an F-35 Lightning II will take place in 2010.

Editor's notes
The F-35 is a next-generation, multi-role stealth aircraft designed to replace the AV-8B Harrier, A-10, F-16, F/A-18 Hornet and the United Kingdom's Harrier GR.7 and Sea Harrier. Potential F-35 production for the U.S. Air Force, Navy, Marines and international customers, including the Canada's Air Force, may reach as many as 5000 to 6000 aircraft over the next 30 years.

The System Development and Demonstration (SDD) phase is scheduled to run through 2013; the first production F136 engines are scheduled to be delivered in 2012 for the F-35 Lightning II aircraft. This occurs during the fourth lot of F-35 aircraft production, which is very early in the overall aircraft production program. The Fighter Engine Team will deliver a total of 14 engines during the SDD phase, which will total more than 10,000 hours of testing.

The GE Rolls-Royce Fighter Engine Team is a joint venture of the world's two leading propulsion companies. GE - Aviation, with responsibility for 60 percent of the F136 program, is developing the core compressor and coupled high-pressure/low-pressure turbine system components, controls and accessories, and the augmentor. Rolls-Royce, with 40 percent of the F136 program, is responsible for the front fan, combustor, stages 2 and 3 of the low-pressure turbine, and gearboxes. International participant countries are also contributing to the F136 through involvement in engine development and component manufacturing.

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