

AVATION PLC
("AVATION" or "THE COMPANY")

Issue of Equity on exercise of Warrants by Directors

The Board of Avation announces that on 12th of December 2011, the Company allotted 301,280 fully paid new ordinary shares pursuant to the exercise of Warrants at various prices, conditional only on admission of the new shares to the Official List and to trading on the London Stock Exchange's main market for listed securities becoming effective ('Admission').

Pursuant to the exercise of the warrants, the following new ordinary shares were allotted:

- 176,280 new ordinary shares (representing 0.43% of the enlarged issued share capital of the Company) to Epsom Assets Ltd, a company in which Mr. Chatfield has an interest, at an exercise price of 35.5 pence each;
- 75,000 new ordinary shares (representing 0.18% of the enlarged issued share capital of the Company) to Giant Mix Enterprises Ltd, a company in which Mr. Baudinette has an interest, at an exercise price of 67.5 pence; and
- 50,000 new ordinary shares (representing 0.12% of the enlarged issued share capital of the Company) were allotted to Bryant James Mclarty at an exercise price of 35.5 pence.

Following Admission, Mr Chatfield will be interested in 17.29% of the Company (with 7,039,491 ordinary shares), Mr Baudinette will be interested in 1.7% of the Company (with 695,001 ordinary shares) and Mr Mclarty will be interested in 0.26% of the Company (with 107,300 ordinary shares).

Application will be made for the new ordinary shares to be listed on the standard segment of the Official List and to be admitted to trading on the London Stock Exchange's main market for listed securities. It is expected that Admission will become effective and that dealings in the new ordinary shares will commence at 8:00 a.m. on 16 December 2011.

Following Admission, there are will be a total of 40,726,682 ordinary shares in issue. For the purposes of calculating Total Voting Rights shareholders may use the number 40,726,682 as the total number of shares in issue from the date of Admission

The Directors take responsibility for the contents of this announcement.

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ENQUIRES:

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Jeff Chatfield, Chairman

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