

SCHEDULE 1 - TERMS SHEET

1. Background

ANZRML is a dedicated turbo prop aircraft maintenance facility in Nelson that provides maintenance and support services to customers in the Oceania region. There is significant growth in ANZRML staff numbers creating a need to develop capability in the Nelson region to train engineers to meet the current growth and future sustainment of these staff levels.

The Company is a provider of training services in the Nelson region and an organisation with the infrastructure, experience and programmes necessary to meet this demand.

2. Programme

The Company and ANZRML agree to create an aircraft training programme to develop trainees for the aviation industry. ANZRML will sponsor up to four (4) trainees ("Candidates") per year. ANZRML will provide up to \$4,000 per year for a two-year period for each Candidate. This will be paid directly to the Company rather than to the Candidate.

For students who qualify for the NZ Government's 'First Year Free' scheme, the ANZRML first year payment can be used by the Company to cover the cost of tooling, PPE and other course related costs with the remaining balance being applied to the second year fees in conjunction with the second year ANZRML payment.

The Company and ANZRML will look to approach schools jointly to promote the programme and solicit Candidates. Candidates will complete all course required work experience with ANZRML in Nelson.

3. Criteria for Candidates

ANZRML will select Candidates based on the following criteria:

- a. Recommendations made by the Company;
- b. Individuals identified by ANZRML;
- c. Interviews including a week's work experience unpaid for assessment of attitude and skills and job familiarization for the Candidates;
- d. Pre-employment medical and background check for potential future employment and requirements for the onsite work experience;
- e. Completed or completing year 12 or 13 at high school to encourage complete school education; and
- f. Additional criteria such as specific skills or specialisation required by ANZRML. For example, avionics 82 or mechanical 81.

4. Traineeship

At completion of the Company's two-year programme, ANZRML will endeavour to provide traineeship opportunities to Candidates through ANZRML recruiting process. This Traineeship will provide two years of practical experience allowing candidates to become fully qualified aircraft maintenance engineers. Prerequisites for this traineeship including those outlined in Air NZ recruiting process will be successful:

- a. completion of the Company's courses;
- b. attainment of Company's Level 4 Certificate in Aeronautical Engineering; and
- c. pre-employment medical and background checks as well as suitable aptitude and attitude.

At the completion of the Traineeship, Candidates will be required to complete NZQA Level 4 Certificate in Aeronautical Engineering. Candidates will be encouraged to complete NZCAA LAME subjects during traineeship at ANZRML.

5. Employment

ANZRML, subject to ANZRML recruitment process, may offer permanent employment to Candidates that complete traineeship.