

Pegasus MkIII Market Potential

- > India- a well-connected business contact has expressed interest in acquiring the distribution rights to the Mk III for his country. He feels that he can guarantee a minimum sale of 100 units the first year, growing to 300 per year by the fourth year. This contact has stated a willingness to spend \$5,000,000. U.S. for such rights and to make appropriate guarantees regarding potential sales upon assurance that the Mk III is in production.
- > China- Representatives of a major Aircraft Engine Corporation in China have expressed interest in acquiring the marketing rights to the MkIII and the possibility of manufacturing in China. These representatives stated they could sell 150-200 units the first year. Additional growth would depend on availability and factory support. While the price of distribution has been discussed, it was not consider an issue. The representatives have assured Pegasus they could secure Chinese Federal Government guarantees, for all financial transactions when the MkIII production is underway.
- > Philippines- There is currently a well-placed individual in the Philippine government who has expressed a strong interest in the Pegasus program. This person has expressed a willingness to place an initial order for 250 units.
- > Thailand- The President of a well known bank in Bangkok has expressed a willingness to introduce key potential buyers in Thailand and assured Pegasus Rotorcraft Ltd. that they could sell 50-75 units per year. This contact has the resources and undoubtedly is capable of carrying out this offer.
- > USA- Interest in the purchase and use of the Mk III has been very high from several sources in the United States. These include, but are not limited to, Police and Sheriff departments, the U.S. Federal Bureau of Land Management, power transmission companies and various other businesses that would benefit from economic point to point transportation as well as the private recreation market.
- > General Market- The private and business market potential in Australia, New Zealand, Korea and the United States as well many European countries has not been measured up to this point. But the performance characteristics of the Mk III overlaps the fixed wing and helicopter markets to such an extent that we believe the program will take a large share of both. We also believe that the low cost and point to point capability of the Mk III ensures an entirely new place of its own in the market.

We have always felt that the performance (extremely safe and quiet with lower operating costs than helicopters or fixed wing aircraft of comparable size) of the Mk III defines its own market potential. It takes little or no imagination to predict its successful application and use in many areas.