

POMSOX/MEDIA RELEASE

Port Moresby – Sunday 15th June 2014

AIRLINES PNG RESPONDS TO MADANG ACCIDENT REPORT

Airlines PNG acknowledges and welcomes the release of the Final Report by the Papua New Guinea Accident Investigation Commission (AIC) into the tragic accident involving the airline's DHC-8-103 aircraft P2-MCJ in the Madang area of Papua New Guinea in October, 2011.

The airline firmly believes that the extensive efforts of the AIC in producing such a well-researched and thorough report should be applauded and that its findings and safety observations should be fully embraced by the aviation industry across the world to prevent a like event from occurring again.

All of the AIC's Report recommendations that are applicable to the airline were implemented by Airlines PNG in 2012.

Commenting on the release of the Report, Airlines PNG's Chief Executive Officer Mr. Muralee Siva stated:

"As we reflect on this report within Airlines PNG we once again feel a deep sense of loss from this event that tragically took the lives of 28 people. While we can never fully comprehend the level of loss suffered by the victims' immediate families, the event still profoundly saddens us."

In the majority of aircraft accidents over the years, there have been multiple contributing factors. The AIC Report clearly points to the fact that the forced landing near Madang was no exception - with human factors, "a systemic design issue" and other factors all combining to cause this tragic event.

The Report identifies that the crew unintentionally selected the aircraft's power levers below flight idle (effectively into reverse) whilst in flight. The AIC Report also noted that a similar pilot error had occurred on several previous occasions elsewhere in the world. That action caused the aircraft's propellers to overspeed, which in turn triggered the events that left the flight crew no option but to force land the aircraft.

Importantly, the Report also indicates that such a catastrophic outcome would not have eventuated if previous recommendations arising from similar incidents had been adopted by Transport Canada as the aircraft manufacturer's regulating authority. Those recommendations urged the authority to require installation of a "beta lockout" device to prevent such inadvertent airborne reversing, thereby removing the possibility of the propeller overspeed issue occurring as a result of such action.

In that context, Airlines PNG commends PNG CASA on its decision taken immediately after the accident to require such a device to be fitted to all DHC-8 -100, -200 and-300 series aircraft operating in PNG. The AIC Report also acknowledges the action taken by PNG CASA and notes that Transport Canada subsequently took the same action by in 2013 requiring this device to be fitted to all such aircraft operating anywhere in the world.

Airlines PNG's General Manager Safety & Airline Technical, Mr Craig Chapple concluded:

“We believe the findings and recommendations of the AIC Report will help ensure that all aircraft operators in PNG remain continuously safety-focused, vigilant and well prepared as we provide services in what remains one of the most challenging aviation environments in the world.”

Airlines of Papua New Guinea Limited

Media Relations: Telephone: 302 3194 Email: media.relations@apng.com
Investor Relations: Telephone: 302 3234 Email: investor.relations@apng.com

Airlines PNG would be pleased to respond to media representatives and other interested parties. We request that initial enquiries be put in writing addressed to the email contacts as listed above.

ENDS