

U.S. Helicopter Announces \$4,500,000 in Financings With Cornell Capital Partners and Commencement of Service at New York City's East 34th Street Heliport

Wednesday November 15, 6:43 pm ET

NEW YORK, Nov. 15 /PRNewswire-FirstCall/ -- U.S. Helicopter Corporation (OTC Bulletin Board: [USHP - News](#); the "Company") announced today the completion of a series of financings with Cornell Capital Partners, LP ("Cornell Capital") resulting in the receipt of \$4,500,000 in gross offering proceeds. These funds are comprised of \$1,750,000 in warrant exercise proceeds, a result of Cornell Capital's exercise of 2,500,000 warrants at \$0.70 per share and the sale of \$2.750 million in capital pursuant to a convertible subordinated debenture financing (the "\$2,750,000 Debenture"). Funding of the \$2,750,000 Debenture will occur on or before November 30, 2006.

In connection with the exercise of the aforementioned warrants by Cornell Capital, the Company amended the exercise price of the initial 1,250,000 warrants from \$1.00 per share to \$0.70 per share, and the exercise price of the additional 1,250,000 warrants was reduced from \$1.15 to \$0.70 per share. Cornell was also issued 500,000 new warrants with exercise prices for each 125,000 warrants of \$1.20, \$1.35, \$1.50 and \$1.65, respectively. In connection with the second financing from Cornell Capital, the Company issued an additional 2,000,000 warrants with exercise prices for each 500,000 warrants of \$1.20, \$1.35, \$1.50 and \$1.65.

The \$2,750,000 Debenture is convertible at Cornell Capital's option into shares of the Company's common stock at a price equal to the lower of \$1.45 per share or 95% of the fair market value of our common stock for the 30 days prior to the notice of exercise, as determined in accordance with the terms of the \$2,750,000 Debenture.

Cornell Capital has agreed to not sell any shares that may be acquired under the \$2,750,000 Debenture until May 10, 2007. Thereafter, Cornell Capital will limit its resales of the Company's common stock acquired under the \$2,750,000 Debenture to \$250,000 for each period of 30 days if our common stock falls below \$1.45 per share for five consecutive trading days, subject to the provisions of the agreement.

In the event the Company closes on any debt or equity financing after the issuance date of the \$2,750,000 Debenture, the Company will be required to use 50 percent of the net proceeds of any such financings to prepay outstanding amounts under the \$2,750,000 Debenture or any other debenture issued by the Company to Cornell Capital up to a maximum total of \$2,000,000.

In other developments the Company announced today that it has established a date for the commencement of service from New York City's East 34th Street Heliport. US Helicopter President/CEO Jerry Murphy stated, "We have been working closely with a Transportation Security Administration ("TSA") approved security vendor to provide our security screenings and we expect this security agreement to be in place in December, 2006.

Accordingly, we expect to commence operations at New York's East 34th Street Heliport shortly after the new year. The cost of such security screening will be partially borne by the Company." Mr. Murphy further stated that, "Today's announcements are a big step in the implementation of the Company's business plan as New York's business travelers will now have two locations to use our service to get to New York area airports and avoid New York City's very congested transportation network."

With these developments regarding New York's East 34th Street Heliport, the Company believes it will be in a position to enter into additional interline and partnership agreements in the next 45 days with

several major carriers who provide service to the New York area's three major airports; Newark's Liberty International Airport, John F. Kennedy Airport and LaGuardia International Airport.

US Helicopter also reported today that it will be in a position to expand service to Newark's Liberty International Airport from the Downtown Manhattan Heliport (located at the foot of the East River and Wall Street) in mid-December 2006 with further expansion plans in early 2007.

The Company anticipates that it will utilize the net proceeds from the Cornell Capital financings to finance marketing expenses and for additional working capital.

Col. Clinton Pagano, a member of the Board of Directors and the former Superintendent of the New Jersey State Police, commenting on today's developments stated "We are pleased with the cooperation that has been shown by the TSA, New York City, the FAA and the operator of the East 34th. Street Heliport. We believe that we will be in a position to have arrangements worked out with the TSA, the private third party security provider and the operator of the East 34 Street Heliport by December 2006."

By early 2007 travelers will have the convenience of passing through TSA checkpoint security process at both heliports. Passengers traveling onward with the Company's major carrier partner airlines will also receive boarding passes and will have their bags checked through to connecting flights. The Company operates state-of-the-art Sikorsky S76 aircraft, accommodating eight passengers each, with two pilots aboard every flight. The helicopters can be configured to carry 12 passengers; however, US Helicopter has provided more space for passengers in the cabin by reducing the seat numbers on each aircraft.

ABOUT U.S. HELICOPTER

U.S. Helicopter is the first scheduled helicopter service to and from Manhattan and JFK in more than two decades. Providing the same scheduled, reliable and speedy service between Bridgeport, Connecticut, Manhattan and JFK, the U.S. Helicopter service is designed to meet the needs of time-sensitive business travelers.

Founded in 2003, U.S. Helicopter provides scheduled, reliable, fast and affordable helicopter transportation between Manhattan and JFK, with service to all three principal airports serving New York coming soon. All flights utilize state-of-the-art Sikorsky S-76 helicopters configured for eight passengers and staffed with two pilots. U.S. Helicopter Scheduled Airline Service is designed for business travelers ... "because you're too important to wait."

The executive offices of U.S. Helicopter are located at the 6 East River Piers, Suite 216, Downtown Manhattan Heliport, New York, New York 10004. Its operations base is located at 600 Great Meadow Road, Suite 200, Sikorsky Memorial Airport, Stratford, Connecticut 06615.

For more information, please visit <http://www.flyush.com/> or call (877) 262-7676.

About Cornell Capital Partners:

Launched in 2001, Cornell Capital Partners has committed over \$1 billion in capital to over 150 companies listed in the U.S., U.K., Australia, Germany, Singapore and Canada. Cornell Capital Partners provides innovative financing solutions to growing companies in the small-cap sector, worldwide. For more information please visit: <http://www.cornellcapital.com>.

Safe Harbor for Forward-Looking Statements:

The foregoing contains "forward-looking statements," which are based on management's beliefs, as well as on a number of assumptions concerning future events and information currently available to

management. Readers are cautioned not to put undue reliance on such forward-looking statements, which are not a guarantee of performance and are subject to a number of uncertainties and other factors, many of which are outside the Company's control, that could cause actual results to differ materially from such statements. For a more detailed description of the factors that could cause such a difference, please see the Company's filings with the Securities and Exchange Commission. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Source: U.S. Helicopter Corporation