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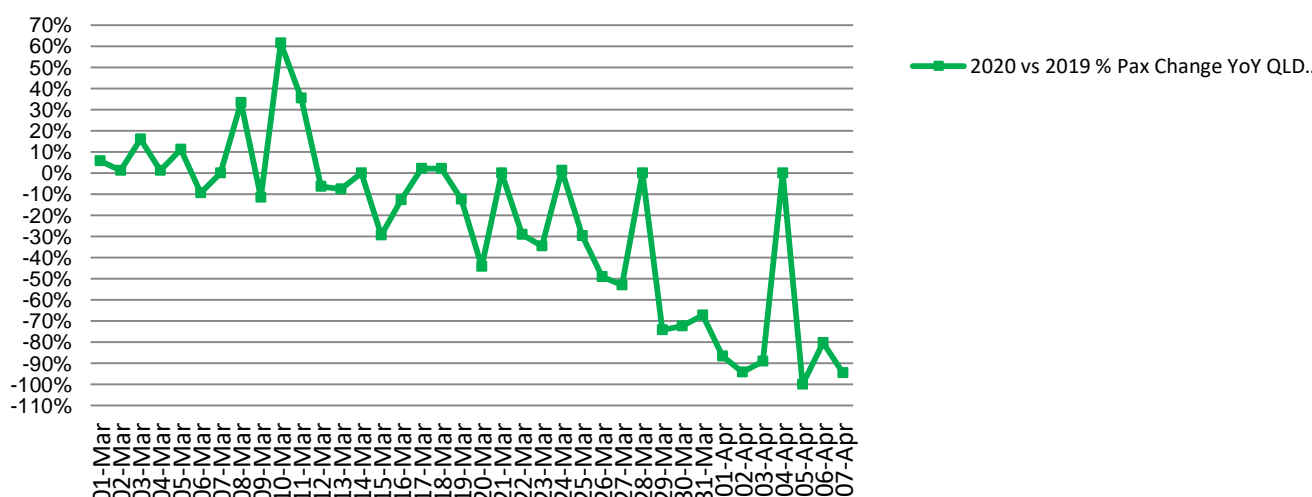
MEDIA RELEASE

REX REACHES AGREEMENT WITH QUEENSLAND GOVERNMENT ON REDUCED AIR SERVICES

Regional Express (Rex) today announces that an agreement has been reached with the Queensland Government for the provision of a reduced schedule under a variation of the existing service contract that covers the Northern 1 & 2 routes, the Western 1 & 2 routes and the Gulf route. The reduced schedule will see all communities on these routes receive at least one return service a week.

These routes were awarded to Rex in January 2015 but the COVID-19 pandemic has completely destroyed the commercial viability of these routes under the original service contract. The reduced schedule will be completely underwritten by the Queensland Government and will give Rex certainty to operate these essential air services to regional and remote Queensland even with passenger numbers plunging by up to 95% on most routes:

Year on Year QLD Regulated Routes Passenger Numbers



Rex’s General Manager of Network Strategy, Warrick Lodge, said, “The Queensland Government understands how vitally critical air services are to remote and outback Queensland on the five regulated routes serviced by Rex and has allocated a considerable budget to further subsidise these communities to provide them with a minimum level of essential air services.”

“They are only one of two States in Australia that have risen to the challenge and the Queensland Government has managed to sustain enough air services to meet the minimum needs of these communities during this period of national emergency.”

“Rex has also applied for funding from the Federal Government and if successful this would see the five routes increased to 85% of services (see appendix) that were originally provided by Rex prior to the COVID-19 crisis. This compares very favourably with other states like New South Wales, South Australia and Victoria that will see only about 5% of their regional air services returning under Federal funding.”



Regional Express

Queensland Transport and Main Roads Minister Mark Bailey said the government's partnership with Rex was essential to ensure a minimum level of air services were maintained for the state's regional and remote communities during the COVID-19 response.

"There are many community members with pre-existing health challenges who still need to travel to larger centres for treatment, or workers who need to travel for essential jobs, so air services are critical to support them," Mr Bailey said.

"Like many businesses, airlines are doing it tough so I thank Rex for working with us to make sure we continue to provide essential transport options for rural and regional Queenslanders."

Regional Express (Rex) is Australia's largest independent regional airline operating a fleet of 60 Saab 340 aircraft on some 1,500 weekly flights to 59 destinations throughout all states in Australia. In addition to the regional airline **Rex**, the **Rex Group** comprises wholly owned subsidiaries **Pel-Air Aviation** (air freight, aeromedical and charter operator) and the two pilot academies **Australian Airline Pilot Academy** in Wagga Wagga and Ballarat.

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APPENDIX

REGIONAL EXPRESS (REX) QUEENSLAND REGULATED ROUTES SCHEDULED RETURN SERVICES

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
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Northern 1:

Townsville - Winton - Longreach

	1 return		1 return			
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Northern 2:

Townsville - Hughenden - Richmond - Julia Creek - Mt Isa

		1 return		1 return		
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Western 1:

Brisbane - Toowoomba (Wellcamp) - St George - Cunnamulla - Thargomindah

		1 return				1 return
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Western 2:

Brisbane - Toowoomba (Wellcamp) - Charleville - Quilpie - Windorah - Birdsville - Bedourie - Boulia - Mt Isa

1 return			1 return			
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Gulf:

Cairns - Normanton - Mornington Island - Doomadgee - Mt Isa

1 return		1 return	1 return	1 return		
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Funded by Queensland Government

Funded by Commonwealth Government - *Subject to Approval*



Figure 1 – Queensland Network Map