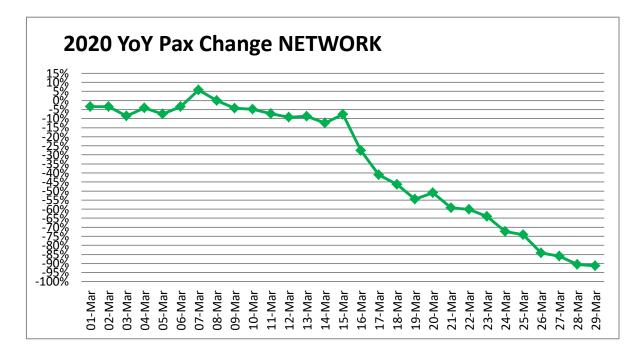
Regional Express

MEDIA RELEASE

REX TO SHUT DOWN ALL QUEENSLAND SERVICES

Regional Express (Rex) announces today that it will shut down its Queensland Regular Public Transport (RPT) services, with effect from 1 April 2020. This includes the five regulated routes operated under Contract with the Queensland Government. The attached provides the list of metropolitan and remote communities that will lose all Regular Public Transport (RPT) air services.

Rex first requested consideration from the Queensland Government on 19 March 2020 and has since then made numerous appeals. In the meantime, Rex's financial position and cash flow has seen a further sharp degradation due to the spectacular drop of patronage arising from travel being limited to essential travel only, as well as the border control measures being implemented across Australia:



While the Federal Government has announced several assistance packages for airlines, no concrete details have been forthcoming and more importantly, not a single cent has been disbursed. Further, the Federal Government is only funding a minimum essential service of one return weekly flight per route, and this reduced schedule approach was rejected by the Queensland State Government.

With cash fast running out and no immediate prospect of a workable solution from the Queensland State Government, Rex has no choice but to declare a Force Majeure event for the Contract and suspend all services on Queensland regulated routes indefinitely until it has the ability to service the contract in a commercially viable manner.



Regional Express

Queensland's Transport and Main Roads division will be notified officially today of this decision.

Affected passengers will have their tickets placed on credit for when services resume.

Services on the remainder of Rex's vast network will continue in accordance with the conditions outlined in our <u>media release of 28 March 2020</u> since Rex will be able to scale back such services to the barebones level that will be funded by the Federal Government assistance package.

Queensland ports which will have Rex services suspended: Bamaga NPA Bedourie Birdsville Boulia Brisbane Burketown Cairns Charleville Cunnamulla Doomadgee Hughenden Julia Creek Karumba Longreach Mount Isa Mornington Island Normanton Quilpie Richmond St George Thargomindah Toowoomba (Wellcamp) Townsville Windorah Winton

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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