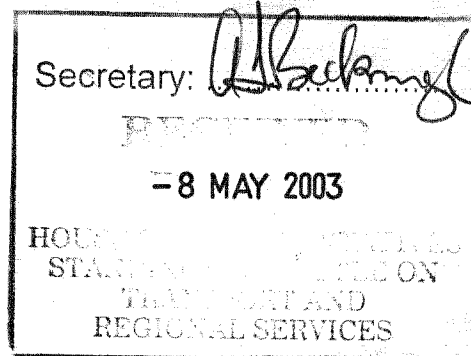


**Attachment A****QANTASLINK****Structure**

- Qantas' wholly owned subsidiary, QantasLink, encompasses four regional airline entities:
  - Airlink (operated by National Jet Systems)
  - Sunstate Airlines
  - Eastern Australian Airlines
  - Impulse Airlines.

**Fleet**

- QantasLink, either directly or through contractual arrangements, provides jobs for more than 2,100 Australians, 1,600 direct and at least 500 indirect (many outside capital cities) and operates three aircraft types:
  - Boeing 717 jets
  - British Aerospace BAe146 jets
  - DeHavilland Dash 8 turboprop aircraft
- There are 61 aircraft in the QantasLink fleet, made up as follows:
  - B717            - 14 (one class with 102, 115 or 117 seats)
  - BAe146        - 15 (two class with 64, 76 or 87 seats)
  - Dash 8        - 32 (one class with 36 or 50 seats).

**Service Expansion**

- The QantasLink group operates more than 2,750 flights each week to 55 regional destinations, flying more frequently and to more destinations than the core Qantas domestic operation. When, in July 2001, major Queensland operator Flightwest ceased operations followed only weeks later by Ansett and its regional subsidiaries, QantasLink and other regional operators mounted hundreds of additional services to provide immediate relief to 25 regional ports affected by these airline closures.
- Nine of the ports previously served by Flightwest and Ansett, in Western Australia and Queensland, have now been added to Qantas' regional

network as permanent destinations, and, as of 30 June 2002, are served with a total of 148 services per week.

Qantaslink's contribution to rescuing stranded regional passengers immediately after the collapse of Ansett, Hazelton, Kendell, Skywest etc was to carry more than 4,000 passengers, either free of charge or at highly discounted rates, to a value of more than \$1million.

- In addition to these "rescue" operations, this year QantasLink has expanded its services across the board to better meet the needs of regional Australia. New and expanded operations include:
  - New direct services Adelaide-Gold Coast, Sydney-Rockhampton, Brisbane-Alice Springs, Sydney-Proserpine;
  - Additional services Alice Springs to Cairns and Broome; Melbourne to Mildura, Canberra, Burnie and Devonport; and Sydney to Albury, Ballina, Coffs Harbour, Dubbo and Wagga.
- This year, an extra six Boeing 717 and five Dash 8-300 aircraft have been added to the QantasLink fleet, providing direct employment for an additional 240 pilots, flight attendants, engineers and operational staff.
- In all, the addition of new destinations, plus expanded flying to/from ports already served, has resulted in a growth of available seat kilometres (ASKs) for the QantasLink operation since September last year of around 28% (August 2002 compared to August 2001). This compares with a not insignificant annual average growth rate of 9% over the preceding 5 years.

**Network (destinations added since July 2001 underlined)**

- Northern Territory: Alice Springs, Ayers Rock, Darwin, Gove
- NSW: Albury, Armidale, Ballina, Coffs Harbour, Dubbo, Grafton, Lord Howe Island, Moree, Narrabri, Newcastle, Port Macquarie, Sydney, Tamworth, Wagga Wagga
- ACT: Canberra
- Queensland: Barcaldine, Blackall, Blackwater, Brisbane, Bundaberg, Cairns, Charleville, Emerald, Gladstone, Gold Coast, Hamilton Island, Horn Island, Longreach, Mackay, Maroochydore, Mount Isa, Proserpine, Roma, Rockhampton, Townsville, Weipa
- South Australia: Adelaide
- Tasmania: Burnie, Devonport, Hobart, Launceston
- Victoria: Melbourne, Mildura, Mt Hotham (seasonal)

- Western Australia: Broome, Kalgoorlie, Karratha, Newman, Paraburdoo, Perth, Port Hedland.

### **Operational Bases**

- Newcastle – B717 heavy maintenance facility
- Tamworth – Dash 8 heavy maintenance facility and administration centre
- Mildura – Dash 8 line maintenance facility
- Hobart – crew base
- Brisbane – Sunstate Airlines head office, line maintenance facility and crew base
- Sydney – Eastern Australia Airlines head office, Impulse Airlines/Airlink head office, crew base and line maintenance facility
- Melbourne – crew base and line maintenance facility
- Canberra - crew base
- Cairns – crew base.
- The decision recently to maintain QantasLink's B717 maintenance facility in Newcastle, against strong competing claims from other locations, including Canberra, which had been Impulse's intention prior to its takeover by Qantas, is regarded by Qantas as demonstrating its very strong commitment to regional employment.

**QANTASLINK AFFILIATED AIRLINES**

- Aeropelican, based in Newcastle
- Air Link, based in Dubbo
- Airnorth, based in Darwin
- Airlines of South Australia, based in Adelaide
- Brindabella Airlines, based in Canberra
- Horizon Airlines, based in Sydney
- Macair, based in Townsville and Brisbane
- National Jet Systems, based in Adelaide
- Norfolk Jet Express based in Brisbane.
- Northwest Regional Airlines, based in Broome
- O'Connor Airlines, based in Mount Gambier
- Skywest, based in Perth
- Sunshine Express, based on the Sunshine Coast

Affiliated airlines serve approximately 66 additional ports to the QantasLink network and provide Qantas with a significant secondary network.