STRATEGIC

23 June 2010

Mr Michael Bird Executive Director International Air Services Commission GPO Box 630 Canberra ACT 2601

Dear Mr. Bird Mike

Request from Strategic Airlines Pty Ltd

Strategic Airlines Pty Ltd ("Strategic") requests unlimited capacity each way each week on the Indonesia (Denpasar) route, from ports other than from Brisbane, Sydney, Melbourne or Perth, on the following basis:

- Services will operate between Port Hedland and Denpasar and Karratha and Denpasar.
- The first service is expected to commence in August 2010.
- The allocation is requested for a period of five years from the date of the Determination of the Commission.

Strategic has existing capacity to operate between Australia and Indonesia under IASC Decision [2009] 222, which is a variation of IASC Decision [2008] 101.

Strategic currently operates the Airbus A320 aircraft (with a capacity of 156 seats) to Indonesia, and will continue to do so for additional Indonesia services.

Legislative and Policy Considerations

It is acknowledged that this application should be considered against the general criteria for assessing the benefit to the public in Paragraph 4 of the Minister's Policy Statement. Paragraph 4 criteria provides that the use of entitlements by an Australian carrier under a bilateral air services agreement is of benefit to the public, provided that the carrier is reasonably capable of obtaining the necessary approvals and implementing the proposal.

Yours sincerely

Damien Vasta

Head of Commercial





