STRATEGIC

28 June 2010

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

Dear Mr Bird

Request for Capacity Allocation - Indonesian Route

Strategic Airlines Pty Ltd ("Strategic") requests additional capacity for additional services between Australia and Indonesia with additional services to commence from December 2010, subject to all necessary approvals being received.

Our two class Airbus A320 aircraft will be utilised on these services.

Allocations Sought

- Strategic Airlines seeks an allocation of 1,716 seats per week on the Indonesian route.
- Strategic Airlines requests the allocation for a five year period from the date of the determination
- The allocation will be fully utilised by 31 October 2011

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

Clive Adams

Chief Operating Officer



