

June 2nd, 2009

Mr Dilip Mathew
Acting Executive Director
International Air Services Commission
GPO Box 630
Canberra ACT 2601

Dear Mr Mathew,

**Application for capacity – Australia to New Zealand and
Australia to New Caledonia**

Pacific Wings (ACN 136 119 947) is planning to inaugurate international services to New Zealand and New Caledonia using wet-leased B737 aircraft from Our Airline.

Pacific Wings is a start-up international airline set-up to operate some of smaller markets within the range of the Boeing 737 aircraft. It is a 100% Australian owned and controlled company, headquartered in Melbourne. The board structure, Directors profile, Management profile, company constitution and business plan is provided in the commercial in confidence section of this application.

Pacific Wings is seeking the following capacity;

Australia to New Zealand

- Pacific Wings plans to serve the various routes between Australia and New Zealand
- Pacific Wings is seeking unlimited capacity
- It is envisaged some of the capacity will be utilized on commencement of the NW09 scheduling season and the remaining with market growth. Pacific Wings would consider operating from an earlier date if all the approvals were received on time.
- Pacific Wings seeks a full ten year determination.

Pacific Wings applies as a new entrant airline under start-up phase.

Australia to Noumea

- Pacific Wings plans to serve the various routes between Australia and New Caledonia as per the route 3 under the Australia – France Air Services Agreement.
- Pacific Wings seeks 0.25 units of capacity per week in each direction immediately and further 0.50 units of capacity once it becomes available.

Head Office:
Pacific Wings Pty Ltd
A.C.N. 136 119 947
Suite 5, 255 Whitehorse Road
Balwyn VIC Australia 3103

Postal Address:
PO Box 10355 Adelaide Street
Brisbane QLD Australia 4000

www.pacificwings.com.au

Operations Office:
Level 3, 99 Creek Street
Brisbane QLD Australia 4000
Phone: + 61 7 3229 6479
Fax: + 61 7 3229 6344

Policy Statement Considerations

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. The use of the entitlement by an Australian carrier under the bilateral air services agreement is of public benefit, provided that the carrier is reasonably capable of obtaining the necessary approvals and implementing the proposal.

Pacific Wings is a well capitalised company and with a solid business plan to be successful. Furthermore it has negotiated valuable start-up support with various partners. In addition to this the wet-lease arrangement with Our Airline does not require upfront payment of deposits (as per other aircraft leasing arrangements) thereby reducing the start-up capital outlay considerably.

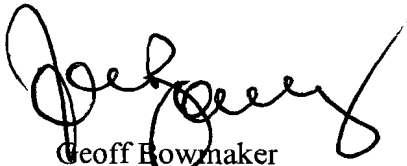
Pacific Wings Directors and Management have considerable experience in operating international airlines services. In addition to this it has extensive relationships with travel industry and has the e-commerce distribution capability to be successful in both markets.

Concurrent with this application Pacific Wings has applied with the Department of Infrastructure and Transport to be designated as an Australian carrier and also submitted its application for an International Airline Licence.

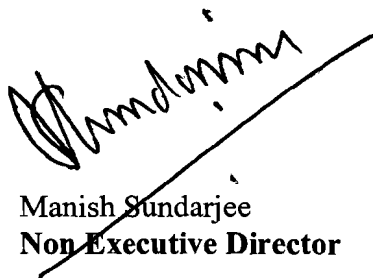
Pacific Wings plans to use the Boeing 737-300 for these operations. The seat capacity is 130 with four business and 124 economy class seats.

Should you have any questions or need clarification please do not hesitate to contact me.

Yours sincerely



Geoff Bowmaker
Non Executive Director



Manish Sundarjee
Non Executive Director

Encl: Business plan and board & management structure and profile (provided commercial in confidence)