

**Media Release**

**24 August 2006**

## **REX TERMINATES DEAL WITH SUNSHINE EXPRESS**

Regional Express (Rex) announced today that the proposed acquisition of Brisbane based regional airline Sunshine Express would not proceed.

Rex Managing Director, Geoff Breust, said Sunshine Express had introduced new conditions last week which were not acceptable to Rex as they were not in the interests of its shareholders.

"We have been very encouraged by the enthusiastic reactions of the communities on the Sunshine Express network and the staff of Sunshine Express on the intended acquisition. We are sorry that this will now not materialise.

"We extend our best wishes to Sunshine Express and hope that its management and owners are able to overcome its current difficulties. We have been assured that its current owners Aeromil will continue to provide full backing to the airline.

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**For Further Information:**

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The logo for Regional Express, featuring the word "rex" in a lowercase, bold, sans-serif font with a period at the end.