

MAJOR TRANSACTION PROTOCOL

Introduction To outline the process which must be followed when Qantas (either through a Director or employee) is approached by a third party who proposes a Major Transaction involving the Qantas Group.

Major Transactions For the purposes of this Protocol, a Major Transaction is one which involves:

1. the acquisition of a substantial shareholding (more than 10%) in Qantas; or
2. the acquisition of a substantial shareholding or interest (more than 20% or more than A\$100 million in value) in another entity; or
3. any other transaction which could have a material impact on the management or operation of the Qantas Group (such as a material strategic alliance agreement).

Protocol Upon a Director or employee being approached by a third party who proposes a Major Transaction (an Approach):

1. the Director or employee may obtain sufficient information to determine the basic nature and bona fides of the proposal, but must not make any commitment or other comment on behalf of Qantas;
2. the Director or employee must immediately contact the Chief Executive Officer (CEO) and Chairman and advise details of the nature of the Approach;
3. if the Chairman is approached, the Chairman must immediately contact the CEO and the Board and advise details of the nature of the Approach;
4. if the CEO is approached, the CEO must immediately contact the Chairman and advise details of the nature of the Approach;
5. the Chairman and CEO consider the Approach and immediately advise the full Board of the Approach and seek instructions on the response desired by the Board;
6. should the Board decide to enter discussions in relation to the Approach, it will develop formal protocols for managing the contact between the third party and Qantas which may include specific protocols for:
 - i. managing any potential conflict of interest;
 - ii. maintaining confidentiality;
 - iii. ensuring compliance with Qantas' continuous disclosure obligations;
 - iv. allocating responsibility to individuals (whether Directors, employees or external advisers) to act as Qantas' representatives in any discussions;
 - v. allocating the authority Qantas representatives have in discussions with the third party; and
 - vi. ensuring prompt and complete reporting to the Board.
