

The Sum of Us



Notice of Meeting 2010

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2010 Annual General Meeting

22 September 2010

Dear Shareholder

2010 ANNUAL GENERAL MEETING

The 2010 Annual General Meeting (AGM) of Qantas Airways Limited ABN 16 009 661 901 (Qantas) is to be held at 11:00am on Friday, 29 October 2010 in the Banquet Room of the Adelaide Festival Centre, King William Road, Adelaide. The formal Notice of Meeting is attached.

Shareholders who are unable to attend the AGM and have access to the Internet will be able to access a live webcast of the AGM on the Qantas website, www.qantas.com.au/travel/airlines/investors-annual-meetings/global/en

BUSINESS

1. Consideration of Reports

The Financial Report, the Directors' Report and the Independent Auditor's Report for the year ended 30 June 2010 (which are contained in the 2010 Annual Report) will be presented for consideration.

A printed copy of the 2010 Annual Report, or an email advising that the 2010 Annual Report is available on the Qantas website at www.qantas.com.au, has been sent to each shareholder who has requested it.

Following the Consideration of Reports, the Chairman will give shareholders a reasonable opportunity to ask questions about or comment on the management of Qantas.

The Chairman will also give shareholders a reasonable opportunity to ask the Auditor questions relevant to:

- the conduct of the audit;
- the preparation and content of the Independent Auditor's Report;
- the accounting policies adopted by Qantas in relation to the preparation of the financial statements; and
- the independence of the Auditor in relation to the conduct of the audit.

The Chairman will also give the Auditor a reasonable opportunity to answer written questions submitted by shareholders that are relevant to the content of the Independent Auditor's Report or the conduct of the audit. A list of written questions, if any, submitted by shareholders will be made available at the start of the AGM and any written answer tabled by the Auditor at the AGM will be made available as soon as practicable after the AGM.

2. Election of Directors

2.1 Leigh Clifford

Leigh Clifford retires by rotation and, being eligible, offers himself for re-election as an Independent Non-Executive Director.

Leigh Clifford was appointed to the Qantas Board in August 2007 and as Chairman in November 2007.

He is Chairman of the Nominations Committee.

Mr Clifford is a Director of Barclays Bank plc and Bechtel Group Inc. He is Chairman of Bechtel Australia Pty Ltd and the Murdoch Childrens Research Institute, a Senior Advisor to Kohlberg Kravis Roberts & Co and a Board Member of the National Gallery of Victoria Foundation.

Mr Clifford was Chief Executive of Rio Tinto from 2000 to 2007. He retired from the Board of Rio Tinto in 2007 after serving as a Director of Rio Tinto plc and Rio Tinto Limited for 13 and 12 years respectively. His executive and board career with Rio Tinto spanned some 37 years, in Australia and overseas.

The Board believes that Mr Clifford's extensive strategic, operational and management experience has enabled him to make a strong contribution as Qantas' Chairman and to the deliberations of the Board generally.

Mr Clifford says, "It has been a privilege for me to serve as Chairman of one of Australia's most important and iconic companies. I look forward to continuing to make a valuable contribution to Qantas' continued success."

The Directors (with Mr Clifford abstaining) recommend that you vote in favour of this Ordinary Resolution.

2.2 Patricia Cross

Patricia Cross retires by rotation and, being eligible, offers herself for re-election as an Independent Non-Executive Director.

Patricia Cross was appointed to the Qantas Board in January 2004.

She is a Member of the Audit Committee and the Remuneration Committee.

Mrs Cross is a Director of National Australia Bank Limited, JBWere Pty Limited, the Murdoch Childrens Research Institute, the Grattan Institute and the Methodist Ladies College. She is a Member of the Government's Australian Financial Centre Forum and Melbourne University's Advisory Council to the Faculty of Business and Economics.

Mrs Cross was previously a director of Wesfarmers Limited, Chairman of Qantas Superannuation Limited and Deputy Chairman of Victoria's Transport Accident Commission. She has served on a variety of publicly listed, government, university and private company boards.

Prior to becoming a professional company director in 1996, Mrs Cross held senior executive positions with Chase Manhattan Bank, Banque Nationale de Paris and National Australia Bank.

The Board believes that Mrs Cross' considerable experience in the banking and finance industries brings strength to the Board, Audit Committee and Remuneration Committee.

Mrs Cross says, "Since I last stood for re-election the Qantas team has successfully dealt with substantial challenges. The current environment will be even more testing, and I hope to be able to continue to make a contribution based on my executive financial background as well as my wide range of board experience."

The Directors (with Mrs Cross abstaining) recommend that you vote in favour of this Ordinary Resolution.

2.3 Paul Rayner

Paul Rayner retires by rotation and, being eligible, offers himself for re-election as an Independent Non-Executive Director.

Paul Rayner was appointed to the Qantas Board in July 2008.

He is a Member of the Audit Committee and Safety, Health, Environment & Security Committee.

Mr Rayner is a Director of Boral Limited and Centrica plc. He also serves as Chairman of Boral's and Centrica's Audit Committees.

From 2002 to 2008, Mr Rayner was Finance Director of British American Tobacco plc, based in London. Mr Rayner joined Rothmans Holdings Limited in 1991 as its Chief Financial Officer and held other senior executive positions within the Group, including Chief Operating Officer of British American Tobacco Australasia Limited from 1999 to 2001.

Previously Mr Rayner worked for 17 years in various finance and project roles with General Electric, Rank Industries and the Elders IXL Group.

The Board believes that Mr Rayner's significant financial, operational and international experience enables him to make a valuable contribution to the Board, Audit Committee and Safety, Health, Environment & Security Committee.

Mr Rayner says, "I am privileged to serve as a Director of Qantas, where my skills in consumer marketing and finance and my extensive international business experience, should enable me to serve shareholders well."

The Directors (with Mr Rayner abstaining) recommend that you vote in favour of this Ordinary Resolution.

2010 Annual General Meeting

3. Participation of the Chief Executive Officer, Alan Joyce, in the Long Term Incentive Plan

Under ASX Listing Rule 10.14, shareholder approval is not required where the Chief Executive Officer (CEO) acquires securities under an employee equity incentive plan and those securities are acquired on-market.

While it is the Board's current intention that all shares to be awarded to the CEO will be purchased on-market, shareholder approval of Mr Joyce's participation in the Long Term Incentive Plan (LTIP) for the 2010/2011 financial year (2010 Grant) is being sought regardless.

The LTIP reward opportunity for the CEO has been set at 80% of Fixed Annual Remuneration (FAR) to reflect a target annual total reward opportunity at around median for S&P/ASX50 CEOs.

During 2009/2010, the Qantas Board performed a review of the LTIP and in June 2010, the Board adopted the new LTIP. The changes made to the LTIP include:

- changing the performance hurdles under the LTIP, by introducing an additional Total Shareholder Return (TSR) measure to assess Qantas TSR performance against a basket of Global Airlines; and
- seeking shareholder approval each year for LTIP awards to the CEO.

A brief overview of the 2010 Grant to Mr Joyce is set out below. Further details of Mr Joyce's remuneration package are set out in the Remuneration Report on pages 33 to 44 of the 2010 Annual Report.

Maximum Entitlement under 2010 Grant

Subject to shareholder approval, Mr Joyce will be granted 1,084,000 Performance Rights (Rights). Each Right entitles Mr Joyce, upon vesting, to one fully paid Qantas ordinary share.

The number of Rights to be granted has been calculated as follows:

- Mr Joyce's 2010/2011 FAR of \$2,060,000, multiplied by;
- Mr Joyce's Target LTIP award of 80% of FAR, divided by;
- the fair value of the Right of \$1.52.

The fair value of the Right was determined from a valuation performed by PricewaterhouseCoopers, in accordance with AASB 2 Share-based Payment as at 11 August 2010 (being the date the Qantas Board resolved to seek shareholder approval for this award).

Grant Date of Rights

If shareholder approval is obtained, the Rights will be granted to Mr Joyce no later than 30 days after the date of the AGM.

Performance Period

The performance period is three years. For the 2010 Grant, the performance period commences on 1 July 2010 and ends on 30 June 2013 (Performance Period).

Performance Conditions

The Rights are subject to two performance hurdles:

a) Companies with Ordinary Shares included in the S&P/ASX100 Index

Up to one-half of the total number of Rights granted to the CEO may vest based on the relative growth in the TSR of Qantas in comparison to the S&P/ASX100 Index as follows:

Qantas TSR Performance Compared to the S&P/ASX100	Satisfaction of Performance Hurdle
0 to 49th percentile	Nil
50th to 74th percentile	Linear scale: 50% to 99% satisfied
75th to 100th percentile	100% satisfied

b) Basket of Global Listed Airlines

Up to one-half of the total number of Rights granted to the CEO may vest based on the relative growth in the TSR of Qantas in comparison to the basket of Global Listed Airlines selected by the Board as follows:

Qantas TSR Performance Compared to the Airline Basket	Satisfaction of Performance Hurdle
0 to 49th percentile	Nil
50th to 74th percentile	Linear scale: 50% to 99% satisfied
75th to 100th percentile	100% satisfied

The basket of Global Listed Airlines was selected with regard to financial standing, level of government involvement and is representative of Qantas' key competitor markets. The basket of Global Listed Airlines contains both full service and value based airlines and is as follows:

- Air France/KLM
- Air New Zealand
- AMR Corp
- British Airways
- Cathay Pacific
- Delta/Northwest Airlines
- Lufthansa
- Ryanair
- Easyjet
- Singapore Airlines
- Southwest Airlines
- Tiger Airways
- Virgin Blue

Price on Grant or Vesting

No amount will be payable in respect of the grant or upon vesting of the Rights.

Further Trading Restrictions

Shares allocated on vesting of the Rights will not be subject to additional trading restrictions on dealing (aside from complying with the Qantas Employee Share Trading Policy).

Cessation of Employment

If Mr Joyce ceases employment before the Rights vest by reason of:

- resignation, termination for cause or termination in circumstances the Board determines are related to his performance, all unvested Rights will lapse; or
- redundancy, ill health, death or other circumstances acceptable to the Board, the Board has a discretion to determine that a number of Rights do not lapse (having regard to the part of the Performance Period which has elapsed) and will be tested against the performance conditions at the end of the Performance Period. The Board may alternatively determine that an equivalent cash payment (rather than an allocation of shares on vesting) be made to Mr Joyce at the end of the Performance Period.

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Other Information

Mr Joyce is the only Qantas Director entitled to acquire Rights.

At the 2008 AGM shareholders approved awards of rights to Mr Joyce under the discontinued Performance Rights Plan and awards of shares under the discontinued Performance Share Plan. The remaining rights and shares under this approval will not be awarded. The Directors who have been eligible to participate in Qantas' equity incentive plans since the last approval was sought from shareholders are as follows:

- 500,000 rights were granted to Mr Joyce under the discontinued Performance Rights Plan following shareholder approval at the 2008 AGM;
- 180,000 rights were granted to Mr Colin Storrie, the former Chief Financial Officer, under the discontinued Performance Rights Plan following shareholder approval at the 2008 AGM. These rights were subsequently forfeited;
- 1,166,000 shares were granted to Mr Joyce on 12 August 2010 under the Short Term Incentive Plan (STIP). The Board determined that no cash award would be made under the 2009/10 STIP and that the award to the CEO would be delivered entirely as deferred shares under the Terms and Conditions of the STIP. The shares will be held on trust on behalf of the CEO until the end of a restriction period of one year for half the shares and two years for the remaining half of the shares. The acquisition price for the purchase of these shares was \$2.47;
- 173,363 shares were granted to Mr Joyce on 19 August 2009 under the discontinued Performance Share Plan. The acquisition price for the purchase of these shares was \$2.65; and
- 57,270 shares were granted to Mr Storrie on 19 August 2009 under the discontinued Performance Share Plan. The acquisition price for the purchase of these shares was \$2.65. These shares were forfeited by Mr Storrie on termination.

The rights and shares were granted at no cost to Mr Joyce or Mr Storrie.

Voting on Ordinary Resolution 3

Qantas will disregard any votes cast on Ordinary Resolution 3 by Mr Joyce and his associates, except as directed by any proxies.

The Directors (with Mr Joyce abstaining) recommend that you vote in favour of this Ordinary Resolution.

4. Remuneration Report

The 2010 Remuneration Report is contained in the Directors' Report set out from page 33 of the 2010 Qantas Annual Report.

The Report:

- explains Qantas' Executive Remuneration Philosophy and Objectives and the link between the remuneration of employees and Qantas' performance;
- sets out remuneration details for each Director and for each named Executive; and
- makes clear that the basis for remunerating Non-Executive Directors is distinct from the basis for remunerating Executives, including Executive Directors.

The Chairman will give shareholders a reasonable opportunity to ask questions about or comment on the Remuneration Report. An Advisory Resolution that the Remuneration Report is adopted will then be put to shareholder vote.

While there is no legal requirement to abstain from voting, Qantas believes it is appropriate that neither the Directors, the named Executives nor their associates should vote their shares on this Advisory Resolution, except as directed by any proxies.

The Directors recommend that you vote in favour of this Advisory Resolution.

5. Amendments to the Constitution

The Directors are proposing that the Qantas Constitution be amended in the manner set out in the Notice of Meeting and as summarised below:

- the Board believes it is no longer appropriate for there to be a continuing requirement that the Chief Financial Officer also be a Qantas Director. To allow greater flexibility in the selection and the appointment of directors and the Chief Financial Officer, the Board proposes to delete this requirement; and
- a minor change is proposed to reflect the current registered name of the Australian Securities Exchange.

If you have any questions relating to any issue to be considered at the AGM, please call me on +61 2 9691 4262 prior to the AGM.

Yours sincerely



Cassandra Hamlin
Company Secretary

ENCLOSURES

Enclosed with this letter are:

- i. the Notice of Meeting;
- ii. a Proxy Form to be completed if you would like to be represented at the AGM by proxy. An electronic proxy facility is also available to shareholders via the Qantas website, www.qantas.com.au/travel/airlines/investors-annual-meetings/global/en
- iii. an AGM Question Form to be completed if you would like a specific question to be addressed by the Chairman or Auditor at the AGM; and
- iv. a reply paid envelope for you to return either or both the Proxy Form and AGM Question Form.

Notice of Annual General Meeting

Qantas Airways Limited ABN 16 009 661 901

Notice is given that the Annual General Meeting of Qantas Airways Limited will be held:

Date: Friday, 29 October 2010

Time: 11:00am

Venue: Banquet Room, Adelaide Festival Centre,
King William Road, Adelaide

Please refer to the enclosed map.

BUSINESS

1. Consideration of Reports

To receive and consider the Financial Report, the Directors' Report and the Independent Auditor's Report of Qantas Airways Limited for the financial year ended 30 June 2010.

2. Election of Directors

2.1 Leigh Clifford

To consider and, if thought appropriate, pass the following Ordinary Resolution:

"That, Leigh Clifford, a Non-Executive Director retiring in accordance with the Constitution, being eligible, is re-elected as a Non-Executive Director of Qantas Airways Limited."

2.2 Patricia Cross

To consider and, if thought appropriate, pass the following Ordinary Resolution:

"That, Patricia Cross, a Non-Executive Director retiring in accordance with the Constitution, being eligible, is re-elected as a Non-Executive Director of Qantas Airways Limited."

2.3 Paul Rayner

To consider and, if thought appropriate, pass the following Ordinary Resolution:

"That, Paul Rayner, a Non-Executive Director retiring in accordance with the Constitution, being eligible, is re-elected as a Non-Executive Director of Qantas Airways Limited."

3. Participation of the Chief Executive Officer, Alan Joyce, in the Long Term Incentive Plan

To consider and, if thought appropriate, pass the following Ordinary Resolution:

"That Alan Joyce, the Chief Executive Officer, is permitted to participate in the Qantas Long Term Incentive Plan as is contemplated by the explanatory letter accompanying the 2010 Notice of Meeting."

4. Remuneration Report

To consider and, if thought appropriate, pass the following Advisory Resolution:

"That the Remuneration Report for the year ended 30 June 2010 (set out in the Directors' Report) is adopted."

5. Amendments to the Constitution

To consider and, if thought appropriate, pass the following Special Resolution:

"That, the Constitution of Qantas Airways Limited is amended as follows:

- replace the words "Australian Stock Exchange Limited" with "ASX Limited" in the definition of "Exchange";
- delete clause 7.3 – relating to the Chief Financial Officer; and
- delete the words "Chief Financial Officer" in clause 7.6(a)."

Dated: 22 September 2010

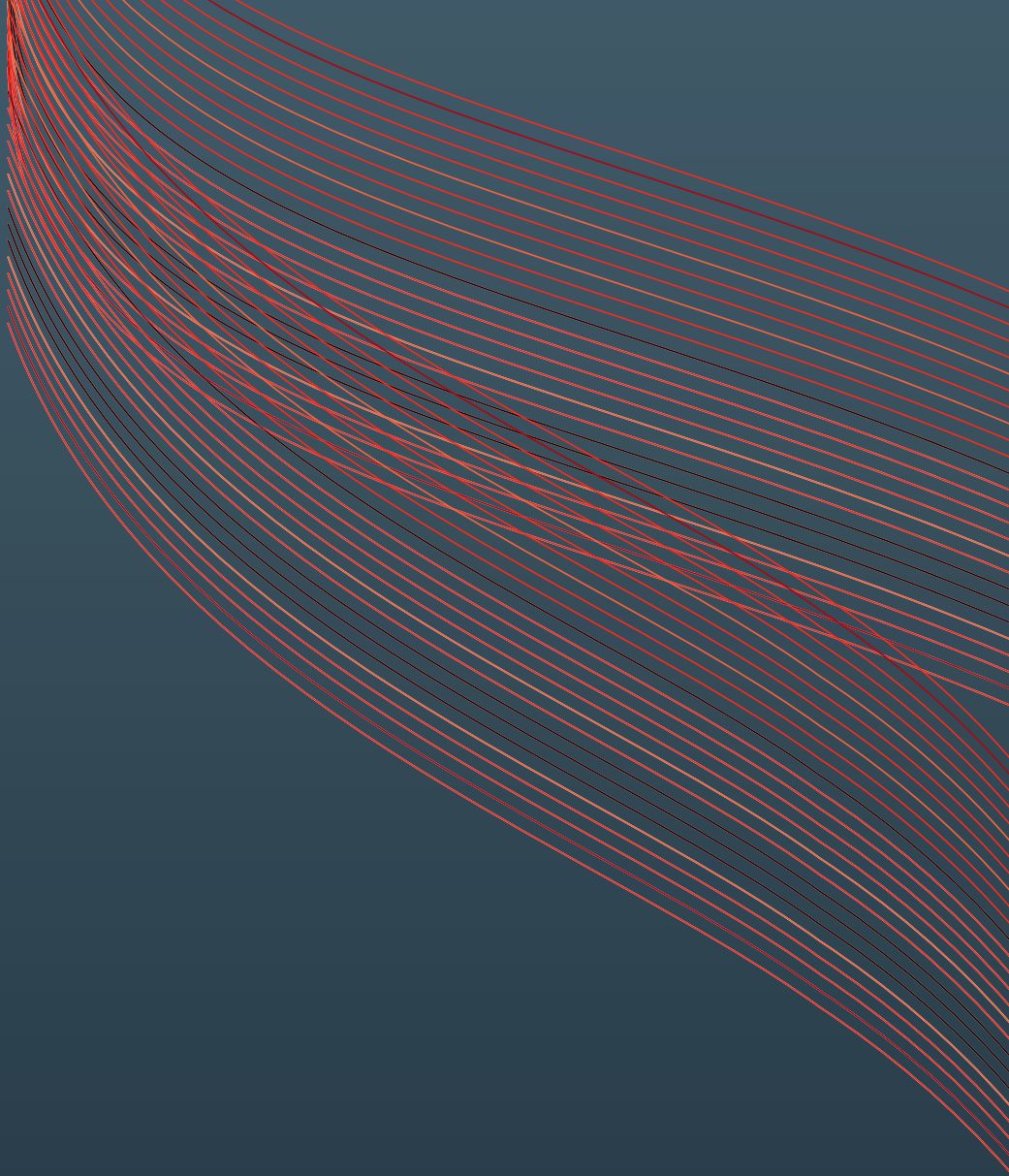
By Order of the Board



Cassandra Hamlin
Company Secretary

Notes

1. A shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Shareholders can appoint a body corporate as well as an individual as their proxy. A body corporate may appoint an individual as its representative to exercise any of the powers the body may exercise at general meetings of Qantas or in the capacity of a shareholder's proxy at general meetings of Qantas. The appointment may be a standing one. Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body could exercise at a general meeting or in voting on a resolution.
2. A shareholder who is entitled to cast two or more votes may appoint two proxies and may state on the Proxy Form what proportion or number of the shareholder's votes each proxy is being appointed to exercise. If a shareholder appoints two proxies and does not specify the proportion or number of votes each proxy may exercise, each of the proxies may exercise half the shareholder's votes.
3. If a shareholder has appointed two proxies, if a resolution is decided on a show of hands, only the first person named on the Proxy Form may vote. If two Proxy Forms have been completed, the person whose name is earlier in alphabetical sequence may vote.
4. A proxy need not be a shareholder of Qantas.
5. Either the original, facsimile or electronic transmission of the Proxy Form(s) and any Power of Attorney or authority under which they are signed must be received at least 48 hours prior to the AGM (ie by no later than 11:00am (Australian Central Daylight Time) on Wednesday 27 October 2010) or any adjournment. Any Proxy Form received after this deadline, including at the AGM, will be invalid.
6. A Proxy Form accompanies this Notice of Meeting. You can send your completed and signed Proxy Form by mail in the enclosed reply paid envelope, or by facsimile. Details are shown on the Proxy Form.
7. Additional Proxy Forms will be supplied by Qantas' Share Registry, Link Market Services, on request.
8. An electronic proxy facility is also available to Shareholders via the Qantas website, <http://www.qantas.com.au/travel/airlines/investors-annual-meetings/global/en>
9. If a corporate representative is to attend the AGM on behalf of a corporation, a formal Notice of Appointment must be brought to the AGM.
10. In accordance with Regulation 7.11.37 of the Corporations Regulations, the Board has determined that a person's entitlement to vote at the AGM will be the entitlement of that person set out in the register of shareholders as at 7:00pm (Australian Eastern Daylight Time) on Wednesday 27 October 2010. Accordingly, transactions registered after that time will be disregarded in determining shareholders entitled to attend and vote at the AGM.
11. If you wish a question to be put to the Chairman or Auditor and you are not able to attend the AGM, please complete the AGM Question Form which accompanies this Notice of Meeting.
12. Either the original or a facsimile transmission of the AGM Question Form must be received at least five business days prior to the AGM (ie by no later than 5:00pm (Australian Eastern Daylight Time) on Friday 22 October 2010) or any adjournment. This is to allow time to collate questions and to prepare answers.



Qantas Airways Limited
ABN 16 009 661 901