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ASX RELEASE

REX HEDGES 2ND HALF FY19 JET FUEL REQUIREMENT

Regional Express (Rex) has announced that it has fully hedged its fuel requirement for 2H FY 19 with the recent sharp reduction in Brent oil prices to below USD60 per barrel.

The hedged price represents a reduction of 15% on the average fuel price for 1H FY19 (which was totally unhedged) and would see a reduction in 2H FY19 fuel cost of \$2.3M if fuel had to be purchased at the same average price as the first half.

Regional Express is Australia's largest independent regional airline operating a fleet of more than 50 Saab 340 aircraft on some 1,500 weekly flights to 60 destinations throughout all states in Australia. In addition to the regional airline Regional Express, the **Rex Group** comprises wholly owned subsidiaries **Pel-Air Aviation** (air freight and charter operator) and the **Australian Airline Pilot Academy**.

