

Dear Former Employee

Payment of Sixth Dividend

We are pleased to announce the distribution of a sixth dividend of \$76.9 million to former Ansett employees and to the Commonwealth. Employees will receive \$46.9 million being 30% of their balance currently outstanding.

The payments will be credited to employees' bank accounts electronically next Thursday 7 September 2006, but may take up to three days to receive.

Statements will also be issued to every employee who receives a dividend detailing the amount paid. Any queries may be directed to us via the methods detailed at Appendix 1.

Including the sixth dividend, employees will have received \$650.5 million of the \$760 million owed to them.

Pooling Meetings

The meetings of creditors took place today. Ansett Group creditors approved pooling resolutions across 40 of the Ansett Group companies and trusts. The Ansett Group has now been pooled in its entirety.

Pooling is a shorthand way of describing the legal process which enables the assets and liabilities of some or all of the companies in an insolvent group of related companies to be merged into one of those companies, thereby simplifying the administration of the insolvent group of related companies.

The pooling of the 40 Ansett Group companies and trusts together with further asset sales has made payment of the sixth dividend possible.

Further Dividends

Further to the successful pooling application, Ansett continues to sell off the spare parts inventory and the remaining assets. Currently there is in excess of 9 million units of inventory across 217,000 line items to be sold, four aircraft and two remaining properties.

Further dividends will be paid over the next one to two years dependent on further asset realisations.



Mark Korda
Joint Deed Administrator



Mark Mentha
Joint Deed Administrator

APPENDIX 1 TO EMPLOYEE UPDATE 47

METHODS TO CONTACT ADMINISTRATOR WITH EMPLOYEE QUERIES

Email: employeehotline@ansett.com.au [preferred]

[please include your name and employee number in the subject line]

Mail: Employee Hotline
Ansett Australia
PO Box 362F
Melbourne 3001

Fax: (03) 8600 8433

Phone: **1800 151 604** This employee hotline operates from 8am to 4pm Monday to Friday. The hotline can assist with all dividend and redundancy queries, change of details and general enquiries. This line is staffed by Ansett employees and is often very busy so it may be difficult to get through. Please leave a message at the prompts, and staff will return your call.