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21 September 2022

ASX RELEASE

Retail Entitlement Offer – Letter to Ineligible Securityholders

Atlas Arteria (**ASX:ALX**) will today despatch the attached letter to ineligible securityholders in relation to the retail component of its pro-rata accelerated non-renounceable entitlement offer announced on 14 September 2022 (**Retail Entitlement Offer**).

Securityholders can call the ALX Offer Information Line on 1800 267 108 (from within Australia) or +61 3 9415 4053 (from outside Australia) between 8.30am and 5.00pm (Melbourne time) weekdays for more information in relation to the Retail Entitlement Offer.

For further information please contact:

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This announcement has been authorised for release by Clayton McCormack, General Counsel and Company Secretary.

About Atlas Arteria

Atlas Arteria (ASX:ALX) is a global owner, operator and developer of toll roads, creating value for our investors over the long-term through considered and disciplined management. The roads we own, operate and develop benefit communities through reduced travel time, greater time certainty, reduced fuel consumption and carbon emissions.

Today the Atlas Arteria Group consists of four businesses. We currently own a 31.14% interest in the APRR toll road group in France. Adjacent to the APRR business is the smaller ADELAC business which connects to APRR in south-east France. Together APRR and ADELAC comprise a 2,406km motorway network located in the East and South East of France. In the US, we have 100% of the economic interest in the Dulles Greenway, a 22km toll road in the Commonwealth of Virginia. In Germany, we own 100% of the Warnow Tunnel in the north-east city of Rostock.

www.atlasarteria.com

Important Notices and Disclaimer

Not for release or distribution in the United States

This communication does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Rule 902(k) under the U.S. Securities Act) (**U.S. Person**), or in any other jurisdiction in which such an offer would be illegal. The stapled securities of Atlas Arteria (**Stapled Securities**) have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States. In addition, neither of the Atlas Arteria entities has been, or will be, registered under the U.S. Investment Company Act of 1940, as amended (**U.S. Investment Company Act**), in reliance on the exception from the definition of "investment company" provided by Section 3(c)(7) thereof. Accordingly, for purposes of the U.S. Investment Company Act. Accordingly, the new Stapled Securities to be offered and sold in the Retail Entitlement Offer may only be offered and sold outside the United States to persons that are not U.S. Persons and that are not acting for the account or benefit of U.S. Persons in compliance with "category 2" of Regulation S and the laws of the jurisdiction in which such securities are offered and sold.

For purposes of the U.S. Investment Company Act, the Stapled Securities of Atlas Arteria may not be held at any time by a person that is in the United States or that is a U.S. Person or acting for the account or benefit of a U.S. Person that, in each case, is not a "qualified purchaser" (as defined in Section 2(a)(51) of the U.S. Investment Company Act and the rules and regulations thereunder) (**QP**) at the time of the acquisition of the Stapled Securities. Any U.S. Person that is not a QP (or any investor who holds Stapled Securities for the account or benefit of any U.S. Person that is not a QP) is an "Excluded U.S. Person" and may not hold Stapled Securities. Atlas Arteria may require investors to complete a statutory declaration as to whether they (or any person on whose account or benefit they hold Stapled Securities) are an Excluded U.S. Person. Atlas Arteria may treat any investor who does not comply with such a request as an Excluded U.S. Person. Atlas Arteria has the right to: (i) refuse to register a transfer of Stapled Securities to any Excluded U.S. Person; or (ii) require any Excluded U.S. Person to dispose of their Stapled Securities, and, if the Excluded U.S. Person does not do so within 30 business days, require the Stapled Securities be sold by a nominee appointed by Atlas Arteria. To monitor compliance with these foreign ownership restrictions, the ASX's settlement facility operator (**ASTC**) has classified the New Stapled Securities as Foreign Ownership Restricted financial products and designated the New Stapled Securities as "FOR – Excluded U.S. Person", and has put in place certain additional monitoring procedures.

The New Stapled Securities may only be resold or transferred in regular brokered transactions on the ASX where neither the seller nor any person acting on its behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person that is in the United States or that is a U.S. Person or acting for the account or benefit of a U.S. Person, in each case in compliance with "category 2" of Regulation S under the U.S. Securities Act.

Eligibility of investors

Investors acknowledge and agree that determination of eligibility of investors for the purposes of the Retail Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Atlas Arteria and / or Royal Bank of Canada (trading as RBC Capital Markets) and UBS Securities Australia Limited (the **Lead Managers**). Each of ATLAX, ATLIX and the Lead Managers and their respective related entities and affiliates, and each of their respective securityholders, directors, officers, employees, partners, agents and advisers, disclaim any duty or liability (including for fault or negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law.

Disclaimer

The Lead Managers may rely on information provided by or on behalf of institutional investors in connection with managing, conducting and underwriting the Retail Entitlement Offer without having independently verified that information and the Lead Managers do not assume responsibility for the currency, accuracy, reliability or completeness of that information. Neither ATLAX or ATLIX, nor the Lead Managers, intend that any of them act or be responsible as a fiduciary to any securityholders of ALX, any participant in the Retail Entitlement Offer, or any other person. Each investor acknowledges and agrees that it, ATLAX, ATLIX and each of the Lead Managers expressly disclaim any fiduciary relationship. Each investor agrees that it is responsible for making its own independent judgement with respect to any investment decision and any other matter arising in connection with this communication or the Retail Entitlement Offer, and that there is no duty of care owed to any securityholder of ALX, any participant in the Retail Entitlement Offer, or any other person.



ALX

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21 September 2022

Dear Securityholder

**Atlas Arteria Limited and Atlas Arteria International Limited Entitlement Offer –
Notification to Ineligible Securityholders**

Delivering on strategy and building a platform for continuing growth

On 13 September 2022, Atlas Arteria Limited (ACN 141 075 201) and Atlas Arteria International Limited (ARBN 141 528 841) (together, “**Atlas Arteria**”) executed agreements to acquire a 66.7% interest in the Chicago Skyway Toll Bridge in Chicago, Illinois, USA (“**Chicago Skyway**”) (via the acquisition of 66.67% of the issued shares in Calumet Concession Partners Inc. (“**CCP**”) and two promissory notes issued by CCP) (“**Acquisition**”).

The Acquisition marks an important milestone in the execution of Atlas Arteria’s strategy and extending the average concession life of ALX’s portfolio. Chicago Skyway is an essential brownfield toll road with an attractive tolling regime that provides two-year forward-looking toll escalation predictability, a link to inflation and upside exposure to US economic growth.

The Acquisition is value accretive for securityholders as it delivers an internal rate of return exceeding Atlas Arteria’s current risk adjusted cost of equity. Cash flows from the existing portfolio and Chicago Skyway are expected to provide for long term sustainable distributions.

The Acquisition, once completed, will provide the following key strategic to Stapled Securityholders:

- a doubling of Atlas Arteria’s weighted average concession life from 18 to 37 years*;
- high cash flow predictability, with approximately 19% tolling escalation over the next two years;

* Weighted by Equity Value; Remaining concession life calculated as at 11 September 2022.

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- growing operating cash flows with periodic capital releases from Chicago Skyway to provide for long-term sustainable distributions;
- financial, geographical, currency and distributions diversification to Atlas Arteria's portfolio; and
- supports Atlas Arteria's growth as a global owner, operator and developer of toll roads.[†]

The Acquisition is subject to conditions precedent including clearance under the Hart-Scott-Rodino Antitrust Improvement Act of 1976 and City of Chicago and the Federal Communications Commission approvals, with completion expected to occur by the end of 2022.[‡]

Equity raising to fund the Acquisition

On 14 September 2022, Atlas Arteria Limited announced a capital raising by way of a fully underwritten 1 for 1.95 accelerated non-renounceable pro rata entitlement offer ("**Entitlement Offer**") of new stapled securities ("**New Securities**") (to raise approximately A\$3,098 million) at an offer price of A\$6.30 per New Security.

Atlas Arteria intends to use the proceeds for the following purposes:

- fund the Acquisition price;
- fund the transaction costs associated with the Entitlement Offer and Acquisition; and
- to meet Acquisition completion adjustments and other transaction requirements.

The Entitlement Offer comprises an institutional entitlement offer ("**Institutional Entitlement Offer**") and an offer to Eligible Retail Securityholders (as defined below) to participate on the same terms ("**Retail Entitlement Offer**"). The Entitlement Offer is being made pursuant to section 708AA of the *Corporations Act 2001* (Cth) ("**Corporations Act**") (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84, which allows entitlement offers to be made without a prospectus. The Institutional Entitlement Offer has already completed and the results were announced to the Australian Securities Exchange ("**ASX**") on 16 September 2022.

The Entitlement Offer is fully underwritten by Royal Bank of Canada (trading as RBC Capital Markets ("**RBC**")) and UBS Securities Australia Limited ("**UBS**") (together, the "**Lead Managers**").[§]

This letter is to inform you about the Retail Entitlement Offer and to explain why you will not be able to subscribe for New Securities under the Retail Entitlement Offer. This letter is not an offer to issue entitlements or New Securities to you, nor an invitation for you to apply for entitlements or New Securities. **You are not required to do anything in response to this letter but there may be financial implications for you as a result of the Entitlement Offer that you should be aware of.**

[†] For further information, refer to the investor presentation entitled "Acquisition of Majority Interest in Chicago Skyway" lodged on ASX on 14 September 2022.

[‡] For further information in relation to the conditions to completion of the Acquisition, refer to the investor presentation entitled "Acquisition of Majority Interest in Chicago Skyway" lodged on ASX on 14 September 2022.

[§] The Underwriting Agreement between Atlas Arteria and the Lead Managers is subject to conditions precedent, restructure and termination events, representations and warranties customary for a transaction of this nature.

Details of the Retail Entitlement Offer

The Retail Entitlement Offer is being made to Eligible Retail Securityholders (as defined below) on the basis of 1 New Securities for every 1.95 existing stapled securities held at 7.00pm (Melbourne time) on Friday, 16 September 2022 ("**Record Date**"). Documents relating to the Retail Entitlement Offer were lodged with the ASX on Wednesday, 21 September 2022 and are being mailed to Eligible Retail Securityholders.

Eligibility criteria

Atlas Arteria has determined, pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules and section 9A(3)(a) of the Corporations Act, that it would be unreasonable to make offers to securityholders in countries other than Australia and New Zealand in connection with the Retail Entitlement Offer having regard to:

- (a) the relatively small number of securityholders in each of those countries ("**Ineligible Retail Securityholders**");
- (b) the number and value of securities which would be offered to Ineligible Retail Securityholders if they were Eligible Retail Securityholders (defined below); and
- (c) the potential costs of complying with the legal requirements, and the requirements of regulatory authorities, in the respective overseas jurisdictions of those Ineligible Retail Securityholders.

Securityholders who are eligible to participate in the Retail Entitlement Offer ("**Eligible Retail Securityholders**") are securityholders who:

- were registered as a holder of securities as at 7.00pm (Melbourne time) on Friday, 16 September 2022 (the "**Record Date**");
- have a registered address in Australia or New Zealand as listed on Atlas Arteria's security register at 7.00pm (Melbourne time) on the Record Date (or Atlas Arteria has otherwise determined that a securityholder is eligible to participate);
- are not in the United States and are not a "U.S. person" (as defined in Regulation S under the U.S. Securities Act of 1933 ("**U.S. Securities Act**") ("**U.S. Person**") and are not acting for the account or benefit of a U.S. Person;
- did not receive an invitation or an offer to participate in (other than as a nominee in respect of other underlying holdings) the Institutional Entitlement Offer, were not institutional securityholders invited to participate under the Institutional Entitlement Offer (other than as a nominee); and
- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer without any requirement for a prospectus or offer document to be lodged or registered (other than such a requirement which Atlas Arteria is willing to comply with).

Securityholders who are not Eligible Retail Securityholders are Ineligible Retail Securityholders and are consequently unable to participate in the Retail Entitlement Offer.

Atlas Arteria may (at its absolute discretion) extend the Retail Entitlement Offer to certain securityholders in foreign jurisdictions who did not participate in the institutional component of the Entitlement Offer (subject to compliance with applicable laws).

Not eligible

Unfortunately, Atlas Arteria has determined that you do not satisfy the eligibility criteria for an Eligible Retail Securityholder stated above. Accordingly, Atlas Arteria wishes to advise you that it will not be extending the Retail Entitlement Offer to you and you will not be able to subscribe for New Securities under the Retail Entitlement Offer. You will also not be sent the retail offer document relating to the Retail Entitlement Offer.

As the Retail Entitlement Offer is non-renounceable, you will not receive any payment or value for entitlements in respect of any New Securities that would have been offered to you if you were eligible to participate in the Retail Entitlement Offer. New Securities equivalent to the number of New Securities you would have been entitled to if you were an Eligible Retail Securityholder will be allocated to the Lead Managers or to persons from whom the Lead Managers have procured subscriptions for New Securities, pursuant to the underwriting arrangements between Atlas Arteria and the Lead Managers, or to Eligible Retail Securityholders that participate in the oversubscription facility.

Further information

If you have any questions in relation to any of the above matters, please contact the Atlas Arteria Offer Information Line on 1800 267 108 (within Australia) or +61 3 9415 4053 (outside Australia) between 8:30am and 5:00pm (Melbourne time) Monday to Friday between Wednesday, 21 September 2022 and Thursday, 6 October 2022. For other questions, you should contact your stockbroker, accountant, taxation advisor, financial adviser or other professional adviser.

On behalf of the Boards and management of Atlas Arteria, thank you for your continued support.

Yours sincerely



Clayton McCormack
General Counsel and Company Secretary

Important Notices and Disclaimer

This letter is issued by Atlas Arteria (ASX: ALX). This letter is not a prospectus or offering document under Australian law or under any other law. This letter is to inform you about the Retail Entitlement Offer only. It is neither an offer to issue securities to you, nor an invitation or recommendation for you to retain or apply for New Securities. You are not required to do anything in response to this letter.

Determination of eligibility of investors for the purposes of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints, and the discretion of Atlas Arteria and the Lead Managers. Atlas Arteria, the Lead Managers and each of their respective affiliates and related bodies corporate and each of their respective directors, officers, partners, employees, representatives, agents, consultants, contractors and advisers disclaim any duty or liability (including for fault or negligence) in respect of any determination as to eligibility and the exercise or otherwise of that discretion, to the maximum extent permitted by law.

Neither Atlas Arteria, nor the Lead Managers, intend that any of them act or be responsible as a fiduciary to any securityholders of Atlas Arteria, any participant in the Entitlement Offer or any other person. You acknowledge and agree that you, Atlas Arteria and each of the Lead Managers expressly disclaim any fiduciary relationship. You agree that you are responsible for making your own independent judgement with respect to any investment decision and any other matter arising in connection with the Entitlement Offer, and that there is no duty of care owed to any securityholder of Atlas Arteria, any participant in the Entitlement Offer or any other person.

The Retail Entitlement Offer is not available to securityholders that are in the United States or that are U.S. Persons or that are acting for the account or benefit of persons in the United States or U.S. Persons. In particular, the New Securities have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States. In addition, neither of the Offerors has been, or will be, registered under the U.S. Investment Company Act of 1940, as amended (the “**U.S. Investment Company Act**”). Accordingly, the New Securities may not be offered or sold in the Retail Entitlement Offer, directly or indirectly, to persons in the United States or to, or for the account or benefit of, U.S. Persons.

In addition, investors should note that Atlas Arteria stapled securities cannot be held at any time by, or for the account or benefit of, any U.S. Person who is not a “qualified purchaser” (as defined under Section 2(a)(51) of the U.S. Investment Company Act and the rules and regulations thereunder) (a “QP”) at the time of acquisition of the stapled securities. Any U.S. Person that is not a QP, or any investor acting for the account or benefit of any U.S. Person that is not a QP, is an “**Excluded U.S. Person**” and may not hold Atlas Arteria stapled securities. Atlas may require an investor to complete a statutory declaration as to whether they (or any person on whose account or for whose benefit it holds Atlas Arteria stapled securities) are an Excluded U.S. Person. Atlas Arteria may treat any investor who does not comply with such a request as an Excluded U.S. Person. Atlas Arteria has the right to: (i) refuse to register a transfer of stapled securities to any Excluded U.S. Person; or (ii) require any Excluded U.S. Person to dispose of their stapled securities, and, if the Excluded U.S. Person does not do so within 30 business days, require the stapled securities be sold by a nominee appointed by Atlas Arteria. To monitor compliance with these foreign ownership restrictions, the ASX's settlement facility operator (ASTC) has classified Atlas Arteria's stapled securities as Foreign Ownership Restricted financial products and designated the Securities as “FOR – Excluded U.S. Person”, and has put in place certain additional monitoring procedures.

The provision of this document is not, and should not be considered as, financial product advice. The information in this document is general information only, and does not take into account your individual objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your accountant, tax advisor, stockbroker or other professional advisor.

Future performance

This announcement contains certain "forward-looking statements". The words "expect", "should", "could", "may", "predict", "outlook", "foresee", "guidance", "plan", "estimate", "anticipate", "aim", "intend", "believe", "projection", "forecast", "target", "consider" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance and the outcome of the Equity Raising and the use of the proceeds are also forward-looking statements, as well as statements about market and industry trends, which are based on interpretations of current market conditions. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, elements of subjective judgement and assumptions, contingencies and other factors (including those described in the key risks section of the investor presentation released on ASX on the same date as this announcement), many of which are beyond the control of Atlas Arteria and its related bodies corporate and affiliates and each of its securityholders, directors, officers, employees, partners, agents and advisers ("**Beneficiaries**"), that may change without notice, and that may cause actual results or performance of Atlas Arteria to differ materially from those predicted or implied by any forward-looking statements. Such forward-looking statements speak only as of the date of this announcement. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. You are cautioned not to place undue reliance on forward-looking statements and neither Atlas Arteria nor its Beneficiaries assume any obligation to update such information. Such forward-looking statements should be considered in light of these disclosures. Investors are strongly cautioned not to place undue reliance on forward-looking statements, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the COVID pandemic and geopolitical tensions such as the Russian-Ukrainian War. Neither Atlas Arteria, nor any other person, gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this presentation will actually occur. No representation, warranty or assurance (express or implied) is given or made by any person in relation to any forward-looking statement (including by Atlas Arteria or any of its advisers).