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15 July 2010

ASX RELEASE

Intoll Receives Non Binding Proposal from CPPIB

Intoll advise that Canada Pension Plan Investment Board (CPPIB) has submitted an indicative, non-binding and conditional proposal (the Proposal) to acquire the entire issued capital of Intoll for a current equivalent of A\$1.535 per Intoll stapled security¹ via Schemes of Arrangement.

Mr Paul McClintock, Chairman of Intoll said today, "The Directors of Intoll have not formed a view as to the adequacy of the Proposal and accordingly recommend that Intoll security holders take no action at this time.

"Intoll and CPPIB have entered into a Confidentiality Agreement pursuant to which CPPIB has been granted access to information to progress its due diligence on Intoll for a period of approximately three weeks from today. During this period, the Boards will engage with CPPIB in order to determine whether an acceptable transaction can be agreed and put to security holders," Mr McClintock said.

Intoll notes that movements in the AUD/CAD exchange rates will have an impact on the current Proposal up to the time that any implementation agreement is executed. There is no guarantee that:

- discussions between Intoll and CPPIB will lead to a formal, binding proposal by CPPIB for the acquisition of all of Intoll's stapled securities, or the execution of an implementation agreement, or
- any final price will be equal to the current equivalent A\$ cash price per Intoll stapled security under the current Proposal, or
- any such proposal would be recommended by the Directors of Intoll, or
- any such proposal would be on the same terms and conditions as the current Proposal.

CPPIB has neither sought nor been granted exclusivity in the period prior to execution of any implementation agreement.

¹ The current Proposal cash price will be: AUD \$0.23 plus the Australian dollar equivalent of CAD \$1.186 (having regard to Intoll's stake in 407 ETR which comprises the substantial majority of Intoll's asset value). At the current exchange rate of AUD/CAD 0.9112 the cash price would be A\$1.535. The current Proposal contemplates that the Australian dollar equivalent of CAD \$1.186 is subject to adjustment with exchange rates up and down until the time any implementation agreement is executed, at which time it will be fixed in Australian dollars (as set out in the attached proposal letter from CPPIB).

The transaction, as currently proposed by CPPIB, would provide Intoll security holders with the option of:

- the current equivalent of A\$1.535 per Intoll stapled security¹, or
- one unquoted security issued by one or more newly formed unlisted acquisition entities per Intoll stapled security (the Unlisted Rollover Alternative), or
- a combination of the above alternatives.

The transaction, as currently proposed by CPPIB, is conditional on a number of items including, but not limited to:

- Directors of Intoll unanimously recommending that Intoll security holders vote in favour of the proposed transaction in the absence of a superior transaction and subject to the independent expert opining that the proposed transaction is fair and reasonable and in the best interests of Intoll security holders
- Holders of Intoll stapled securities electing to take up the Unlisted Rollover Alternative in respect of at least 10.01% of Intoll stapled securities
- Satisfactory completion of due diligence and execution of an implementation agreement
- Security holder, Court, FIRB and other necessary regulatory approvals

Intoll will keep Intoll security holders fully informed of any material developments in accordance with its continuous disclosure obligations.

Intoll has appointed UBS as financial adviser and Mallesons Stephen Jaques as legal adviser to assist in the process.

CPPIB's Proposal is attached to this announcement.

For further information please contact:

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15 July 2010

Mr Paul McClintock AO
Chairman
Intoll Group
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Sydney NSW 2000

Dear Paul

This letter sets out the terms of a proposal by Canada Pension Plan Investment Board ("CPPIB") to acquire the entire issued capital of Intoll Group ("Intoll") (the "Proposed Transaction"). The Proposed Transaction incorporates a cash offer of C\$1.186 plus A\$0.230¹, equating to approximately A\$1.535 at an A\$/C\$ exchange rate of 0.9112², for each Intoll stapled security, which represents a significant cash premium to Intoll's recent trading price. An unlisted scrip alternative would also be offered, allowing security holders who wish to retain all or part of their interest in Intoll to do so. We propose that the Proposed Transaction be effected by way of schemes of arrangement to maximise timetable certainty and provide flexibility with respect to consideration alternatives.

CPPIB has undertaken extensive analysis of Intoll's assets over time and we believe that our familiarity with those assets would enable us to quickly complete due diligence and consummate a transaction in a timely manner.

Overview of Proposed Transaction

We propose to provide Intoll security holders with a choice of:

- cash for each Intoll stapled security; or
- one unlisted security in one or more newly formed acquisition entities for each Intoll stapled security ("Unlisted Rollover Alternative"); or
- a combination of the above alternatives.

As noted below under the heading 'Conditions', implementation of the Proposed Transaction would be subject to holders taking up the Unlisted Rollover Alternative in respect of at least 10.01% of Intoll stapled securities.

As you are aware, Intoll's stake in 407 ETR, a Canadian dollar asset, comprises the substantial majority of Intoll's asset value. Accordingly, the Proposed Transaction price comprises both Canadian dollar and Australian dollar components and, in Australian dollar terms, varies with the A\$/C\$ exchange rate.

If the Proposed Transaction proceeds, the cash offer price would be fixed in Australian dollars at the time CPPIB and Intoll execute an implementation agreement to effect the Proposed Transaction (the "Australian Dollar Offer Price"). For illustrative purposes only, and subject to the satisfactory completion of due diligence and execution of a satisfactory implementation agreement:

- If the A\$/C\$ exchange rate is 0.9112 at the time the implementation agreement is executed the Australian Dollar Offer Price would be A\$1.535 for each Intoll stapled security; or

¹ To be reduced by the amount of any dividend or other distribution that is declared or otherwise becomes payable after the date of this letter except for the distribution announced on 21 June 2010.

² The A\$/US\$ exchange rate x US\$/C\$ exchange rate both quoted as "mid-market WM Company 4pm London fix" as referenced on Bloomberg page WMCO on 14 July 2010 (with reference to London time).

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- If the A\$/C\$ exchange rate is not 0.9112 at the time the implementation agreement is executed the Australian Dollar Offer Price would be calculated as:

$$C\$1.186 / A\$/C\$ \text{ reference exchange rate}^3 + A\$0.230$$

for each Intoll stapled security, subject to the requirement that the Australian Dollar Offer Price will only be adjusted from A\$1.535 in increments of A\$0.005 and only if the full incremental adjustment is implied by the calculation.

We believe that the Proposed Transaction represents a compelling value proposition for Intoll security holders. An offer price of A\$1.535 per Intoll stapled security represents:

- a 37.7% premium to the Intoll stapled security price at the close of trade on 14 July 2010 of A\$1.115; and
- a 41.7% premium to Intoll's volume weighted average stapled security price for the one month to 14 July 2010 of A\$1.08.

An offer price of A\$1.535 per Intoll stapled security implies an enterprise value for Intoll of A\$5.1 billion, representing a 2010E EBITDA multiple of 29.2x⁴, which compares favourably to the multiples implied by other toll road transactions.

Due Diligence

The Proposed Transaction is subject to satisfactory completion of due diligence, including confirmation that implementation of the Proposed Transaction:

- would not adversely impact Intoll's material contracts (including, without limitation, project concession documents), asset level debt financing and credit facilities, and interest rate hedging arrangements - this includes, without limitation, confirmation that implementation of the Proposed Transaction would not trigger change of control review events, events of default, acceleration events or any other adverse provisions in these contracts, facilities and arrangements; and
- would not trigger any right of pre-emption or similar right in relation to Intoll or its assets as a result of or in connection with the Proposed Transaction.

If any provision or right contemplated above would be triggered (or is asserted that it would be triggered) as a result of the Proposed Transaction, implementation of the Proposed Transaction would be conditional on the receipt of all such necessary approvals, consents and waivers.

Conditions

In addition to satisfactory completion of due diligence, the Proposed Transaction is subject to execution of a satisfactory implementation agreement. The implementation agreement would be subject to certain conditions, including:

- that the directors of Intoll unanimously recommend that Intoll security holders vote in favour of the Proposed Transaction in the absence of a superior transaction and subject to the independent expert opining that the Proposed Transaction is fair and reasonable and in the best interests of Intoll security holders;
- that holders elect the Unlisted Rollover Alternative in respect of at least 10.01% of Intoll stapled securities;
- that all necessary security holder, regulatory and court approvals are received; and

³ The A\$/US\$ exchange rate x US\$/C\$ exchange rate both quoted as "mid-market WM Company 4pm London fix" as referenced on Bloomberg page WMCO on the day prior to the day (with reference to AEST time) on which the implementation agreement is executed, or other reference rate agreed between CPPIB and Intoll.

⁴ Based on EBITDA of A\$173m as stated in Goldman Sachs JBWere research published on 16 April 2010.

- other customary conditions such as: Intoll not committing to any material acquisitions, disposals or commitments; none of the events referred to in s652C(1) or (2) of the Corporations Act occurring and there being no material adverse change in Intoll's business prior to implementation of the Proposed Transaction.

Prior to execution of any implementation agreement we would not seek any exclusivity or break fee arrangements. We propose that the implementation agreement would include customary exclusivity and break fee arrangements (subject to appropriate fiduciary carve outs).

Financing

In developing the Proposed Transaction, CPPIB has assumed that all existing asset level debt facilities would remain in place following implementation of the Proposed Transaction. CPPIB presently intends to fund the cash consideration required to implement the Proposed Transaction from its existing resources.

Timetable and Next Steps

CPPIB believes that it is in the best interests of both parties that the Proposed Transaction is progressed as quickly as possible.

Provided that information is available immediately, we expect to be able to complete due diligence within approximately three weeks. We envisage that negotiation of the implementation agreement would occur concurrently with due diligence.

Status of This Letter and Proposed Transaction

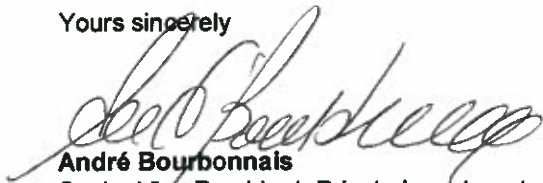
This letter sets out current intentions and understandings only, is not an offer capable of acceptance and does not otherwise give rise to a binding contract. For the avoidance of doubt this letter is not, and cannot be considered to be, notification of a proposed offer pursuant to s631 of the Corporations Act.

Conclusion

We reiterate our desire and ability to move quickly towards delivering value and certainty to Intoll security holders. CPPIB is an experienced and long-term investor in infrastructure assets and we look forward to the opportunity to work with the Intoll Board and management team to progress the Proposed Transaction.

If you have any questions about this letter please contact us directly or, if you would prefer, our adviser, Goldman Sachs (Alastair Lucas).

Yours sincerely



André Bourbonnais
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Canada Pension Plan Investment Board



Graeme Bevans
Vice President, Private Investments
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Canada Pension Plan Investment Board