ConnectEast Group
comprising ConnectEast Management Ltd
A.B.N. 68 071 292 647 / AFSL 254 959
as responsible entity for
ConnectEast Investment Trust ARSN 110 713 481
and ConnectEast Holding Trust ARSN 110 713 614

CONNECTEAST

ASX Release

ConnectEast.com.au

24 August 2009

EQUITY RAISING

ConnectEast today announces an equity raising of up to $421 million.

Details are set out in the attached Investor Presentation.

Tony Hudson
Company Secretary
ConnectEast Group

NOT FOR DISTRIBUTION IN THE U.S. OR TO U.S. PERSONS

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EastLink
Time better spent.

EQUITY RAISING
PRESENTATION TO INVESTORS

24 August 2009

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Important information

This document has been prepared by ConnectEast Group which comprises ConnectEast Management Ltd ABN 68 071 292 647 / AFSL 254 959 as responsible entity for ConnectEast Investment Trust (ARSN 110 713 481) and ConnectEast Holding Trust (ARSN 110 713 614) and related entities ("ConnectEast").

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Presentation of general background

This document is a presentation of general background information about ConnectEast's activities current at the date of the presentation, 24 August 2009. It is information in a summary form and does not purport to be complete. It should be read in conjunction with ConnectEast's other periodic and continuous disclosure announcements including the ConnectEast Group results for the year ended 30 June 2009 lodged with the Australian Securities Exchange ("ASX") on 24 August 2009 and announcements to the ASX available at www.asx.com.au.

Not investment advice

This document is not a prospectus or a product disclosure statement under the Corporations Act and has not been lodged with the Australian Securities and Investments Commission ("ASIC"). The Entitlement Offer to which this presentation relates complies with the requirements of section 1012DAA of the Corporations Act as modified by ASIC Class Order 08/35, and a Cleansing Notice complying with that section has been lodged with ASX.

The information provided in this presentation is not intended to be relied upon as advice to investors or potential investors and has been prepared without taking into account the recipient's investment objectives, financial circumstances or particular needs. These should be considered, with professional advice, when deciding if an investment is appropriate. Cooling off rights do not apply to an investment in any New Units. The recipient cannot, in most circumstances, withdraw an application once it has been accepted.

The bookbuild price may not be the highest price offered but will be determined having regard to matters such as having binding and bona fide offers which in the reasonable opinion of ConnectEast and the Lead Manager will, if accepted, result in allocations to clear the entire book.

Not an offer

This presentation is not an offer or invitation for subscription or purchase of ConnectEast units or other financial products.

The New Units may not be offered or sold in any other jurisdiction, except to persons to whom such offer, sale or distribution is permitted under applicable law.

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Future performance

This presentation may contain certain "forward-looking statements". The words "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "plan" and other similar expressions are intended to identify forward looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Due care and attention have been used in the preparation of forecast information. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of ConnectEast that may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements. Recipients should also have regard to the risks set out in this document.

Financial data

All dollar values are in Australian dollars (A$).

Equity raising overview

- **ConnectEast is undertaking an equity raising of $421 million**
- **Net proceeds together with part of existing cash balances will enable full repayment of debt maturing in November 2010**
- **By raising equity, ConnectEast aims to:**
  - Create a more robust and sustainable capital structure
  - Reduce net interest costs and retain the benefit of current pricing of remaining debt tranches
  - Eliminate refinancing risk in 2010: the next debt maturity will be in November 2012, by which time EastLink will have been operating for more than 4 years
  - Reduce pro-forma gearing from 46% to 35% (1)

(1) Gearing as at 30 June 2009. Calculated as net debt / (total assets less cash).

Offer structure

- **$421 million 1 for 2 renounceable pro rata entitlement offer**
  - Approximately $324m institutional component
  - Approximately $97m retail component
- **$0.33 Offer Price**
  - 15.4% discount to last closing price (1)
  - 9.2% discount to TERP (2)
  - 16.4% discount to 5 business day VWAP (3)
- **Fully underwritten by Macquarie Capital Advisers**

Note: Units issued under the equity raising will rank equally with existing units on issue, but will not be entitled to receive the distribution to be paid for the 6 months ending 30 September 2009.

(1) Closing price of $0.39 on 21 August 2009 (last price prior to trading halt). Note that on an ex-distribution basis the discount would be 13.2%.

(2) Theoretical ex-rights price of $0.363 (ex-distribution) calculated using the price immediately prior to trading halt.

(3) 5 business day volume weighted average price of $0.395 up to close on 21 August 2009. Note that on an ex-distribution basis the discount would be 14.2%.

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Offer structure (cont'd)

- The Retail Entitlement Offer is available to Eligible Unitholders as at the Record Date (28 August 2009)
- Eligible Unitholders may choose to accept all or part of their pro rata entitlement or none at all
- If renounced, the entitlement will be sold via a bookbuild process and any proceeds of sale in excess of the Offer Price will be returned to renouncing Unitholders

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Offer sources and uses

- **ConnectEast intends to fully repay Tranche A of its senior debt facilities**
  - Net proceeds from the Offer together with part of existing cash balances will be used to fully repay Tranche A debt and to fund the estimated amount of TJH's Early Completion Bonus
  - Repayment of Tranche A debt will be made no later than the Tranche A maturity date in November 2010

Sources	$ million
Entitlement Offer	421
Existing cash balances (1)	624
Total	**1,045**

Uses	$ million
Tranche A debt (1)	810
Transaction costs (2)	12
Swap break costs (3)	22
TJH Early Completion Bonus (4)	43
Cash balance (including reserves) (5)	158
Total	**1,045**

Note: Excludes ongoing operating costs and distributions.

(1) Balances as at 30 June 2009.

(2) Estimated costs to be incurred in connection with the Offer.

(3) The reduction in net debt will result in an over-hedging of net debt. To remove this interest rate exposure, ConnectEast is likely to incur a cost of approximately $10 million based on interest rates as at 21 August 2009. Other swap break costs of approximately $12 million were paid on 3 July 2009.

(4) The Early Completion Bonus will be payable based on the formula in the agreement with TJH and on the financial performance of EastLink in the period from October 2009 to March 2010 (by reference to the number of days by which completion was achieved ahead of the scheduled date). At 30 June 2009 a provision of $40.5 million (net of a present value discount of $2.2 million) was recorded in the balance sheet in respect of the Early Completion Bonus.

(5) Reserves balance reduced by $32 million release from the debt service reserve.

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Proforma net debt profile

- **The Offer will create a more robust capital structure and will eliminate refinancing risk in 2010**
  - Retains the benefit of current pricing of remaining debt tranches
  - Reduces net debt to $1,056 million and proforma gearing to 35% (1)
  - Next debt maturity will not be until November 2012
  - 100% hedged to November 2014 at an average base interest rate of 6.3% and margins of 1.1% to 1.5%
  - Post repayment of Tranche A and swap breaks, senior debt interest costs will be reduced by approximately $31 million per annum to $93 million per annum

$ million	Maturity	Reported 30 June 2009	Mandatory Repayment (3)	Equity raising	Adjustments	Proforma 30 June 2009
Tranche A	Nov 2010	810	(250)	-	(560)	-
Tranche B	Nov 2012	810	-	-	-	810
Tranche C	Nov 2014	404	-	-	-	404
Gross debt		**2,024**	**(250)**	**-**	**(560)**	**1,214**
Current cash available		(464)	250	-	184	(30)
Cash reserves		(160)	-	-	32	(128)
Net Offer proceeds (2)		-	-	(344)	344	-
Net debt		**1,400**	**-**	**(344)**	**-**	**1,056**
Gearing (1)		46%				35%

(1) Gearing calculated as net debt / (total assets less cash).
(2) Offer proceeds of $421 million less transaction costs, swap break costs and the TJH Early Completion Bonus.
(3) As at 30 June 2009, the Group's interest cover ratio under its financing documents was below 1.25 times. As a result, available proceeds of $250 million were applied on 21 July 2009 in a mandatory prepayment of Tranche A of the senior debt facilities.

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Distribution policy

- **Subject to the ongoing and prudent management of ConnectEast's financial position:**
  - ConnectEast intends to pay distributions of 1 cent per unit for the 6 months ending 30 September 2009 and the 6 months ending 31 March 2010
  - After 31 March 2010, ConnectEast intends to align distributions with operating cash flow
- **Units issued under the Offer will rank equally with existing units on issue, but will not be entitled to receive the distribution to be paid for the 6 months ending 30 September 2009**

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Timetable

Event	Date
Announcement of the Entitlement Offer	8.00am (AEST), 24 August 2009
Institutional Entitlement Offer Opens	24 August 2009
Institutional Entitlement Offer Closes	12:00pm (AEST), 25 August 2009
Institutional Bookbuild	25 – 26 August 2009
Institutional Entitlement Offer Allocation Date	26 August 2009
Trading Halt Lifted	27 August 2009
Record Date for the Retail Entitlement Offer	7:00pm (AEST), 28 August 2009
Retail Entitlement Offer Opens	1 September 2009
Ex-Distribution Trading Date	7 September 2009
Early Retail Acceptance Date	5:00pm (AEST), 7 September 2009
First Settlement Date – Institutional Offer and Early Retail Acceptance	8 September 2009
First Allotment Date – Institutional Offer and Early Retail Acceptance	9 September 2009
Normal trading of New ConnectEast Units on First Allotment	9 September 2009
Record Date for Distribution	11 September 2009
DRP Pricing Period	15 September – 12 October 2009
Closing Date for Retail Entitlement Offer	5:00pm (AEST), 21 September 2009
Retail Bookbuild	25 September 2009
Second Settlement Date – Retail Entitlement Offer	2 October 2009
Second Allotment Date – Retail Entitlement Offer	5 October 2009
Trading Commences for New Units Issued on the Second Allotment Date	6 October 2009
Trading Confirmation Statement Despatch Date	8 October 2009

Note that the timetable is subject to change at ConnectEast's discretion. ConnectEast reserves the right to withdraw or vary the timetable for the Entitlement Offer.

Ineligible Unitholders

- **The Entitlement Offer is only available to Eligible Unitholders with a registered address in Australia and New Zealand and to institutional Unitholders in certain other jurisdictions, who are not U.S. persons or acting for the account or benefit of a U.S. person**

- **Unitholders who do not satisfy these criteria are not eligible to participate in the Entitlement Offer ("Ineligible Unitholders")**
  - The New Units that these Ineligible Unitholders would have been entitled to take up had they been eligible to participate in the Entitlement Offer will be sold via the same bookbuild process as renouncing Unitholders
  - Any proceeds of sale in excess of the Offer Price will be returned to Ineligible Unitholders

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ConnectEast going forward

- **Following the Offer, ConnectEast will be better positioned to meet the challenges arising from uncertain global capital markets. The Offer will:**
  - Create a more robust and sustainable capital structure
  - Reduce net interest costs and retains the benefit of current pricing of remaining debt tranches
  - Eliminate refinancing risk in 2010: the next debt maturity will be in November 2012, by which time EastLink will have been operating for more than 4 years
  - Reduce pro-forma gearing from 46% to 35% [1]

(1) Gearing as at 30 June 2009. Calculated as net debt / (total assets less cash).

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Key risks

This section discusses some of the risks associated with an investment in ConnectEast.

Before investing in ConnectEast units, you should consider whether this investment is suitable for you. Potential investors should consider publicly available information on ConnectEast (such as that available on the websites of ConnectEast and ASX), carefully consider their personal circumstances and consult their stockbroker, solicitor, accountant or other professional adviser before making an investment decision.

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Key risks (cont'd)

Traffic Risks

- **Revenue of ConnectEast –** Revenue is mainly a function of EastLink traffic volume and the level of tolls. Any developments that reduce traffic volumes or inhibit the growth in traffic volumes on EastLink could have a material adverse effect on ConnectEast's financial performance. Revenues and traffic volumes are directly and indirectly affected by various factors including, but not limited to:
  - general traffic levels in the EastLink corridor;
  - the quality and proximity of alternative roads and other transport infrastructure;
  - the level of tolls;
  - the occurrence and timing of road projects in Melbourne and the EastLink corridor;
  - future changes to the surrounding road network including improvement of existing alternative routes and the construction of new alternative routes or alterations to existing transport infrastructure;
  - demographic and economic conditions including inflation, population growth, interest rates and taxation;
  - changing travel patterns and habits;
  - new technologies;
  - social instability and other political and economic developments;
  - industrial and residential shifts in the area of the EastLink corridor;
  - the impact of a significant and sustained increase in fuel prices which may lead to a reduction in car ownership, car utilisation and a shift in modal share to other forms of transport;
  - the form and duration of the remainder of the ramp-up process;
  - the level and distribution of population and employment growth in the EastLink corridor, which could be influenced by a number of factors, including government policies, migration and land development programs;
  - the process of recovery from current economic conditions and possible further significant variations over the period to 2031, which could be influenced by a number of factors including national and international economic and other events;
  - the values of route choice parameters from the end of the ramp-up period (i.e. in steady state conditions), which can be influenced by a number of factors including drivers' and households' wealth;
  - growth in commercial vehicle travel, which could be influenced by a number of factors including domestic and international freight movement, government policies and industry business strategies;
  - growth in annualisation parameters to estimate average daily volumes and revenues from the estimates for the AM-peak period;
  - capacity constraints on EastLink or feeder routes to/from EastLink;
  - impacts of likely future carbon trading programs on urban travel;
  - new government transport and urban management policies and strategies (e.g. congestion pricing); and
  - further enhancements to, or policies for, the Melbourne public transport or freight transport networks.

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Key risks (cont'd)

Financing Risks

- **Refinancing risk** – ConnectEast's senior debt facilities are required to be refinanced on three maturity dates, in November 2010, November 2012 and November 2014. There is a risk that ConnectEast will be unable to arrange refinancing facilities as and when required to repay these debt facilities or that the terms of any refinancing are less favourable to ConnectEast. This equity raising will enable ConnectEast to repay in full Tranche A of its debt facilities by no later than November 2010.
- **Mandatory prepayments** – ConnectEast's financing documents require available funds to be applied in mandatory prepayment of its senior debt facilities in certain circumstances, including if the interest cover ratio is less than 1.25 times on a ratio calculation date (calendar quarterly).
- **Springvale Road grade separation** – A mandatory prepayment of up to $55 million may be required from the ramp-up reserve account in June 2010 as a result of construction of a grade separation of the railway line at Springvale Road having commenced.
- **Risk of debt default** – An event of default occurs under ConnectEast's financing documents when the interest cover ratio (after including cash available from the Ramp-Up Reserve in the numerator) is less than 1.10 times.
- **Interest rate risk** – ConnectEast may be adversely affected by an increase in real long-term interest rates which will increase its debt servicing costs on any part of its debt that is unhedged.
- **Leverage** – The use of leverage may enhance returns, but it may also substantially increase the risk of loss. Use of leverage may adversely affect ConnectEast when economic factors such as rising interest rates, severe economic downturns or deterioration in the condition of global capital markets occur.
- **Global capital markets** – The price of ConnectEast units and ConnectEast's ability to access debt at a reasonable cost may be affected by further deterioration in global capital markets.

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Key risks (cont'd)

Construction Risks

- **Finalisation of claims under EastLink Construction Contract** – TJH has notified ConnectEast of its intention to make claims in respect of the contract price under the EastLink Construction Contract arising out of facts, matters or circumstances occurring before and after 13 June 2008 (the relevant completion date under the Construction Contract). TJH is now prevented by the Construction Contract from making any further claim against certain ConnectEast Group entities arising out of facts, matters or circumstances occurring before 13 June 2008. ConnectEast has also given notice to TJH of certain claims that ConnectEast may make against TJH. There is no time bar in the Construction Contract that prevents ConnectEast from making further claims under the Construction Contract. Based on the information provided to date by TJH, ConnectEast considers that the claims notified by TJH will not result in a material liability for ConnectEast. Neither party has accepted any of the other's claims. The parties are dealing with these claims in accordance with the terms of the Construction Contract, which provides for executive negotiations and, if such negotiations are not successful, for escalation to arbitration or expert determination. There are no arbitration or expert determination proceedings currently under way. If the net outcome of the claims outstanding in respect of the Construction Contract requires payments to be made by ConnectEast to TJH, that could adversely affect ConnectEast's financial position or the value of its assets.
- **Other claims by TJH** – TJH has also given notice to ConnectEast and its officers of TJH's intention to make claims in relation to the reduction in value of its unitholding in ConnectEast since it subscribed in March 2008 and in relation to the expected value of TJH's early completion bonus. These claims include allegations that, during construction of EastLink, ConnectEast made misleading and deceptive statements about its confidence in the traffic forecasts included in the PDS. Based on the information provided to date by TJH, ConnectEast considers that the claims notified by TJH will not result in a material liability for ConnectEast or its officers. Without limitation, ConnectEast has reviewed its disclosures and communications to TJH during the construction of EastLink and negotiation of the early completion bonus agreement. ConnectEast is satisfied that it has complied with its continuous disclosure obligations and at all times had reasonable grounds for its disclosures and, where applicable, its communications to TJH, including reliance on appropriate expert advice. If TJH were to be successful in its claims, this could adversely affect ConnectEast's financial position.
- **Early completion bonus** – ConnectEast reported a current provision of $40.5 million (net of a present value discount of $2.2 million) on its balance sheet as at 30 June 2009 in respect of the early completion bonus that will be payable to TJH for achieving completion under the EastLink Construction Contract ahead of the scheduled date. The final amount of the bonus will be calculated in April 2010 based on the formula in the early completion bonus agreement and ConnectEast's financial performance between October 2009 and March 2010. The provision in ConnectEast's balance sheet will be adjusted up or down as required to reflect changes in the liability.
- **Correction of defects** – The EastLink Construction Contract includes a regime for correction by TJH of defects in the contract works. If TJH fails to comply with its obligations regarding correction of defects, ConnectEast may incur costs in correcting defects itself and in managing any impact on its tolling, customer service, and road management operations until defects are corrected, which may have an adverse effect on ConnectEast's financial performance.

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Key risks (cont'd)

Operating Risks

- **EastLink operation –** Under the EastLink Concession Deed, ConnectEast must operate, maintain and repair EastLink in accordance with "Operation and Maintenance Best Practices". A risk exists that ConnectEast may incur materially higher than expected costs to meet this obligation, which may have an adverse effect on ConnectEast's financial performance.
- **KPI regime –** ConnectEast's performance in operating EastLink is measured under a KPI regime set out in the EastLink Concession Deed. Performance under the KPI regime is measured annually and commenced on 1 January 2009. Financial penalties apply under the KPI regime where performance benchmarks are not achieved. In certain circumstances, some of such penalties may be recoverable under an indemnity from TJH. Back-to-back arrangements with Transfield Services and some other contractors may also permit recovery of amounts from these contractors if their performance contributes to ConnectEast's failure to achieve a KPI benchmark, but these amounts would in most cases not fully compensate ConnectEast for a corresponding financial penalty under the EastLink Concession Deed. The maximum penalty for the year ending 31 December 2009 is $5 million. The final outcome for the year ending 31 December 2009 is unknown and will be determined after an assessment of future performance against the applicable performance benchmarks. ConnectEast's assessment based on performance to date is that no material liability is likely to arise under the KPI regime in the year ending 31 December 2009. However, a failure to achieve applicable KPI benchmarks (or to recover any available indemnity) may have an adverse effect on ConnectEast's financial position and performance.
- **Operation & Maintenance –** ConnectEast has engaged Transfield Services under an Operation and Maintenance Contract to perform the operations and maintenance of EastLink until June 2013. After this time, there is a risk that the terms and price on which ConnectEast is able to renew or re-tender for these services are less favourable than the terms of the current Operation and Maintenance Contract.
- **Restrictions on toll price –** ConnectEast is only permitted to increase toll prices on EastLink once per year and by a maximum of the increase in CPI. If CPI is negative in any year, ConnectEast may be required to reduce EastLink toll prices in the following year. If ConnectEast's financing, operating and other costs increase at a greater rate, ConnectEast's operating performance may be adversely affected.
- **Toll collection risk –** ConnectEast collects tolls when motorists travel on EastLink, including customers of ConnectEast or other toll road operators and other motorists. ConnectEast bears credit risk if its own customers do not pay tolls and fees when due for travel on EastLink or other toll roads. Arrangements between ConnectEast and other toll roads require that each other toll road operator pays ConnectEast daily in respect of travel by its customers on EastLink. ConnectEast bears credit risk if other toll road operators do not pay or delay in paying amounts due to ConnectEast. If Melbourne CityLink (whose customers currently represent around two thirds of traffic on EastLink) defaults on such payments to ConnectEast, ConnectEast's financial position could be adversely affected. ConnectEast invoices motorists who are not a customer of either ConnectEast or another toll road operator for their travel on EastLink. If they fail to pay such invoices, ConnectEast may request the State to take enforcement action against them and ConnectEast will only receive payment if such action results in payment by the motorist. If the State does not pursue such enforcement actions in the manner expected, ConnectEast may in some circumstances be entitled to redress by renegotiation of the EastLink Concession Deed.
- **Reliance on key contractors –** ConnectEast is reliant on the services of certain key contractors for the provision of support services for its tolling, customer services and road management and control systems. If these contractors become unable to provide their contracted services, ConnectEast's operations or financial performance may be adversely affected.

Key risks (cont'd)

Other Risks

- **Payment of distributions –** Future payment of distributions will be determined by the Board. ConnectEast will only pay distributions having regard to the operating cash flow and financial position of ConnectEast and there is no guarantee that any distributions will be paid.
- **Force majeure –** Force majeure refers to an event beyond the control of a party, including natural disasters, war and other events outside the control of a party, that can affect a party's ability to perform its contractual obligations. Force majeure is a risk, sometimes uninsurable, that may adversely affect the performance of ConnectEast. ConnectEast has undertaken to repair any part of the road that is damaged or destroyed. ConnectEast has in place insurance policies, to the extent commercially available, to protect ConnectEast's cash flows.
- **Termination of EastLink Concession Deed –** There are several circumstances that could result in the early termination of the EastLink Concession Deed. Depending upon the circumstances that cause the early termination of the EastLink Concession Deed, ConnectEast may incur economic loss.
- **Industrial relations –** Transfield Services assumes sole responsibility for industrial relations issues relating to it when performing its obligations under the Operation and Maintenance Contract. If ConnectEast is not able to collect tolls (or suffers other loss) due to industrial action by Transfield Services personnel (or other performance or non-performance of Transfield Services), Transfield Services' aggregate liability would be limited to $15 million and ConnectEast bears the risk of losses above that level. ConnectEast is exposed to the risk of any other industrial actions that affect the personnel of ConnectEast or its other contractors or suppliers.
- **Occurrence of various key risk events –** The EastLink Concession Deed defines certain events as being Possible Key Risk Events. These include:
  - certain acts of the State which prevent, hinder or disrupt operations of EastLink;
  - the State fails to support the transport network connected to EastLink in the manner it has undertaken (this relates to maintaining the principal roads that connect to EastLink);
  - a change in the laws of Victoria occurs;
  - a native title claim prevents ConnectEast from complying with its obligations under the EastLink Concession Deed;
  - an uninsurable force majeure event occurs;
  - certain changes occur in the State's policy or resources for enforcing toll evasion offences by motorists using EastLink; and
  - a delay due to an action being taken under certain environmental legislation.

  If a Possible Key Risk Event has a material and detrimental effect on ConnectEast, the EastLink Concession Deed provides a mechanism for negotiation of changes to the terms of the Concession Deed to restore ConnectEast's ability to pay its senior debt and to pay expected equity returns. There is no guarantee that ConnectEast will be able to negotiate changes to the terms of the EastLink Concession Deed that will provide adequate compensation in these circumstances.
- **Legislative risk –** ConnectEast is exposed to the risk that the State may exercise its powers under the EastLink Project Act 2004 (Vic), or under another law, in a way that is not beneficial to EastLink or to ConnectEast. The terms of the EastLink Project Act 2004 (Vic) prevail over any contrary provision of the EastLink Concession Deed. ConnectEast is also subject to most of the general Victorian laws that apply to the construction and operation of roads.
- **Market price –** The market price of ConnectEast units will fluctuate due to various factors including general movements in interest rates, the Australian and international investment markets, international economic conditions, global geo-political events and hostilities, investor perceptions and other factors that may affect ConnectEast's financial performance and position.

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Key risks (cont'd)

Other Risks (cont'd)

- **Employees –** ConnectEast is reliant on retaining and attracting quality senior executives and other employees. The loss of the services of any of ConnectEast's senior management or key personnel, or the inability to attract new qualified personnel, could adversely affect ConnectEast's operations and financial performance.
- **Insurance –** Insurance markets may be detrimentally affected by local or global economic conditions such that insurance becomes more expensive or the financial ability of insurance companies to respond to claims may be adversely affected.
- **Regulatory issues and changes in law –** ConnectEast is subject to the usual business risk that there may be changes in laws that reduce revenue or increase costs.
- **Other litigation and disputes –** Legal claims and other disputes may arise from time to time in the ordinary course of operations. Any such claims or disputes may adversely affect ConnectEast's earnings or the value of its assets.
- **Tax –** Changes in taxation law and administrative practice may affect the future earnings, asset values and relative attractiveness of investing in ConnectEast units. An investment in ConnectEast units may involve tax considerations that differ for each Unitholder. Each investor is encouraged to seek professional tax advice in connection with their investment and any acquisition of ConnectEast units under the Offer. Unitholders will bear any risks relating to the tax treatment of an investment in ConnectEast units, the Entitlement Offer and related transactions.
- **Termination of underwriting agreement –** The underwriter may terminate its obligations under the underwriting agreement upon the occurrence of certain events, including:
  - breach of the underwriting agreement by ConnectEast;
  - a change in the senior management or in the board of directors of ConnectEast;
  - a member of ConnectEast Group becomes insolvent or steps are taken to appoint a liquidator;
  - the S&P/ASX200 Index as at the close of normal trading on ASX on any day from 24 August 2009 until the Institutional Bookbuild Closing Date closes at a level that is 15% or more below the level of the index as at market close on 21 August 2009; and
  - there is a material adverse change to the financial position or operations of ConnectEast.

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International selling restrictions

In addition to the disclosures and restrictions contained in the "Important Information" section of this presentation, the following international selling restrictions apply:

Denmark

The information in this document does not constitute a prospectus under any Danish laws or regulations and this document has not been filed with or approved by the Danish Financial Supervisory Authority or any other Danish regulatory authority as the information has not been prepared in the context of a public offering of securities in Denmark within the meaning of the Danish Securities Trading Act or any Executive Orders issued in connection thereto.

The New Units have not been offered or sold and will not be offered, sold or delivered directly or indirectly in Denmark by way of a public offering, except to (i) qualified investors as defined in Section 2 of the Executive Order No. 1232 of 22 October 2007 on Prospectuses for Securities Admitted for Listing or Trade on a Regulated Market or (ii) less than 100 individuals or legal entities that are not qualified investors or otherwise in circumstances which will not result in the offer of the New Units subject to the Danish Prospectus requirements of preparing and filing a prospectus pursuant to Chapter 6 of the Danish Securities Trading Act No. 360 of 6 May 2009 and Executive Order No. 1232 of 22 October 2007 on Prospectuses for Securities Admitted for Listing or Trade on a Regulated Market.

European Economic Area (including Netherlands)

The information in this document has been prepared on the basis that all offers of New Units will be made pursuant to an exemption under the Directive 2003/71/EC ("Prospectus Directive"), as implemented in Member States of the European Economic Area (each, a "Relevant Member State"), from the requirement to produce a prospectus for offers of securities.

An offer to the public of New Units has not been made, and may not be made, in a Relevant Member State except pursuant to one of the following exemptions under the Prospectus Directive as implemented in that Relevant Member State:

- to legal entities that are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- to any legal entity that has two or more of: (i) an average of at least 250 employees during its last fiscal year; (ii) a total balance sheet of more than €43,000,000 and (iii) an annual net turnover of more than €50,000,000;
- to fewer than 100 natural or legal persons (other than qualified investors within the meaning of Article 2(1)(e) of the Prospectus Directive) subject to obtaining the prior consent of the issuer and any underwriter for any such offer; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of New Units shall result in a requirement for the publication by the issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

CONNECTEAST

International selling restrictions (cont'd)

France

This document is not being distributed in the context of a public offering of financial securities (offre au public de titres financiers) in France within the meaning of Article L.411-1 of the French Monetary and Financial Code (Code monétaire et financier) and Articles 211-1 et seq. of the General Regulation of the French Autorité des marchés financiers ("AMF"). The New Units have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France.

This document and any other offering material relating to the New Units have not been, and will not be, submitted to the AMF for approval in France and, accordingly, may not be distributed or caused to distributed, directly or indirectly, to the public in France.

Such offers, sales and distributions have been and shall only be made in France to (i) qualified investors (investisseurs qualifiés) acting for their own account, as defined in and in accordance with Articles L.411-2-II-2° and D.411-1 to D.411-3, D.734-1, D.744-1, D.754-1 and D.764-1 of the French Monetary and Financial Code and any implementing regulation and/or (ii) a restricted number of non-qualified investors (cercle restreint d'investisseurs) acting for their own account, as defined in and in accordance with Articles L.411-2-II-2° and D.411-4, D.734-1, D.744-1, D.754-1 and D.764-1 of the French Monetary and Financial Code and any implementing regulation.

Pursuant to Article 211-3 of the General Regulation of the AMF, investors in France are informed that the New Units cannot be distributed (directly or indirectly) to the public by the investors otherwise than in accordance with Articles L.411-1, L.411-2, L.412-1 and L.621-8 to L.621-8-3 of the French Monetary and Financial Code.

Hong Kong

WARNING: This document has not been, and will not be, authorized by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorize this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Units have not been and will not be offered or sold in Hong Kong by means of any document, other than to "professional investors" (as defined in the SFO). No advertisement, invitation or document relating to the New Units has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the New Units which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under that ordinance).

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Ireland

The information in this document does not constitute a prospectus under any Irish laws or regulations and this document has not been filed with or approved by the Irish Financial Services Regulatory Authority or any other Irish regulatory authority as the information has not been prepared in the context of a public offering of securities in Ireland within the meaning of the Irish Prospectus (Directive 2003/71/EC) Regulations 2005 (the "Prospectus Regulations").

The New Units have not been offered or sold and will not be offered, sold or delivered directly or indirectly in Ireland by way of a public offering except to qualified investors (as defined in Regulation 2(1) of the Prospectus Regulations).

International selling restrictions (cont'd)

Japan

The New Units have not been and will not be registered under Article 4, paragraph 1 of the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948), as amended (the "FIEL") pursuant to an exemption from the registration requirements applicable to a private placement of securities to Qualified Institutional Investors (as defined in and in accordance with Article 2, paragraph 3 of the FIEL and the regulations promulgated thereunder). Accordingly, the New Units may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan other than Qualified Institutional Investors. Any Qualified Institutional Investor who acquires New Units may not resell them to any person in Japan that is not a Qualified Institutional Investor, and acquisition by any such person of New Units is conditional upon the execution of an agreement to that effect.

Norway

This document has not been approved by, or registered with, any Norwegian securities regulator pursuant to the Norwegian Securities Trading Act of 29 June 2007. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 2007.

The New Units may not be offered or sold, directly or indirectly, in Norway except:

- to "professional investors" (as defined in Norwegian Securities Regulation of 29 June 2007 no. 876);
- any natural person who is registered as a professional investor with the Oslo Stock Exchange (No. Oslo Børs) and who fulfils two or more of the following: (i) any natural person with an average execution of at least ten transactions in securities of significant volume per quarter for the last four quarters; (ii) any natural person with a portfolio of securities with a market value of at least €500,000; and (iii) any natural person who works, or has worked for at least one year, within the financial markets in a position which presuppose knowledge of investing in securities;
- to fewer than 100 natural or legal persons (other than "professional investors"); or
- in any other circumstances provided that no such offer of New Units shall result in a requirement for the registration, or the publication by the issuer or an underwriter, of a prospectus pursuant to the Norwegian Securities Trading Act of 29 June 2007.

Singapore

This document has not been registered as a prospectus with the Monetary Authority of Singapore. This memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the New Units may not be circulated or distributed, nor may the New Units be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except to an institutional investor as defined in the Securities and Futures Act, Chapter 289 (the "SFA"), or otherwise pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

This document has been given to you on the basis that you are an "institutional investor" (as defined under the SFA). In the event that you are not an institutional investor, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

The offer is not made to you with a view to the New Units being subsequently offered for sale to any other party. You are advised to acquaint yourself with the SFA provisions relating to on-sale restrictions in Singapore and comply accordingly.

Sweden

This document has not been, and will not be, registered with or approved by Finansinspektionen (the Swedish Financial Supervisory Authority). Accordingly, this document may not be made available, nor may the New Units be offered for sale in Sweden, other than under circumstances that are deemed not to require a prospectus under the Swedish Financial Instruments Trading Act (1991:980) (Sw. *lag (1991:980) om handel med finansiella instrument*). Any offering of New Units in Sweden is limited to persons who are "qualified investors" (as defined in the Financial Instruments Trading Act). Only such investors may receive this document and they may not distribute it or the information contained in it to any other person.

International selling restrictions (cont'd)

Switzerland

The New Units may not be publicly offered, sold or distributed (directly or indirectly) in Switzerland. No solicitation for investment in the New Units may be made in Switzerland in any way that could constitute a public offering within the meaning of article 652a of the Swiss Code of Obligations ("CO") or the Swiss Federal Act on Collective Investment Schemes. New Units may only be offered to institutional investors subject to Swiss or foreign prudential supervision such as banks, securities dealers, insurance institutions and fund management companies as well as institutional investors with professional treasury operations in circumstances such that there is no public offering.

This document does not constitute a public offering prospectus within the meaning of article 652a CO and may not comply with the information standards required thereunder. The Issuer has not applied for a listing of the New Units on the SIX Swiss Exchange or any other regulated securities market in Switzerland and, consequently, the information presented in this document does not necessarily comply with the information standards set out in the listing rules of the SIX Swiss Exchange. This document is personal to the recipient only and not for general circulation in Switzerland.

United Kingdom

Neither the information in this document nor any other document relating to the offer has been delivered for approval to the Financial Services Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Units. This document is issued on a confidential basis to "qualified investors" (within the meaning of section 86(7) of FSMA). This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of s.21 FSMA) received in connection with the issue or sale of the New Units has only been communicated, and will only be communicated, in the United Kingdom in circumstances in which s.21(1) FSMA does not apply to the Issuer.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (a) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investments to which this document relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

United States

This document has been prepared for publication in Australia and may not be released or distributed in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or to US Persons (as defined in Regulation S under the US Securities Act of 1933, as amended). Any securities described in this document have not been, and will not be, registered under the US Securities Act and may not be offered or sold in the United States or to US Persons except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

Other jurisdictions

The New Units may not be offered or sold in any other jurisdiction, except to persons to whom such offer, sale or distribution is permitted under applicable law.

Glossary

Term	Meaning
AEST	Australian Eastern Standard Time
ASX	Australian Securities Exchange or ASX Limited or the financial market which it operates as the case requires
ConnectEast	ConnectEast Group comprising ConnectEast Management Ltd ABN 68 071 292 647 / AFSL 254 959 as responsible entity for ConnectEast Investment Trust (ARSN 110 713 481) and ConnectEast Holding Trust (ARSN 110 713 614)
ConnectEast Units	A unit in ConnectEast Investment Trust and a unit in ConnectEast Holding Trust which are stapled together and may not be transferred, issued or otherwise dealt with separately
Concessionaires	The Concessionaires under the EastLink Concession Deed being ConnectEast Pty Limited and ConnectEast Nominee Company Pty Limited (in its capacity as trustee of ConnectEast Asset Trust)
DRP	Distribution reinvestment plan
EastLink Concession Deed	The EastLink Concession Deed between the State and the Concessionaires under which ConnectEast is granted the right to finance, design, maintain, repair and operate EastLink
Eligible Unitholders	Unitholders at 7.00pm (AEST) on 28 August 2009 with a registered address in Australia and New Zealand, and institutional unitholders in the United Kingdom, Ireland, France, Switzerland, Netherlands, Denmark, Norway, Sweden, Hong Kong, Singapore and Japan, who are not US persons or acting for the account of a US person
KPI	Key performance indicators
Offer	Accelerated renounceable pro-rata entitlement offer of ConnectEast Units
PDS	ConnectEast product disclosure statement (October 2004)
Ramp-up	When any new road opens, there is an initial period commonly known as the “ramp-up period” during which traffic levels are typically less than projected total demand as drivers become accustomed to the new road and learn which trips it can service. Ramp-up is considered to be complete when the annual growth rate reduces to the “steady state” growth rate
State	The State Government of Victoria
TERP	Theoretical ex-rights price
TJH	Thiess Pty Ltd (ABN 87 010 221 486) and John Holland Pty Ltd (ABN 11 004 282 268), the contractors engaged by ConnectEast to design and construct EastLink
Transfield Services	Transfield Services (Australia) Pty Limited (ABN 11 093 114 553) engaged by ConnectEast to perform the operations and maintenance of EastLink
Unitholders	Holders of ConnectEast Units
VWAP	Volume weighted average price