

**Macquarie Investment Management Australia Limited**

ABN 55 092 552 611

AFS Licence Number 238321

A Member of the Macquarie Group of Companies

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11 July 2017

The Trust Company (PTAL) Limited- Ausmaq  
PO Box N774  
GROSVENOR PLACE NSW 1220



Dear Investor

**Macquarie Global Infrastructure Trust II Class A – Participation Offer**

Macquarie Investment Management Australia Limited (**MIMAL**), the responsible entity of the Macquarie Global Infrastructure Trust II ARSN 108 891 532 (**Trust**), is writing to provide you with an update on the Trust.

As you are aware, the Trust has invested in the Macquarie Global Infrastructure Fund IIA and Macquarie Global Infrastructure Fund IIB (together, the **Underlying Fund**).

**Update on the Underlying Fund**

The Underlying Fund is approaching the end of the initial investment term of ten years on 30 September 2017. We have been notified by the managers of the Underlying Fund that, although they have been preparing the Underlying Fund's investment portfolio assets for exit, they intend to submit a formal proposal to investors in the Underlying Fund for an extension of the term of the Underlying Fund for an additional two years. The purpose of the extension is to maximise value for investors and to increase options and flexibility for the sale of the Underlying Fund's remaining investments.

As some investors in the Underlying Fund have indicated a preference for early liquidity, the managers of the Underlying Fund have appointed an independent party to co-ordinate a sale process of units in the Underlying Fund prior to the proposed term extension.

**Proposed two-year extension of the investment term of the Underlying Fund and the Trust**

The managers of the Underlying Fund expect to propose to investors in the Underlying Fund a two-year extension of the investment term of the Underlying Fund to 30 September 2019 (**Term Extension**). The proposed Term Extension aims to maximise value for investors through increasing the options and flexibility for the sale of the remaining assets of the Underlying Fund.

Attached is the March 2017 quarterly report for the Trust which contains performance information for the Trust as well as further information on the current status of the remaining investments of the Underlying Fund and current exit strategies for those investments.

The proposal for the Term Extension is expected to be made to investors in the Underlying Fund in August 2017 ahead of a formal vote in or around early September 2017. The managers of the Underlying Fund have notified us that they will recommend the Term Extension and that they expect investors in the Underlying Fund to approve the Term Extension.

Macquarie Investment Management Australia Limited is not an authorised deposit-taking institution for the purposes of the Banking Act 1959 (Cwth), and its obligations do not represent deposits or other liabilities of Macquarie Bank Limited ABN 46 008 583 542 (MBL). MBL does not guarantee or otherwise provide assurance in respect of the obligations of Macquarie Investment Management Australia Limited.

Macquarie Investment Management Global Limited (**MIMGL**), the investment manager of the Trust, currently holds units in the Trust which were acquired from the former responsible entity of the Trust pursuant to a limited liquidity facility offered by the Trust. In relation to MIMGL's holding of units, MIMGL currently intends to remain invested in the Trust until the Trust terminates, including if the Term Extension is approved.

### **What does this mean for you?**

We recognise that unitholders in the Trust (**Unitholders**), depending on their circumstances, are likely to have different preferences in terms of whether to continue with their investment in the Trust until the Trust terminates or, if the opportunity becomes available, to exit their investment earlier.

In light of this, we are pleased to notify you that we have put in place arrangements to give each Unitholder the ability to elect one of the options below.

### **Option 1 – Remain invested in the Trust (for the proposed two-year extension)**

***You do not need to do anything if you would like to remain fully invested in the Trust.***

We expect to notify all Unitholders of the results of the proposed Term Extension on or around 15 September 2017.

If the term of the Underlying Fund is not extended, we will notify you of the revised plans in relation to the Underlying Fund and Trust.

If you elect to remain invested in the Trust in respect of all of your units in the Trust, you will not participate at all in the Participation Offer described below or, in due course, in the Withdrawal Offer described below. If you elect to remain invested in the Trust in respect of some of your units in the Trust, you will not participate in the Participation Offer or, in due course, in the Withdrawal Offer, in relation to those units.

We will ensure that investors who remain invested in the Trust will not bear a proportionately higher share of any expenses as a result of withdrawals by the other Unitholders following the Participation Offer and subsequent Withdrawal Offer described below.

If you do not elect to participate in the Participation Offer, please note that the unit price of your investment that you receive at the end of the Term Extension may be lower or higher than the unit price offered under the Participation Offer. You are strongly advised to seek independent professional advice based on your particular circumstances, before making a decision.

### **Option 2 – Opt into the Participation Offer (and be eligible to have your units redeemed in or around September 2017)**

#### ***The sales process of units in the Underlying Fund***

As noted above, the managers of the Underlying Fund have arranged for investors in the Underlying Fund to apply to sell their units in the Underlying Fund prior to the proposed term extension. An independent party has been appointed by the managers of the Underlying Fund to co-ordinate the sale process of units in the Underlying Fund (**Secondary Sale Process**).

Pursuant to the Secondary Sale Process, purchasers are required to submit bids to the arranger of the Secondary Sale Process (**Arranger**) to acquire units in the Underlying Fund. The Arranger will determine a price at which all buyers and sellers of units in the Underlying Fund will transact.

We are pleased to extend a similar opportunity to Unitholders to apply to redeem all or a portion of their holding in the Trust pursuant to a liquidity participation offer as described in this letter (**Participation Offer**) and a subsequent withdrawal offer once the proceeds from the Secondary Sale Process have been received by us (**Withdrawal Offer**). We will elect to participate in the Secondary Sale Process, in relation to a particular number of units in the Underlying Fund, on the basis of participation requests received from Unitholders in accordance with the terms of the Participation Offer.

In order to facilitate the Participation Offer, we have amended the constitution of the Trust. If you would like a copy of the amendments please contact Macquarie Investment Management Client Service on 1800 814 523 (8.30am to 5.30pm Sydney time, Monday to Friday) or email [mim.clientservice@macquarie.com](mailto:mim.clientservice@macquarie.com).

All participants in the Participation Offer will, in due course as a result of the Withdrawal Offer process, receive withdrawal proceeds based on the aggregate proceeds received by MIMAL as a result of its participation in the Secondary Sale Process.

***What is the indicative redemption unit price?***

As at the date of this letter, the indicative redemption price for units, based on information provided by the Arranger, is \$1.1762 per unit (which reflects a 5% premium to the net asset value per unit as at 31 March 2017). This price reflects the significant interest from existing investors to acquire additional units in the Underlying Fund. **It is important to note that this price is indicative only and the final redemption price for units may be higher or lower (including by a material amount). The final price may reflect a discount or premium to the latest net asset value per unit.** An update of the indicative redemption price for units will be available on our website at [macquarie.com.au/unit\\_prices](http://macquarie.com.au/unit_prices) on or shortly after 27 July 2017.

The final redemption price for units will also include a pro-rata share of the transaction fees and costs incurred in disposing of the relevant number of MIMAL's units in the Underlying Fund. Such transaction fees and costs are not expected to exceed 1.25% of your investment. These fees will be paid to the independent Arranger for facilitating the sale of units in the Underlying Fund and are not payable to MIMAL.

If you elect to participate in the Participation Offer, please note that the unit price of your investment that you receive in the subsequent Withdrawal Offer may be higher or lower than the unit price if you remain invested until the end of the Term Extension. You are strongly advised to seek independent professional advice based on your particular circumstances, before making a decision.

***What do you need to do if you want to participate in the Participation Offer?***

If you would like to participate in the Participation Offer, please **complete and sign the 'Participation Offer Form' attached and return it to us by mail, email or facsimile. The form must be received by us by no later than 5.00pm (Sydney time) on Monday 7 August 2017 (Cut-Off Time)**. If the form is not complete and received before the Cut-Off Time, we will not be able to process your request.

If you previously elected to have your units acquired pursuant to the liquidity facility offered by the Trust and have been waitlisted, you are still required to complete this form if you would like to participate in the Participation Offer.

We will collate all responses received from Unitholders prior to the Cut-Off Time and submit a sale request for the relevant number of units in the Underlying Fund through the Secondary Sale Process.

***When are the proceeds from participation in the Withdrawal Offer expected to be paid?***

Shortly after receipt of the proceeds from the Secondary Sale Process (expected early September 2017), we plan to provide written notice of a Withdrawal Offer to all Unitholders that opted into the Participation Offer in accordance with the terms of the Participation Offer. The Withdrawal Offer will be open for 21 days and will only be available to Unitholders who participated in the Participation Offer. This is because MIMAL will have participated in the Secondary Sale Process in response to, and on the strength of, acceptances of the Participation Offer.

The proceeds from participation in the Withdrawal Offer are expected to be paid to participating Unitholders by 15 September 2017 but may be delayed due to circumstances beyond the control of MIMAL.

***What happens if the Trust only receives a part of the proceeds from the Secondary Sales Process?***

If our participation in the Secondary Sale Process is satisfied only in part, we will, likewise, only satisfy (in due course under the Withdrawal Offer process) participation requests we received in part.

For example, if participation requests are received in respect of 25% of units and we submit participation requests into the Secondary Sale Process in respect of 25% of our units in the Underlying Fund, but only 20% of our units, not the full 25%, are disposed of under the Secondary Sale Process, a corresponding adjustment will be made when we issue the Withdrawal Offer. In this example, the Withdrawal Offer would only extend to 80% of the units the subject of valid participation requests.

A statement detailing the final withdrawal unit price, withdrawal value and number of units withdrawn will be issued to investors following the Withdrawal Offer and the payment of the withdrawal proceeds.

As part of the terms of the Participation Offer, by signing the Participation Offer Form attached to this letter, each participant will appoint MIMAL as its attorney to accept, in due course, the terms of the Withdrawal Offer. Participants will not be able to revoke their participation in the Participation Offer or, in due course, in the Withdrawal Offer.

***What are the tax consequences of participating in the Participation Offer and Withdrawal Offer or remaining in the Trust?***

The Participation Offer will result in the Trust disposing of some of its investments in the Underlying Fund pursuant to the Secondary Sale Process described above. To the extent that the Trust makes a gain from these transactions, to ensure equity as between those Unitholders that choose to participate and those that do not, we will seek to attribute and/or distribute those gains to participating Unitholders on a fair and reasonable basis.

Unitholders who choose not to participate in the Participation Offer are not expected to experience any change to their tax position.

**Important information**

The information contained in this letter is intended to be of a general nature only. It does not constitute financial, tax or other advice and should not be relied on as such. You are strongly advised to seek independent professional advice based on your particular circumstances, before making a decision.

**Need more information**

For more information on how the options affect your personal situation, we recommend you speak to your financial adviser or accountant.

Please contact Macquarie Investment Management Client Service on 1800 814 523 (8.30am to 5.30pm Sydney time, Monday to Friday) or email [mim.clientservice@macquarie.com](mailto:mim.clientservice@macquarie.com) if you have any questions about the options or would like more information about the Trust.

Yours sincerely

A handwritten signature in grey ink, appearing to be 'Graham Maiden', written in a cursive style.

**Graham Maiden**

Head of ANZ Client Administration and Fund Services  
Macquarie Asset Management

## Participation Offer Form - Macquarie Global Infrastructure Trust II Class A

Macquarie Investment Management Australia Limited

**Account name:** The Trust Company (PTAL) Limited- Ausmaq

**Account number:** 743521638

**Number of units held at 11 July 2017:** 103,108.40

**PLEASE NOTE THAT YOU DO NOT NEED TO DO ANYTHING IF YOU WOULD LIKE TO REMAIN INVESTED IN THE TRUST FOR THE PROPOSED TWO-YEAR TERM EXTENSION**

If you would like to participate in the Participation Offer in relation to some or all of your investment in the Trust, please select one of the following:

- I/We would like to **partially** participate in the Participation Offer and, in due course, have the proceeds of the Withdrawal Offer process deposited into my/our pre-nominated distribution bank account. The remainder of my/our holding will remain invested in the Trust until the Trust terminates.

**Please specify the number of units covered by the election (whole number only):** \_\_\_\_\_

! If you specify more units than the number held, this will be treated as a request to participate in the Participation Offer in relation to all of your units.

- I/We would like to **fully** participate in the Participation Offer and, in due course, have the proceeds of the Withdrawal Offer process deposited into my/our pre-nominated distribution bank account.

### Terms and conditions

1. I/We have received, read and understood the attached letter to which my/our election above relates and agree to be bound by the terms of the letter and this form.
2. I/We undertake to accept, in due course, the terms of the Withdrawal Offer, if asked to do so.
3. I/We appoint MIMAL (or its appointed attorneys) as my/our attorney to accept, in due course, the terms of the Withdrawal Offer (irrespective of whether I/we are asked to accept, in due course, the terms of the Withdrawal Offer) and do all other things deemed reasonably necessary or expedient by MIMAL to give effect to the Participation Offer and, in due course, the Withdrawal Offer process.
4. I/We undertake to ratify and confirm any act of the attorney in exercising its powers under paragraph 3.
5. I/We accept that the undertakings and powers given in this form by me/us are irrevocable.
6. I/We indemnify MIMAL on demand against any loss or liability arising from:
  - a. any action taken by MIMAL as my/our attorney, except to the extent that any such loss or liability arises due to the negligence, wilful default or fraud of MIMAL, and
  - b. any purported revocation of the undertakings and powers given in this form.

**CONTINUED ON NEXT PAGE**

This form must be executed by duly authorised signatories of the account holder.

**Authorisation 1**

Signature \_\_\_\_\_

Date        /        /

Name \_\_\_\_\_

Title     Director                     Company Secretary         Trustee  
           Sole Director             Attorney

Other \_\_\_\_\_

**Authorisation 2**

Signature \_\_\_\_\_

Date        /        /

Name \_\_\_\_\_

Title     Director                     Company Secretary         Trustee  
           Sole Director             Attorney

Other \_\_\_\_\_

**Witnessed by**

Signature \_\_\_\_\_

Date        /        /

Name \_\_\_\_\_

***Please send the signed and completed form to Macquarie Investment Management Client Service by mail, e-mail or facsimile. It must be received by 5.00pm (Sydney time) on Monday 7 August 2017.***

**Mail to:**

Macquarie Investment Management Australia Limited  
Attn: Macquarie Investment Management Client Service  
PO Box R1723  
Royal Exchange NSW 1225 Australia

**Fax to:**

61 2 8232 4730

**Email to:**

[mim.clientservice@macquarie.com](mailto:mim.clientservice@macquarie.com)