



VILLAGE ROADSHOW

17 July 2018

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

Dear Shareholder

VILLAGE ROADSHOW LIMITED ACCELERATED PRO-RATA NON-RENOUNCEABLE ENTITLEMENT OFFER – NOTIFICATION TO INELIGIBLE SHAREHOLDERS

On 10 July 2018, Village Roadshow Limited (ASX:VRL) (**VRL** or **Company**) announced an underwritten 5 for 26 pro rata accelerated non-renounceable entitlement offer (**Entitlement Offer**) of fully paid ordinary shares of VRL (**New Shares**). The Entitlement Offer will raise approximately A\$51 million and the proceeds will be used to reduce borrowings.

The Entitlement Offer comprises an institutional entitlement offer (**Institutional Entitlement Offer**) and an offer to Eligible Retail Shareholders (as defined below) to participate on similar terms (**Retail Entitlement Offer**). The Entitlement Offer is being made by the Company in accordance with section 708AA of the *Corporations Act 2001* (Cth) (**Act**) as modified by the *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84*, meaning that no prospectus or other disclosure document needs to be prepared.

An offer booklet in relation to the Retail Entitlement Offer will be lodged with ASX and mailed to Eligible Retail Shareholders on or around 17 July 2018 (**Retail Offer Booklet**).

This notice is to inform you about the Entitlement Offer and to explain why you will not be able to subscribe for New Shares under the Entitlement Offer. This letter is not an offer to issue New Shares to you, nor an invitation for you to apply for New Shares. **You are not required to do anything in response to this letter.**

DETAILS OF THE ENTITLEMENT OFFER

The Entitlement Offer is being made to Eligible Shareholders (as defined below), on the basis of 5 New Share for every 26 existing VRL shares (**Existing Shares**) held at 7.00pm (Melbourne time) on 12 July 2018 (**Record Date**) (**Entitlement**) at an issue price of \$1.65 per New Share (**Issue Price**).

Eligibility criteria

The Company has determined, under Listing Rule 7.7.1(a) of the ASX Listing Rules and section 9A(3)(a) of the Act, that it would be unreasonable to make offers to shareholders in

countries other than Australia and New Zealand in connection with the Entitlement Offer having regard to:

- (a) the relatively small number of shareholders in the other jurisdictions where the Entitlement Offer would be made;
- (b) the number and value of shares for which such shareholders would otherwise have been entitled; and
- (c) the costs of complying with the legal and regulatory requirements in each other jurisdiction where the Entitlement Offer would be made.

Shareholders who are eligible to participate in the Entitlement Offer (**Eligible Shareholders**) are shareholders who:

- (a) acquired Existing Shares prior to the Ex-Date (being, 12 July 2018); and
- (b) continue to be a registered holder of the Existing Shares as at 7.00pm (Melbourne time) on the Record Date;
- (c) have a registered address in Australia or New Zealand as at 7.00pm (Melbourne time) on the Record Date;
- (d) are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent such person holds Existing Shares for the account or benefit of such person in the United States); and
- (e) are eligible under all applicable securities laws to receive an offer under the Entitlement Offer without any requirement for a prospectus, disclosure document, or any lodgement, filing, registration or qualification.

The Company may (at its absolute discretion) extend the Entitlement Offer to certain institutional shareholders in foreign jurisdictions (other than those in the United States) who did not participate in the institutional component of the Entitlement Offer (subject to compliance with applicable laws).

Unfortunately, the Company has determined that you do not satisfy the eligibility criteria for an Eligible Shareholder as stated above. Accordingly, the Company wishes to advise you that it will not be extending the Entitlement Offer to you and you will not be able to subscribe for Entitlements or New Shares under the Entitlement Offer. You will also not be sent the offer document relating to the Entitlement Offer nor be able to subscribe for Entitlements or New Shares under the Entitlement Offer.

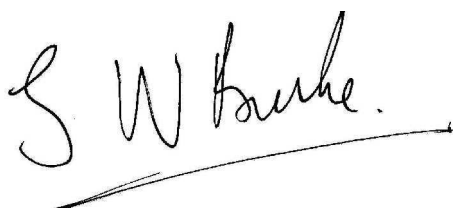
As the Entitlement Offer is non-renounceable, you will not receive any payment or value for Entitlements in respect of any New Shares that would have been offered to you if you were eligible.

Further information

If you have any questions in relation to any of the above matters, please contact the VRL Offer Information Line on 1300 850 505 (within Australia) or on +61 3 9415 4000 (outside Australia) at any time from 8.30am to 5.00pm (Melbourne time) Monday to Friday. For other questions, you should contact your stockbroker, accountant, solicitor, taxation adviser, financial adviser or other independent professional adviser.

On behalf of the Board and management of the Company, thank you for your continued support of VRL.

Yours faithfully,
Village Roadshow Limited



Graham W Burke, AO
Co-Executive Chairman & Co-CEO

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This letter is not a prospectus or offering document under Australian law or under any other law. It is for information purposes only and does not constitute or form part of an offer, invitation, solicitation, advice or recommendation with respect to the issue, purchase or sale of any New Shares in VRL. This letter does not constitute financial product advice and does not and will not form part of any contract for the acquisition of entitlements or VRL shares.

In particular, this letter does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or any other jurisdiction in, or to any person to whom, which such an offer would be illegal. Neither the entitlements nor the New Shares that will be offered and sold in the Entitlement Offer have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or under the securities laws of any state or other jurisdiction of the United States. Accordingly, entitlements may not be issued to or exercised by, and the New Shares may not be offered or sold, directly or indirectly, to persons in the United States or to persons acting for the account or benefit of a person in the United States (to the extent such persons hold Existing Shares and are acting for the account or benefit of a person in the United States), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States. The entitlements and the New Shares to be offered and sold in the Retail Entitlement Offer may only be offered and sold to persons that are not in the United States and are not acting for the account or benefit of persons in the United States, in each case, in "offshore transactions" in reliance on Regulation S under the Securities Act.

IMPORTANT NOTICE TO NOMINEES: Because of legal restrictions, you must not send copies of this letter nor any material relating to the Entitlement Offer to any of your clients (or any other person) in the United States or any other person acting for the account or benefit of persons in the United States or to any person in any other jurisdiction outside of Australia and New Zealand. Failure to comply with these restrictions may result in violations of applicable securities laws. 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 adviser, stockbroker or other professional adviser.