



ATLAS ESTATES

ATLAS ESTATES LIMITED

2008 AGM: PROPOSED SHAREHOLDER RESOLUTION

Further to the announcement made by Atlas Estates Limited ("Atlas") on Tuesday 17 June 2008 Atlas announces that it has today posted a further circular to Atlas shareholders (the "Further Circular") in response to a notice (the "Nomination Notice") received by Atlas from Credit Suisse Client Nominees (UK) Limited on behalf of Laxey Partners Ltd. (the "Requisitioning Shareholder").

The Nomination Notice states that, in accordance with Article 101(1) of the articles of association of Atlas, the following ordinary resolution will be proposed at Atlas's annual general meeting which has been convened for 9.30 a.m. on Friday 27 June 2008 at Atlas' registered office in Guernsey (the "AGM"):

"That Alexander Pausco hereby be appointed as a director of the Company"

(the "Proposed Shareholder Resolution").

The Nomination Notice was accompanied by a statement that a total of 3,647,213 Ordinary Shares are held by the Requisitioning Shareholder - this shareholding represents slightly less than 8.11 per cent. of Atlas' issued ordinary shares (excluding ordinary shares held in treasury).

In order for Atlas shareholders to vote on the Proposed Shareholder Resolution (if proposed by the Requisitioning Shareholder at the AGM) the Further Circular is accompanied by a further form of proxy (the "Further Form of Proxy") for use at the AGM in addition to the form of proxy sent to Atlas shareholders with the notice convening the AGM dated 3 June 2008.

The Atlas board has received limited information in relation to Alexander Pausco (the "Proposed New Director"). This information is set out in the Further Circular.

The Views of the Atlas Board

The Company has taken legal advice in relation to the Proposed Shareholder Resolution and does not contest the ability of the Requisitioning Shareholder to propose the Proposed Shareholder Resolution at the AGM.

The Atlas board is not in a position to comment on the suitability of the Proposed New Director to act as a director of Atlas.

Atlas welcomes an active and open dialogue with its shareholders. However, having taken advice, the Atlas board does not believe the appointment of the Proposed New Director at the current time to be in the best interests

of Atlas shareholders as a whole. No single shareholder has any right to appoint any person to the Atlas board and no director represents the interest of any single shareholder. Given the size of the holding of the Requisitioning Shareholder Atlas does not believe it is appropriate to prefer the position of the Requisitioning Shareholder over all other Atlas shareholders.

The directors are unanimously of the opinion that the Proposed Shareholder Resolution is not in the best interests of Shareholders as a whole and therefore the Atlas board strongly recommends that shareholders vote AGAINST the Proposed Shareholder Resolution.

The Atlas board repeats its recommendation that Atlas shareholders to vote in favour of each of the resolutions proposed for the AGM as set out in the notice to convene the AGM.

Atlas shareholders are encouraged to complete and return the Further Form of Proxy as soon as possible in accordance with the written instructions, regardless of any intention to attend the AGM in person. The Further Form of Proxy should be lodged with Computershare Investor Services (CI) Limited, P.O. Box 83, Ordnance House, 31 Pier Road, St. Helier, Jersey, JE4 8PW so as to be received not later than 9.30 am (Guernsey time) on Wednesday 25 June 2008.

A copy of the Further Circular and the Further Form of Proxy is available on Atlas' website:

www.atlasstates.com

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