

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser (who in the United Kingdom should be authorised under the Financial Services and Markets Act 2000).

If you have sold or otherwise transferred all your holding of Ordinary Shares in Atlas Estates Limited, please send this document, together with the accompanying Further Form of Proxy, as soon as possible, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold any part of your holding of Ordinary Shares in Atlas Estates Limited, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

Atlas Estates Limited

(incorporated in Guernsey with registered number 44284)

2008 Annual General Meeting

Shareholder Proposed Resolution

This document should be read as a whole. Your attention is drawn to the letter from your Chairman which is set out on pages 2 to 4 of this Circular and which recommends that you vote against the additional ordinary resolution set out in this Circular but in favour of each the other resolutions to be proposed at the Annual General Meeting to be held on Friday 27 June 2008 (as set out in the Notice of Annual General Meeting sent to Shareholders on 3 June 2008).

All Proxy Forms for the Annual General Meeting must be received by Computershare Investor Services (Channel Islands) Limited, the Company's registrars, by no later than 9.30 a.m. (Guernsey time) on Wednesday 25 June 2008.

ATLAS ESTATES LIMITED

(Incorporated under the laws of Guernsey under registered number 44284)

Directors:

Quentin Spicer (*Chairman*)
Shelagh Mason
Michael Stockwell
Helmut Tomanec

Registered Office:

BNP Paribas House
1 St Julian's Avenue
St. Peter Port
Guernsey
GY1 1WA

18 June 2008

Dear Shareholder (and, for information only, to holders of warrants)

2008 ANNUAL GENERAL MEETING – SHAREHOLDER NOTICE

Unless otherwise defined in this letter capitalised terms have the meanings as set out in the circular sent to Shareholders on 3 June 2008.

On 3 June 2008 a circular (**the “AGM Circular”**) was sent to Shareholders enclosing the Notice convening the 2008 Annual General Meeting of Atlas Estates Limited (**the “Company”**) for 9.30 a.m. on Friday 27 June 2008 (**the “AGM”**).

On 11 June 2008 a Supplementary Circular (as defined in the AGM Circular) was sent to Shareholders setting out the full details of the Scrip Dividend Offer and how Shareholders may accept it.

As announced on 17 June 2008 this document (**the “Further Circular”**) provides Shareholders with details of a recently received notice from a Shareholder of its intention to propose an additional resolution at the AGM.

Details of the Notice Received

On 16 June 2008 the Company received an undated letter from Credit Suisse Client Nominees (UK) Ltd. acting solely in its capacity as custodian to Laxey Partners Ltd. (**“Credit Suisse”**) giving notice that, in accordance with Article 101(1) of the articles of association of the Company, the following ordinary resolution will be proposed at the AGM:

“That Alexander Paiusco hereby be appointed as a director of the Company”

(**the “Proposed Shareholder Resolution”**).

The notice was accompanied by a statement that a total of 3,647,213 Ordinary Shares are held by Credit Suisse in its capacity as custodian to Laxey Partners Ltd. - this represents slightly less than 8.11 per cent. of the issued Ordinary Shares (excluding Ordinary Shares held by the Company in treasury).

In order for Shareholders to vote on the Proposed Shareholder Resolution (if proposed by Credit Suisse at the AGM) this 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 Shareholders with the Notice.

Details of the Proposed New Director

The Board has received limited information in relation to Alexander Paiusco (the “**Proposed New Director**”). Set out below (save for his residential address) is the information received:

“Full Name: Alexander Paiusco
Residency: Isle of Man
Nationality: German
Occupation: Investment Manager
Age: 35
Date of Birth: 14 September 1972

Curriculum Vitae

Alexander Paiusco

Alex Paiusco, aged 35, is currently a portfolio manager at Laxey Partner Limited.

From 1999 to 2005 he was M&A banker at, NM Rothschild & Sons, where he advised on transactions in excess of USD 150bn and acted for clients such as British Telecom, Deutsche Telekom, T-Systems, Northgate Information Solutions, Advent, GAP, Schroder Ventures and Laxey Partners.

Before joining Rothschild, Alex worked for PanumureGordon in M&A. He is Member of the Board of directors of Norman AB, a Norwegian listed software company, and Member of the board of Mirato spa, an Italian consumer goods (branded cosmetics) company listed on the Milan Stock Exchange.

Alex holds a CEMS Masters in International Management and a Masters degree in Business Administration and Economics from the University of St. Gallen, Switzerland.”

Your Board has had no opportunity to verify the accuracy or completeness of this information.

The Views of your Board

The Board has taken legal advice in relation to the Proposed Shareholder Resolution and does not contest the ability of Credit Suisse to propose the Proposed Shareholder Resolution at the AGM, notice of their intention having been validly served in accordance with the Company’s articles of association.

Your Board has received no other communication from Credit Suisse or Laxey Partners Ltd. concerning the proposed appointment or what Laxey Partners’ current objectives are in relation to its holding of Ordinary Shares in the Company.

Other than the information stated above in relation to the Proposed New Director no other information has been received by the Company. Your Board is not therefore in a position to comment on the suitability of the Proposed New Director to act as a director of the Company. The Board has not met with or otherwise spoken with the Proposed New Director but would be willing so to do. No evidence is currently available to the Board that the Proposed New Director is able or willing to commit himself to making a valuable contribution to the Company.

Your Board welcomes an active and open dialogue with Shareholders. However, having taken advice, your Board believes that the appointment of the Proposed New Director at the current time would not be in the best interests of Shareholders as a whole. No single Shareholder has any right to appoint a Director to the Board and no Director represents the interest of any single Shareholder. Given that the holding on behalf of Laxey Partners Ltd. represents slightly less than 8.11 per cent. of the issued Ordinary Shares (excluding Ordinary Shares held by the Company in treasury) the Board does not believe it is appropriate to prefer the position of Laxey Partners Ltd. over all other Shareholders.

Your Board therefore seeks the support of Shareholders in decisively rejecting the Proposed Shareholder Resolution. Shareholders are encouraged to return the enclosed Further Form of Proxy and vote against the Proposed Shareholder Resolution.

All appointments to the Board of the Company are subject to an application to Guernsey Financial Services Commission (“**GFSC**”) that it does not object to the proposed appointee. The Board has requested that the Proposed New Director complete the necessary directors’ questionnaire for submission to GFSC. The Board is also conducting appropriate due diligence on the Proposed New Director.

ACTION TO BE TAKEN

On 3 June 2008 shareholders were issued with the Form of Proxy in respect of the resolutions set out in the Notice of the 2008 AGM. You will find enclosed with this Further Circular the Further Form of Proxy in relation to the Proposed Shareholder Resolution. You are invited to complete and return the Further Form of Proxy as soon as possible in accordance with the written instructions, whether or not you propose 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**. Shareholders may appoint more than one proxy provided that each proxy is appointed to exercise rights attaching to different Ordinary Shares. Completing and returning the Further Form of Proxy will not prevent you from attending the AGM and voting in person, should you wish to do so.

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 your Board strongly recommends you vote AGAINST the Proposed Shareholder Resolution.

Your Board repeats its recommendation to vote in favour of each of the resolutions proposed for the AGM as set out in the Notice.

Yours faithfully



Quentin Spicer
Chairman