

26/09/2025

**Dear Shareholders**

**Whitsunday Skyway Project and Magnums Business Sale**

Australian Adventure Tourism Group (AATG) has dedicated many years to advancing its initial strategy for the Whitsunday Skyway Project (Skyway Project). This has included refining the Skyway Project feasibility, de-risking Federal and State approvals, and optimising capital expenditure and tourism experiences to be delivered as part of the development.

The Group is pleased to announce that it has successfully attracted highly qualified, US-based joint venture partners GVC Whitsundays Airlie B.V. (GVC), as the primary joint venture partner and together the Group and GVC has formed a new entity, Whitsunday Onward and Upward Pty Ltd (WOU), to complete detailed planning and approvals for the Skyway Project, and to raise capital for the project construction.

GVC is contributing equity capital to support the detailed design and planning phase and brings extensive global experience in delivering and operating tourism-focused, point-of-interest facilities like those envisioned for the Skyway Project.

AATG contributes local planning and development expertise, including advocacy to secure the necessary planning and environmental approvals, negotiate Native Title matters and consents, and engage building and construction contractors as the Skyway Project moves past the approvals stage.

The two joint venture partners have worked diligently to finalise agreements executed to date and will continue to work collaboratively to finalise conditions precedents.

As at the date of this announcement:

- (i) AATG and GVC have incorporated WOU;
- (ii) AATG holds one ordinary share in the capital of WOU and GVC holds two ordinary shares in the capital of WOU;
- (iii) the Shareholders' Agreement in relation to the governance of WOU was executed on 23 June 2025;
- (iv) the Subscription and Option Agreement in relation to WOU was executed on 9 July 2025);
- (v) the Asset Sale Agreement between AATG, WOU was executed on 31 July 2025, subject to conditions precedent including shareholder approval; and
- (vi) the Mid Station Option Agreement, Base Station Option Agreement, Magnums Option Agreement and Magnums Business Sale Agreement are still being negotiated by the respective parties and have not been executed.

## Transaction Status

AATG currently owns the assets for the proposed Skyway Project, which comprises of the following assets (Skyway Assets):

- (i) the Assets (being non-real property assets, such as intellectual property rights);
- (ii) the Base Station Land; and
- (iii) the Mid Station Land.

AATG currently owns and continues to operate the Magnums Business, including lot 51 on SP248501.

The parties intend for: AATG to sell the Skyway Assets to WOU as follows (Skyway Transaction):

- (i) AATG will sell the Assets to WOU on the terms of the Asset Sale Agreement;
- (ii) AATG will sell the Base Station Land to WOU on the terms of the Base Station Option Agreement;
- (iii) AATG will sell the Mid Station Land to WOU on the terms of the Mid Station Option Agreement; and
- (iv) AATG will sell the Magnums Business to WOU on the terms of the Magnums Option Agreement (Magnums Transaction);

The Skyway Transaction and the Magnums Transaction (collectively the Transaction) are interdependent, with

- the execution of the Mid Station Option Agreement, Base Station Option Agreement, Magnums Option Agreement and Magnums Business Sale Agreement being conditions precedent to the sale of the Assets under the Asset Sale Agreement;

## Key Transactions Summary

- The WOU Shareholders' Agreement and Subscription and Option Agreement have been executed;
- AATG has acquired one ordinary share in WOU for nominal consideration.
- The Asset Sale Agreement has been executed subject to conditions precedent including shareholder approval.
- The Skyway Transaction and Magnums Transaction are ongoing.
- Key commercial terms under the Asset Sale Agreement include the transfer of Mid Station freehold land and the assignment of all contracts and intellectual property related to the Skyway Project from AATG to WOU, in exchange for the issue of shares.
- Commercial terms for the disposal of the Base Station Land, Mid Station Land, and Magnums Business are still being negotiated and satisfied.

- The Transaction, including the Asset Sale Agreement, remains conditional and subject to further negotiations, execution of binding transaction documents, and shareholder approval.
- A further announcement will be made to call a shareholder meeting to vote on the resolutions that require shareholder approval.

## Project Overview

The Whitsunday Skyway Project is a mainland-based, greenfield tourism initiative proposed for Airlie Beach in the Whitsundays. It features a 1.8 kilometre cable car ride to the summit of Conway National Park, rising 430 metres above Airlie Beach. The summit will offer visitors panoramic 360-degree views of the Whitsunday Islands, Coral Sea, and Conway National Park.

The Project will also include:

- Food and beverage offerings
- Outstanding world class views
- Indigenous interpretive and educational experiences
- Thrilling luge cart rides 1<sup>st</sup> of its kind in Australia
- Adventure nature based activities for juniors
- World-class mountain bike trails

The Project continues to receive strong support from the Whitsunday Regional Council and local tourism bodies. It aligns with the strategic vision of the region's major tourism, community, and educational organisations, and is consistent with economic development plans outlined by Tourism Whitsunday, the Queensland Tourism Industry Council, and the Queensland Government (Department of Environment, Tourism, Science and Innovation), in collaboration with Federal counterparts.

## Approvals and Environmental Progress

The Project is currently progressing through the **Detailed Assessment phase** of the Exclusive Transaction Process with the Queensland State Government. The Group continues to advance its Native Title obligations and environmental approvals in accordance with the Process Deed.

An environmental submission was lodged on 15 December 2023 with the Department of Climate Change, Energy, the Environment and Water (DCCEEW) under the EPBC Act. The Department has determined that the Project will be assessed via a **Public Environmental Report (PER)**.

The alignment of the proposed cableway has since been revised to locate the base station on land owned jointly by the Local Council and the Group. DCCEEW has approved the Project variation to include this new alignment and the luge operation on freehold land. A revised PER is currently being finalised to reflect these changes, with WOU aiming to submit it by early October.



The Group is also in negotiations with the Local Council to realign common boundaries of two adjoining properties and to acquire one of the properties for the base station site.