

THIS DOCUMENT AND THE ACCOMPANYING FORM OF PROXY ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION

If you are in any doubt about the contents of this document or as to the action you should take, you are recommended to seek your own independent financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser who specialises in advising on the acquisition of shares and other securities.

If you sell or have sold or otherwise transferred all of your Ordinary Shares, please forward this document, together with the Form of Proxy as soon as possible to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee. If you sell or have sold or otherwise have transferred only part of your holding of Ordinary Shares, you should retain these documents and consult the bank, stockbroker or other agent through whom the sale or transfer will be, or was effected. If you receive this document from another shareholder, please contact Computershare Investor Services (Guernsey) Limited for a Form of Proxy.

This document is not a prospectus but a shareholder circular and it is being sent to you solely for your information in connection with the Resolutions to be proposed at an extraordinary general meeting of the Company. It does not constitute or form part of any offer or invitation to purchase, acquire, subscribe for, sell, dispose of or issue, or any solicitation of any offer to sell, dispose of, purchase, acquire or subscribe for, any security, including any Ordinary Shares to be issued in connection with the Initial Issue comprising an Open Offer, Placing and Offer for Subscription or any Ordinary Shares to be issued in connection with the Share Issuance Programme.

The Securities Note containing details of the Initial Issue will not be posted to Shareholders and will be published on the Company's website at www.seqifund.com. Shareholders will be able to access the Securities Note together with the Registration Document and the Summary (together the "Prospectus") by clicking on the link in the Downloads section of the website. Investors should not subscribe for any Ordinary Shares except on the basis of the information and the terms and conditions of the Initial Issue and/or Share Issuance Programme contained in the Prospectus, and, if applicable, the accompanying Application Form.

**SEQUOIA ECONOMIC INFRASTRUCTURE INCOME
FUND LIMITED**

(a company incorporated in Guernsey under the Companies (Guernsey) Law, 2008 (as amended) with registered no. 59596)

**Recommended proposals for the issue to raise approximately £200 million (before expenses) by
means of an Open Offer, Placing and Offer for Subscription
at an issue price of 106.0 pence per Ordinary Share**

and

**Share Issuance Programme
in respect of up to 250 million Ordinary Shares**

and

Notice of EGM

This document should be read as a whole. Nevertheless your attention is drawn to the "Letter from the Chairman" set out on pages 6 to 11 of this document which contains a recommendation from the Board of the Company that you vote in favour of the Resolutions to be proposed at the EGM referred to below.

This document contains a notice of an extraordinary general meeting of the Company to be held at 10.00 a.m. on 5 October 2018 which is set out at the end of this document. A Form of Proxy for use at the EGM is enclosed with this document. Whether or not you intend to attend the EGM in person, please complete, sign and return the accompanying Form of Proxy in accordance with the instructions printed on it as soon as possible but, in any event, so as to be received by the Company's Registrar at Computershare Investor

Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY to arrive by no later than 10.00 a.m. on 3 October 2018. Alternatively, you may register your proxy appointment and voting instruction electronically at <https://www.investorcentre.co.uk/eproxy> in accordance with the procedures set out in the notes accompanying the notice of the EGM. If you hold your Ordinary Shares in uncertificated form (i.e. in CREST) you may appoint a proxy by completing and transmitting a CREST Proxy Instruction in accordance with the procedures set out in the CREST Manual so that it is received by Computershare Investor Services PLC (under CREST participant 3RA50) by no later than 10.00 a.m. on 3 October 2018. CREST members may choose to use the CREST electronic proxy appointment service in accordance with the procedures set out in the notes accompanying the notice of the EGM. A summary of the action to be taken by Shareholders is set out in paragraph 4 on page 11 of this document. The electronic registration of your proxy appointment, or the return of a completed Form of Proxy or CREST Proxy Instruction will not prevent you from attending the EGM and voting in person (in substitution for your proxy vote) if you wish to do so and are so entitled.

EXCEPT AS OTHERWISE PROVIDED FOR HEREIN, NEITHER THIS DOCUMENT NOR THE FORM OF PROXY CONSTITUTE AN OFFER OF ORDINARY SHARES TO ANY PERSON.

Neither the United States Securities and Exchange Commission nor any other federal or state securities commission has approved or disapproved of the Ordinary Shares or passed upon the adequacy or accuracy of this document. Any representation to the contrary is a criminal offence.

Stifel Nicolaus Europe Limited (“**Stifel**”), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority (“**FCA**”), is acting solely for the Company and for no one else in connection with the proposed Initial Issue and Share Issuance Programme and will not be responsible to any person other than the Company for providing the protections afforded to clients of Stifel or for providing advice in relation to the matters described in this document. This does not exclude or limit any responsibility which Stifel may have under FSMA or the regulatory regime established thereunder.

The Company has not been and will not be registered under the U.S. Investment Company Act of 1940, as amended (the “**Investment Company Act**”). In addition, the Ordinary Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) or under any laws of, or with any securities regulatory authority of, any state or other jurisdiction in the United States. Consequently, none of the Ordinary Shares may be offered or sold or otherwise transferred in the United States or to, or for the account or benefit of, U.S. Persons except in accordance with the Securities Act or an exemption therefrom and under circumstances which will not require the Company to register under the Investment Company Act. The Ordinary Shares may only be resold or transferred in accordance with the restrictions which will be set forth in the Prospectus. Subject to certain exceptions, this document should not be distributed, forwarded, transferred or be otherwise transmitted to any persons within the United States or to any U.S. Persons.

The proposals in this document are conditional on, amongst other things, the approval of certain of the Resolutions by Shareholders at the EGM.

Capitalised and certain technical terms contained in this document have the meanings set out on pages 12 to 15 of this document.

DATE

This document is dated 19 September 2018.

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FORWARD-LOOKING STATEMENTS

This document contains “forward-looking statements” that are based on estimates and assumptions and are subject to risks and uncertainties. Forward-looking statements are all statements other than statements of historical fact or statements in the present tense, and can be identified by words such as “targets”, “aims”, “aspires”, “assumes”, “believes”, “estimates”, “anticipates”, “expects”, “intends”, “hopes”, “may”, “outlook”, “would”, “should”, “could”, “will”, “plans”, “potential”, “predicts” and “projects” as well as the negatives of these terms and other words of similar meaning. These may include, among other things, statements relating to the intentions, beliefs or current expectations of the Group and/or the Directors concerning the Group’s plans or objectives for future operations, products, financial condition and results of operations.

These statements involve estimates, assumptions and uncertainties which could cause actual results to differ materially from those otherwise expressed. The forward-looking statements in this document are made based upon the Company’s expectations and beliefs concerning future events affecting the Group and therefore involve a number of known and unknown risks and uncertainties. Such forward-looking statements are based on numerous assumptions regarding the Group’s present and future business strategies and the environment in which it will operate, which may prove not to be accurate. The Company cautions that these forward-looking statements are not guarantees and that actual results could differ materially from those expressed or implied in these forward-looking statements. Undue reliance should, therefore, not be placed on such forward-looking statements.

Any forward-looking statements contained in this document apply only as at the date of this document and are not intended to give any assurance as to future results. The Company will update this document as required by applicable law, including the Listing Rules, the Disclosure Guidance and Transparency Rules and the Prospectus Rules, the rules of the London Stock Exchange and any other applicable law or regulations, but otherwise expressly disclaims any obligation or undertaking to update or revise any forward-looking statements after the date on which the forward-looking statement was made, whether as a result of new information, future developments or otherwise. In light of these risks, uncertainties and assumptions, the events outlined in this document might not occur and actual results may differ materially from those described in the forward-looking statements.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Each of the times and dates in the table below is indicative only and may be subject to change.⁽¹⁾

Publication of the Prospectus and Circular	19 September 2018
Latest time and date for receipt of Forms of Proxy	10.00 a.m. on 3 October 2018
EGM	10.00 a.m. on 5 October 2018

Notes:

- (1) The times set out in the expected timetable of principal events above and mentioned throughout this document are times in London unless otherwise stated, and may be adjusted by the Company in consultation with or, if required, with the agreement of Stifel, in which event details of the new times and dates will be notified through the publication of a notice through a Regulatory Information Service and, where appropriate, either by post or electronic mail to Shareholders.

LETTER FROM THE CHAIRMAN

SEQUOIA ECONOMIC INFRASTRUCTURE INCOME FUND LIMITED

(a company incorporated in Guernsey under the Companies (Guernsey) Law, 2008, (as amended) with registered no. 59596)

Directors:

Robert Jennings (*Chairman*)
Sandra Platts (*Senior Independent Director*)
Jan Pethick
Jonathan Bridel

Registered Office:

Praxis Fund Services Limited
Sarnia House
Le Truchot
St Peter Port
Guernsey
GY1 1GR
Tel: +44 (0)1481 737600

19 September 2018

To Shareholders

Dear Sir or Madam

Recommended proposals to approve: (i) the disapplication of pre-emption rights in respect of the Initial Issue and (ii) the disapplication of pre-emption rights in respect of the Share Issuance Programme.

1. INTRODUCTION

Sequoia Economic Infrastructure Income Fund Limited (the “**Company**”) is a Guernsey-incorporated closed-ended investment company whose Ordinary Shares are traded on the Main Market of the London Stock Exchange. The Company’s investment strategy is to provide shareholders with long-term distributions by owning debt exposures to economic infrastructure projects across a diversified range of jurisdictions, sectors and sub-sectors. The Company targets an ongoing dividend of six pence per annum on its Ordinary Shares, payable quarterly.

The IPO of the Company took place on 3 March 2015, raising gross proceeds of approximately £150 million in an oversubscribed issue. During the course of the next three years, the Company has carried out a further five equity issues, which have raised in excess of £680 million of gross proceeds. The net proceeds of the IPO and each of the subsequent issues were, after accounting for costs and expenses, invested in accordance with the Company’s investment objective and policy.

In addition to the equity which the Company has raised, the Company announced on 6 December 2017 that it had entered into a multi-currency Revolving Credit Facility of £100 million with the option of drawing down an Accordion Tranche which provided an extra £50 million if required (subject to the satisfaction of certain conditions). The term of the Revolving Credit Facility is for three years from 6 December 2017 with a borrowing cost of 210 basis points over LIBOR. The Revolving Credit Facility enables the Company to reduce cash drag by buying assets through the use of leverage with the intention to pay this down in the future through the proceeds of equity issuances. The proceeds of the 2018 Placing were used to repay £70.7 million of drawings under the Revolving Credit Facility on or around 14 May 2018. Since then the Company has used the Revolving Credit Facility to make investments as and when suitable investment opportunities have been identified. The Revolving Credit Facility is fully drawn down and on 9 August 2018 the Company exercised the Accordion Tranche which provided the Company with an extra £50 million of available funds. As at 18 September 2018 the Company had drawn approximately £16.2 million under the Accordion Tranche bringing the total amount drawn down under the Revolving Credit Facility to £116.2 million.

As at 19 September 2018, the Company is invested in a portfolio which is spread over 59 investments across the US, the UK, Europe, Australia and New Zealand, spread across eight sectors and 24 sub-sectors. The Company has been able to deploy proceeds ahead of their deployment targets in relation to the IPO and all

subsequent equity issues and, encouragingly, the Investment Adviser continues to see a growing and attractive pipeline of investment opportunities.

Since incorporation the Company has paid an aggregate of 18.5 pence per Ordinary Share in dividends. The Company intends to continue to pay dividends in relation to the Ordinary Shares on a quarterly basis. The next quarterly dividend is expected to be paid in October 2018, after the closing date of the Initial Issue.

The unaudited NAV of the Company was 101.17 pence per Ordinary Share as at the Portfolio Date.

The proposed Initial Issue

On 20 August 2018, the Board announced that it was considering raising new capital in order to repay the amounts drawn on its Revolving Credit Facility and thereafter to invest in further investment opportunities in accordance with the Company's investment policy. The Board values the support provided to it from its existing Shareholders and as such it intends to include a material element of pre-emption in the equity issue. The Company has today announced that it intends to proceed with the Open Offer, Placing and Offer for Subscription for a target issue of £200 million equivalent to 188,679,245 new Ordinary Shares at an issue price of 106.0 pence per Ordinary Share under the Initial Issue. Under the terms of the Open Offer, up to 149,420,048 Ordinary Shares will be made available to existing Qualifying Shareholders on the basis of 2 new Ordinary Shares for every 11 existing Ordinary Shares held. The Board may increase the size of the Initial Issue by up to a maximum of 50,000,000 additional new Ordinary Shares if they, in consultation with Stifel and the Investment Adviser, believe there is sufficient investor demand and assets available and suitable for investment. Where the size of the Initial Issue is increased above 188,679,245 new Ordinary Shares, the maximum aggregate number of Ordinary Shares available for issuance under the Share Issuance Programme shall be reduced by the amount of such increase. There is no certainty that the maximum number of Ordinary Shares will be issued, even if sufficient demand exists. The Company will seek admission of the new Ordinary Shares to be issued under the Initial Issue to the premium segment of the Official List and to trading on the Main Market. The minimum net proceeds of the Initial Issue are £50 million. The costs of the Initial Issue borne by the Company are expected to be approximately 1.5 per cent. of the Gross Issue Proceeds assuming a £200 million equity raise. Further details of the Initial Issue are included in the Prospectus. The Investment Adviser is confident any net proceeds of the Initial Issue (including any reallocation from the Share Issuance Programme) after the repayment of the Revolving Credit Facility will be deployed shortly after Initial Admission.

The proposed Share Issuance Programme

The Company also intends to put in place a Share Issuance Programme with the flexibility to issue up to a further 250 million Ordinary Shares (less any Ordinary Shares reallocated to the Initial Issue) at an issue price calculated by reference to the prevailing Net Asset Value per Ordinary Share at the time of issue together with a premium. The Share Issuance Programme is flexible and may have a number of closing dates in order to provide the Company with the ability to issue Ordinary Shares on appropriate occasions over a period of time. The Share Issuance Programme is intended to satisfy market demand for the Ordinary Shares and to raise further money for investment in accordance with the Company's investment policy. The Share Issuance Programme is designed to give the Board the flexibility to include pre-emptive elements in any future issue. The Directors intend that any material issue under the Share Issuance Programme would include a material pre-emptive element consistent with their approach in respect of the Initial Issue.

The net proceeds of the Share Issuance Programme are dependent on the number of Ordinary Shares issued pursuant to the Share Issuance Programme. On the assumption that the Company issues the maximum number of Ordinary Shares available for issue under the Share Issuance Programme at an average price, for illustrative purposes only, of 106.0 pence per Ordinary Share, the gross proceeds from the Share Issuance Programme will be approximately £265 million and the expenses payable by the Company in relation to the Share Issuance Programme including the costs of establishment and publication of the documentation of the Share Issuance Programme, fees for commissions and registration and Admission fees are estimated at approximately £3.7 million, resulting in net proceeds of approximately £261.3 million.

Accordingly and in compliance with the Companies Law and the Listing Rules, the Board is seeking Shareholder approval in connection with certain matters relating to the proposed Initial Issue and Share

Issuance Programme. An EGM of the Company is being convened at which Shareholders will be asked to approve:

- (A) the disapplication of pre-emption rights in respect of up to 188,679,245 Ordinary Shares for the purposes of the Initial Issue (“**Resolution 1**”); and
- (B) the disapplication of pre-emption rights in respect of up to 250,000,000 Ordinary Shares for the purposes of the Share Issuance Programme (“**Resolution 2**”).

The proposed Initial Issue is conditional upon, amongst other things, the Company obtaining Shareholders’ approval of Resolution 1. The proposed Share Issuance Programme is conditional upon, amongst other things, the Company obtaining Shareholders’ approval of both of the Resolutions. Furthermore any reallocation from the Initial Issue to the Share Issuance Programme of up to 50 million Ordinary Shares is conditional upon, amongst other things, the Company obtaining Shareholders’ approval of both of the Resolutions.

The new Ordinary Shares to be issued pursuant to the Initial Issue will have the rights attaching to the Ordinary Shares and will rank *pari passu* with the outstanding Ordinary Shares in issue on the date the new Ordinary Shares are issued. For the avoidance of doubt, the new Ordinary Shares to be issued pursuant to the Initial Issue will carry rights to any dividend in respect of the period ending 30 September 2018 which will be declared in October 2018, after the closing of the Initial Issue.

The purpose of this document is to provide Shareholders with details of, and to seek Shareholder approval for, the Resolutions. This document includes a notice of the EGM to be held at 10.00 a.m. on 5 October 2018 at Sarnia House, Le Truchot, St Peter Port, Guernsey, GY1 1GR.

The Board believes that the Resolutions are in the best interests of the Company and its Shareholders as a whole and recommends that you vote in favour of the Resolutions at the EGM. You are therefore urged to complete and return your Form of Proxy without delay, whether or not you intend to attend the EGM.

2. BACKGROUND TO AND RATIONALE FOR THE INITIAL ISSUE AND SHARE ISSUANCE PROGRAMME

2.1 *Benefits of the Initial Issue*

The Investment Adviser continues to see significant opportunities in the economic infrastructure debt market. The Board believes that it would be in the interests of the Company to raise further funds to take advantage of these opportunities. Specifically, the Directors believe that the Initial Issue will have the following benefits:

- (A) provide the Company with the funds to fully repay the funds drawn down under the Revolving Credit Facility which will allow the Company to re-draw funds under the facility as and when investment opportunities arise without incurring cash drag;
- (B) allow the Company, following repayment of the Revolving Credit Facility, to invest further capital in the Company’s identified pipeline opportunities which should enable the Group to further diversify its existing portfolio;
- (C) create the potential to enhance the NAV per Ordinary Share of the existing Ordinary Shares through the issuance of Ordinary Shares at a premium to NAV per Ordinary Share, after the related costs have been deducted;
- (D) spread the Company’s fixed running costs across a wider base of shareholders, and benefit from the reducing scale of charges for the Investment Adviser, thereby reducing the Company’s ongoing charges;
- (E) increase the size of the Company which should help make the Company more attractive to a wider audience of investors and improve market liquidity in the Ordinary Shares;
- (F) increase the size of the Company which should help make the Company more attractive as a lender to borrowers offering the Company better access to pipeline opportunities; and

- (G) through the Open Offer, allow existing Shareholders to participate in the Initial Issue on a pre-emptive basis.

The Directors believe that the Investment Adviser has developed a strong presence in the economic infrastructure debt market through its activity since the inception of the Company as well as the Investment Adviser's prior experience in the sector. The economic infrastructure market is a large market and in 2017 was estimated to be approximately 4.5 times larger than the social infrastructure market.

By investing in debt, as opposed to equity of economic infrastructure projects, the Investment Adviser is able to focus on projects that have an equity cushion of typically at least 20 per cent. The Directors believe that this provides the Group with a lower risk profile than equity infrastructure investments. However the Group is still able to access investments with "equity-like" infrastructure return profiles. The yield to maturity (or Yield to Worst) on the existing portfolio is approximately 8.6 per cent. as at the Portfolio Date. The Investment Adviser has compiled a near term pipeline of opportunities based on an investment pipeline of opportunities in excess of £300 million.

2.2 *Benefits of the Share Issuance Programme*

The Share Issuance Programme is being created to provide the Company with flexibility should it wish to raise further capital as new investment opportunities arise over the next 12 months to either repay any future drawn down commitments under the Revolving Credit Facility or to directly invest in new investment opportunities. The Directors believe that instituting the Share Issuance Programme and the ability to issue further Ordinary Shares under it will:

- (A) enable the Company to raise additional capital quickly through an equity issuance in order to (i) repay the Revolving Credit Facility when it becomes fully or substantially drawn and/or (ii) invest in opportunities identified in the future with the aim of keeping the Company in a position where it has available cash to invest in investment opportunities as and when they become available;
- (B) create the potential to enhance the NAV per Ordinary Share of existing Ordinary Shares through new share issuance at a premium to NAV per Ordinary Share, after the related costs have been deducted;
- (C) grow the Company, thereby spreading operating costs over a larger capital base, and benefiting from the reducing scale of charges for the Investment Adviser, which should reduce the Company's ongoing charges;
- (D) partially satisfy market demand from time to time for Ordinary Shares and improve liquidity in the market for the Ordinary Shares; and
- (E) increase the size of the Company which should help make the Company more attractive as a lender to borrowers offering the Company better access to pipeline opportunities.

2.3 *Risks of the Initial Issue and Share Issuance Programme*

There are risks associated with the Initial Issue and the Share Issuance Programme. The Directors believe that the key risks relating to the Initial Issue and the Share Issuance Programme include the following:

- (A) the percentage holding of an existing Shareholder will be diluted to the extent that they do not participate in the Initial Issue and/or the Share Issuance Programme. Where a Shareholder does not participate in the Placing or in the Offer for Subscription and the Initial Issue is fully subscribed but the Shareholder (i) takes up his full entitlement under the Open Offer assuming the maximum Initial Issue size, the dilution of the percentage holding for an existing Shareholder would be approximately 8.4 per cent.; or (ii) does not participate in the Open Offer, such an existing Shareholder's percentage holding will be diluted by approximately 22.5 per cent. assuming the maximum Initial Issue size. Where 188,679,245 Ordinary Shares

are issued under the Initial Issue and 250,000,000 Ordinary Shares are issued under the Share Issuance Programme (being the maximum number of Ordinary Shares available under the Share Issuance Programme), and a Shareholder does not participate in the Initial Issue or the Share Issuance Programme, there would be a dilution of approximately 34.8 per cent. in such Shareholder's voting control of the Company;

- (B) should market conditions change, if there is a deterioration in the Investment Adviser's pipeline or if the Investment Adviser is unable to deploy proceeds into suitable opportunities, Shareholders may experience "cash drag" which may impact the Company's ongoing dividend target;
- (C) an active and liquid trading market for the Ordinary Shares may not be maintained. The Company cannot predict the effect on the price of the Ordinary Shares if a liquid and active trading market for the Ordinary Shares does not develop;
- (D) the market price of the Ordinary Shares may fluctuate significantly and investors may not be able to sell their Ordinary Shares at or above the price at which they purchased them, meaning that they could lose all or part of their investment; and
- (E) the Ordinary Shares could trade at a discount to the Net Asset Value per share. There is no guarantee that any attempts by the Company to mitigate such a discount will be successful, nor that the use of discount control mechanisms will be possible or advisable.

3. RESOLUTIONS

The Resolutions require the approval of Shareholders at the EGM. In order to be passed, the Resolutions to be proposed as special resolutions at the EGM, will require the approval of Shareholders representing at least 75 per cent. of the votes cast at the EGM.

The Articles contain pre-emption rights in respect of the allotment or sale for cash of "equity securities" (which include Ordinary Shares or rights to subscribe for or to convert securities into Ordinary Shares), which can be disapplied by way of a special resolution. The pre-emption rights have been disapplied up to an aggregate amount not exceeding 10 per cent. of the Ordinary Shares from time to time in issue until the conclusion of the next annual general meeting of the Company in 2019 (the "**General Disapplication**"). In addition, Resolution 1 proposes that the pre-emption rights are disapplied in accordance with the Articles in respect of up to 188,679,245 Ordinary Shares in respect of the Initial Issue and Resolution 2 proposes that the pre-emption rights are disapplied in accordance with the Articles in respect of up to 250,000,000 Ordinary Shares in respect of the Share Issuance Programme. For the avoidance of doubt, these authorities are additional to and exclusive of the General Disapplication. The Resolutions will not affect the General Disapplication.

The Directors confirm that up to 188,679,245 Ordinary Shares shall be allocated to the Initial Issue (not taking into account the option to re-allocate up to 50,000,000 Ordinary Shares from the Share Issuance Programme to the Initial Issue if the Initial Issue is oversubscribed).

Notwithstanding the disapplication of pre-emption rights, the Directors recognise the importance of existing Shareholders' protections and consequently the Initial Issue is being structured to include a material element of pre-emption via the Open Offer on the basis of 2 new Ordinary Shares for every 11 existing Ordinary Shares.

As indicated above, Resolution 2 proposes that the pre-emption rights are disapplied in accordance with the Articles in respect of up to 250,000,000 Ordinary Shares. The Directors confirm that up to 250,000,000 Ordinary Shares (less any Ordinary Shares reallocated to the Initial Issue up to a maximum of 50,000,000 Ordinary Shares) shall be allocated to the Share Issuance Programme.

The allotment of Ordinary Shares pursuant to the Share Issuance Programme is at the discretion of the Directors and may take place at any time prior to the final closing date of 18 September 2019. The Directors intend that any material issue under the Share Issuance Programme would include a material pre-emptive element consistent with the approach in respect of the Initial Issue.

Both the Initial Issue and any issues under the Share Issuance Programme will be NAV accretive.

4. ACTION TO BE TAKEN

The only action that you need to take is to complete and return the accompanying Form of Proxy.

Whether or not you intend to attend the EGM, you should ensure that your Form of Proxy (enclosed with this document) is returned to the Registrar, by one of the following means:

- in hard copy form by post, by courier or by hand to, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS13 8AE; or
- in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in the notes to the notice of the EGM.

In each case, the Form of Proxy must be received by the Company not less than 48 hours before the time for holding of the EGM. In calculating such 48 hour period, no account shall be taken of any day that is not a Business Day. To be valid, the relevant Form of Proxy should be completed in accordance with the instructions accompanying it and lodged with the Registrar by the relevant time.

Completion and return of the Form of Proxy will not affect a Shareholder's right to attend, speak and vote at the EGM.

A quorum consisting of two Shareholders holding five per cent. of the total voting rights of the Company present in person or by proxy is required for the EGM.

The notice convening the EGM is set out on pages 16 to 17 of this document.

5. DOCUMENTS ON DISPLAY

Copies of the Articles and the Prospectus are available for inspection at: (i) the registered office of the Company at Sarnia House, Le Truchot, St Peter Port, Guernsey, GY1 1GR; and (ii) the offices of CMS Cameron McKenna Nabarro Olswang LLP, 78 Cannon Street, London, EC4N 6AF, during normal business hours on any Business Day from the date of this document until the conclusion of the EGM, and at the venue of the EGM for at least 15 minutes prior to, and during, the EGM.

6. TIMETABLE

Application will be made for the Ordinary Shares to be issued pursuant to the Initial Issue to be admitted to the premium segment of the Official List and to trading on the Main Market for listed securities of the London Stock Exchange. The Prospectus containing further details of the Initial Issue will be published on the Company's website at www.seqifund.com. It is currently expected that Initial Admission will become effective, and dealings in the new Ordinary Shares issued pursuant to the Initial Issue will commence, on 12 October 2018.

Applications will be made for any Ordinary Shares issued pursuant to the Share Issuance Programme to be admitted to the premium segment of the Official List and to trading on the Main Market of the London Stock Exchange. It is expected that any such Admissions will occur, and that dealings in the Ordinary Shares will commence, not later than 18 September 2019.

7. RECOMMENDATION TO THE SHAREHOLDERS

The Board considers that the Proposals and the Resolutions are in the best interests of the Company and its Shareholders as a whole. The Board accordingly recommends the Shareholders vote in favour of the Resolutions to be proposed at the EGM.

Yours faithfully,

Robert Jennings
Chairman

DEFINITIONS

“£” and “p”	respectively means pounds and pence Sterling;
“2018 Placing”	means the issue of 72,800,000 Ordinary Shares to the premium listing segment of the Official List and admission to trading on the Main Market which took place on 9 May 2018 pursuant to a placing;
“Accordion Tranche”	the additional tranche of up to £50 million to be made available by the lenders under the Revolving Credit Facility if exercised by the Company;
“Admission”	means admission of any further Ordinary Shares to be issued pursuant to the Share Issuance Programme to the Premium Listing segment of the Official List and to trading on the London Stock Exchange’s Main Market for listed securities;
“Application Form”	means the application form for use by Qualifying Shareholders in connection with the Open Offer, which will form part of the Prospectus;
“Articles”	means the articles of incorporation of the Company as amended from time to time;
“Board” or “Directors”	means the board of directors of the Company;
“Business Day”	means any day (other than a Saturday or Sunday) on which commercial banks are open for business in London and Guernsey;
“Circular”	means this document, which constitutes a circular in accordance with the Listing Rules;
“Companies Law”	means the Companies (Guernsey) Law, 2008 (as amended);
“Company”	means Sequoia Economic Infrastructure Income Fund Limited, a company incorporated in Guernsey under the Companies Law with registered no. 59596;
“CREST”	means the computerised settlement system operated by Euroclear UK and Ireland Limited which facilitates the transfer of title to shares in uncertificated form;
“CREST Proxy Instruction”	means a proxy appointment or instruction made using CREST;
“Disclosure Guidance and Transparency Rules”	means the Disclosure Guidance and Transparency Rules (as amended from time to time) made by the UK Listing Authority under Part VI of the FSMA;
“EGM”	means the extraordinary general meeting of the Company to be held at Sarnia House, Le Truchot, St Peter Port, Guernsey, GY1 1GR at 10.00 a.m. on 5 October 2018 (or any adjournment thereof), notice of which is set out at the end of this document;
“Excluded Shareholders”	means, subject to certain exceptions, Shareholders who have a registered address in, who are incorporated in, registered in or otherwise resident or located in any Excluded Territory;
“Excluded Territory”	means Canada, Japan, Australia, New Zealand, the Republic of South Africa and the U.S. and any jurisdiction where the extension or availability of the Initial Issue (and any other transaction contemplated thereby) would breach any applicable laws or regulations, and Excluded Territories shall mean any of them;

“Financial Conduct Authority” or “FCA”	means the Financial Conduct Authority of the United Kingdom in its capacity as the competent authority for the purposes of FSMA;
“Form of Proxy”	means the form of proxy enclosed with this document for use by Shareholders at the EGM;
“FSMA”	means the United Kingdom Financial Services and Markets Act 2000, as amended;
“Gross Issue Proceeds”	means the aggregate value of the Ordinary Shares issued under the Initial Issue at the Issue Price;
“Group”	means the Company and the Subsidiary;
“Initial Admission”	means admission of the new Ordinary Shares to be issued pursuant to the Initial Issue to the premium listing segment of the Official List and to trading on the Main Market;
“Initial Issue”	means the Open Offer, Placing and Offer for Subscription on the terms set out in the Securities Note;
“IPO”	means the admission of 150 million Ordinary Shares to the premium listing segment of the Official List and admission to trading on the Main Market which took place on 3 March 2015;
“Issue Price”	means 106.0 pence per Ordinary Share;
“Investment Adviser”	means Sequoia Investment Management Company Limited, a limited liability company incorporated in England and Wales (registered number: 05902847) with registered address Kent House, 14-17 Market Place, London, W1W 8AJ;
“Investments”	means investments made by the Group in accordance with the Investment Policy;
“Investment Policy”	means the Group’s investment policy;
“Listing Rules”	means the Listing Rules made by the UKLA under section 73A of FSMA;
“London Stock Exchange”	means London Stock Exchange PLC;
“Main Market”	means the London Stock Exchange’s Main Market for listed securities;
“NAV” or “Net Asset Value”	means the unaudited value of the assets of the Company less its liabilities as determined in accordance with the procedure determined by the Directors or such other procedure as may be determined by the Directors from time to time and, where the context requires, the part of that amount attributable to a particular class of shares;
“Offer for Subscription”	means the proposed offer for subscription to the public in the UK of Ordinary Shares at the Issue Price;
“Official List”	means the official list of the UK Listing Authority;
“Open Offer”	means the proposed conditional offer to Qualifying Shareholders, constituting an invitation to apply for Ordinary Shares at the Issue Price and otherwise on the terms and subject to the conditions set out in the Securities Note and, in the case of those Qualifying

	Shareholders who hold their Ordinary Shares in certificated form only, the Application Form;
“Ordinary Share”	means an ordinary share of no par value in the capital of the Company carrying the rights and obligations set out in the Articles;
“Placing”	means the proposed placing of Ordinary Shares at the Issue Price forming part of the Initial Issue;
“Portfolio”	means, at any time, the portfolio of Investments in which the assets of the Group are directly and/or indirectly invested;
“Portfolio Date”	means 31 August 2018;
“Premium Listing”	means a listing on the Official List which complies with the requirements of the Listing Rules for a premium listing;
“Proposals”	means the recommended proposals by the Board to (i) approve the disapplication of pre-emption rights in respect of, up to 188,679,245 Ordinary Shares for the purposes of the Initial Issue and to (ii) approve the disapplication of pre-emption rights in respect of, up to 250,000,000 Ordinary Shares for the purposes of the Share Issuance Programme;
“Prospectus”	means the Registration Document, the Securities Note (or a future securities note), the Summary (or a future summary) which constitute a prospectus of the Company published in connection with the Initial Issue and Share Issuance Programme on 19 September 2018;
“Prospectus Rules”	means the prospectus rules made by the Financial Services Authority for the purposes of Part VI of the FSMA;
“Qualifying Shareholders”	means holders of Ordinary Shares in the Company as at the Record Date excluding the Excluded Shareholders;
“Registrar”	means Computershare Investor Services (Guernsey) Limited or such other person or persons from time to time appointed by the Company;
“Registration Document”	means the registration document dated 19 September 2018 approved by the FCA and issued by the Company in respect of the issue of the Ordinary Shares to which the Securities Note relates and any issue of Ordinary Shares under the Share Issuance Programme in connection with a future securities note;
“Regulatory Information Service” or “RIS”	means a regulated information service approved by the FCA and on the list of Regulatory Information Services maintained by the FCA;
“Resolution 1”	has the meaning given at (A) on page 8 of this Circular;
“Resolution 2”	has the meaning given at (B) on page 8 of this Circular;
“Resolutions”	means Resolution 1 and Resolution 2;
“Revolving Credit Facility”	means the multi-currency revolving credit facility dated 6 December 2017 pursuant to which the Royal Bank of Scotland, ING Bank and Investec as lenders have made £100,000,000 available to the Company for a term of three years including, where applicable, the Accordion Tranche;

“Securities Note”	means the securities note issued by the Company in connection with the Initial Issue and any further placing and approved by the FCA;
“Shareholders”	means any holders of Shares in the Company from time to time;
“Share Issuance Programme”	means the share issuance programme of up to 250,000,000 Ordinary Shares (less any Ordinary Shares reallocated to the Initial Issue up to a maximum of 50,000,000 Ordinary Shares) as described in Part 2 of the Securities Note;
“Shares”	means any shares issued by the Company from time to time;
“Sterling” or “£”	means the current lawful currency of the United Kingdom;
“Stifel”	means Stifel Nicolaus Europe Limited;
“Subsidiary”	means Sequoia IDF Asset Holdings S.A., a société anonyme incorporated under the laws of the Grand Duchy of Luxembourg and subject to, as an unregulated securitisation entity, the Securitisation Act 2004, having its registered office at 46A Avenue J.F. Kennedy, L-1855, Luxembourg, Grand Duchy of Luxembourg, registered with the Luxembourg Register of Commerce and Companies;
“Summary”	means the summary dated 19 September 2018 issued by the Company in respect of Ordinary Shares made available pursuant to the Initial Issue and any further placing;
“UK” or “United Kingdom”	means the United Kingdom of Great Britain and Northern Ireland;
“UKLA” or “UK Listing Authority”	means the FCA acting in its capacity as the competent authority for the purposes of Part VI of FSMA;
“U.S.” or “United States”	means the United States of America, its states, territories and possessions, including the District of Columbia;
“U.S. Person”	has the meaning given in Regulation S;
“Yield to Worst”	means, for bonds with call dates, the lowest of the yield-to-call rates for each call date and the yield to maturity.

SEQUOIA ECONOMIC INFRASTRUCTURE INCOME FUND LIMITED

(a company incorporated in Guernsey under the Companies (Guernsey) Law, 2008 (as amended) with registered no. 59596)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of the Sequoia Economic Infrastructure Income Fund Limited (the “**Company**”) will be held at Sarnia House, Le Truchot, St Peter Port, Guernsey, GY1 1GR at 10.00 a.m. on 5 October 2018 to consider and, if thought fit, pass the following resolutions, which will be proposed as special resolutions. Defined terms in this notice will have the meaning given to them in the circular to shareholders published by the Company on 19 September 2018 (the “**Circular**”), a copy of which has been produced to this meeting and initialled by the Chairman for the purposes of identification.

Special Resolutions

1. **THAT** the Directors be and are hereby authorised to allot and issue (or sell from treasury) equity securities (within the meaning of the Articles) for cash, as if Article 5.1 of the Articles did not apply to any such allotment and issue, of up to 188,679,245 Ordinary Shares for the purposes of the Initial Issue provided that the authority shall expire on the later of: (a) 12 months following the date of the Registration Document; and (b) the conclusion of the annual general meeting of the Company to be held in 2019, unless, in each case, such authority is renewed, varied or revoked by the Company, save that the Company may prior to the expiry of such period make any offer or agreement which would or might require such Ordinary Shares to be issued (or sold from treasury) or rights to be granted after such expiry and the Directors may issue (or sell from treasury) such Ordinary Shares (or to grant rights to subscribe for or to convert any securities into Ordinary Shares) in pursuance of any such offer or agreement as if the authority conferred hereby had not expired and provided further that this authority is without prejudice to the existing authority to disapply pre-emption rights up to an aggregate amount not exceeding 10 per cent. of the Ordinary Shares from time to time in issue pursuant to a special resolution of the Company dated 16 August 2018.
2. **THAT** the Directors be and are hereby authorised to allot and issue (or sell from treasury) equity securities (within the meaning of the Articles) for cash, as if Article 5.1 of the Articles did not apply to any such allotment and issue, of up to 250,000,000 Ordinary Shares for the purposes of the Share Issuance Programme provided that (i) up to 50,000,000 of such Ordinary Shares may be allocated by the Directors to the Initial Issue as described in the Circular and (ii) the authority shall expire on the later of: (a) 12 months following the date of the Registration Document; and (b) the conclusion of the annual general meeting of the Company to be held in 2019, unless, in each case, such authority is renewed, varied or revoked by the Company, save that the Company may prior to the expiry of such period make any offer or agreement which would or might require such Ordinary Shares to be issued (or sold from treasury) or rights to be granted after such expiry and the Directors may issue (or sell from treasury) such Ordinary Shares (or to grant rights to subscribe for or to convert any securities into Ordinary Shares) in pursuance of any such offer or agreement as if the authority conferred hereby had not expired and provided further that this authority is without prejudice to the existing authority to disapply pre-emption rights up to an aggregate amount not exceeding 10 per cent. of the Ordinary Shares from time to time in issue pursuant to a special resolution of the Company dated 16 August 2018.

By order of the Board
Sequoia Economic Infrastructure Income Fund Limited

Registered Office:
Praxis Fund Services Limited
Sarnia House
Le Truchot
St Peter Port
Guernsey
GY1 1GR

Date: 19 September 2018

NOTES:

Proxies

1. A shareholder is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at the EGM. A shareholder may appoint more than one proxy in relation to the EGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not also be a shareholder of the Company.
2. Shareholders will find enclosed a form of proxy for use in connection with the EGM (and any adjournment). The form of proxy should be completed in accordance with the instructions. To be valid, the form of proxy (together with the power of attorney or other authority, if any, under which it is executed or a notarially certified copy of such power or authority) must be deposited at the offices of the Company's Registrars, c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY or at the email address: info@computershare.co.gg or by fax to +44(0)370 873 5851 by 10.00 a.m. on 3 October 2018. Where a form of proxy is given by email or fax the power of attorney or other authority, if any, under which it is executed or a notarially certified copy of such power or authority must be deposited at the offices of the Company's Registrars at the above address by the appointed time. A space has been included in the form of proxy to allow shareholders to specify the number of shares in respect of which that proxy is appointed. Shareholders who return the form of proxy duly executed but leave this space blank will be deemed to have appointed the proxy in respect of all of their shares. Shareholders who wish to appoint more than one proxy in respect of their shareholding should contact the Company's Registrar, Computershare Investor Services PLC on their helpline number: 0370 707 4040 from within the UK or on +44 370 707 4040 if calling from outside the UK for additional forms of proxy, or you may photocopy the form of proxy provided with this document indicating on each copy the name of the proxy you wish to appoint and the number of ordinary shares in the Company in respect of which the proxy is appointed. All forms of proxy should be returned together in the same envelope.

In the case of joint holders, any one holder may vote. If more than one holder is present at the meeting, only the vote of the senior will be accepted, seniority being determined in the order in which the names appear on the register of shareholders of the Company.

3. To allow effective constitution of the meeting, if it is apparent to the Chairman that no shareholders will be present in person or by proxy, other than by proxy in the Chairman's favour, then the Chairman may appoint a substitute to act as proxy in his stead for any shareholder, provided that such substitute proxy shall vote on the same basis as the Chairman.

Corporate representatives

4. Corporate shareholders may by resolution of its board or other governing body, authorise such person or persons as it thinks fit to act as its representative at the EGM. Where a person is authorised to represent a corporate shareholder, he may be required to produce a certified copy of the resolution from which he derives his authority.

Right to attend and vote

5. To be entitled to attend and vote at the EGM (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the register of members of the Company at 6:00 p.m. on 3 October 2018 or, in the event of any adjournment, 6:00 p.m. on the date which is two days before the time of the adjourned meeting. Changes to entries on the register of shareholders after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the extraordinary general meeting.

CREST members

6. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the EGM (and any adjournments thereof) by utilising the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s) should refer to their CREST sponsor or voting service providers, who will be able to take the appropriate action on their behalf.
7. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the Registrar, by the latest time for receipt of proxy appointments specified in this notice of EGM. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
8. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 34 of the Uncertificated Securities (Guernsey) Regulations 2009.

