

July 16, 2010

STATEMENT

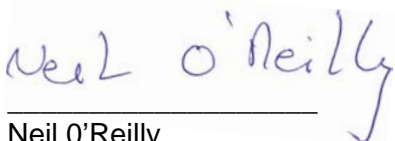
To Whom it may concern

I am writing to you with reference to a letter sent out by Mrs. Dakova. To avoid further confusion I want to share with you my thoughts on the content of this letter:

- I believe the aim of Mrs. Dakova's letter is to generate confusion and anxiety with Aheloy Residence clients in the hope that this will attract them to her legal firm for legal services. As with any reputable law firm, Bulgarian lawyers do not need to tout for business, and do not send scaremongering letters to potential clients.
- Despite her claim to represent a large number of clients (300) in Aheloy Residence, the truth is that only 12 clients paid their money to her for representation in Aheloy Residence.
- Any of you are free to select and employ a lawyer in Bulgaria however, the one piece of advice I would share with you is this, make sure you agree upfront and in writing a fixed fee payment structure with the lawyer for the services rendered. Our office in Bulgaria regularly hears of incidences of some Bulgarian lawyers attracting overseas clients by charging small fees initially (€500 - €1500) and then invoicing the client with a significantly higher bill after the fact.
- Our proposal to actively manage the rescue plan remains the same. Your money is in safe-keeping and will be used only after the legal charge is released. (See reference to statement of lawyer Cholakov who endorse this assurance).
- Significant progress is being made on the construction of the development. This includes the main pool, building exteriors and the main access road.(see updates on www.aheloyresidence.com)

I am working full time to complete this development and believe this is in the best interest of all the investors. While legal action may benefit the lawyers it will not help complete the development and protect your investment.

Yours Faithfully



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Owner "Aheloy Residence" EOOD

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July 17,2010

S T A T E M E N T

To Whom it may concern

Dear shareholder,

The undersigned Valcho Cholakov in my capacity of independent lawyer administrating the "Solicitor's Client account" where the investors in "Aheloy Owners" EAD pay with regards to purchasing shares from the company, declare that :

All funds collected from share purchasers in "Aheloy Owners " EAD are kept safe in special "Solicitor's Client account" and are to be transferred only under condition of releasing the lien charged over the apartments in "Aheloy Owners " EAD from the claimer side "Zlatarsko" OOD (subsidiary of " Midia " AD)

Only after that condition is met, collected funds will be transferred accordingly and share purchase certificates will be issued to individual share purchasers.

Your sincerely ,

Valcho Cholakov

17. July 2010
Burgas, Bulgaria

