

Caracola Beach and Spa



NEWS

2.1 BEGINNING OF WORK

We have finished the clearing of the site, erected perimeter fencing and the signage according to the law in Venezuela. The construction of the foundation will start at the end of this month. We will be using the so-called "tunnel construction system" which is 3 times quicker than normal construction.

2.2 SEMINARS

Despite the fact we had to cancel the last one, until everything was in place, we are working on one where we, as developers, the construction company, the hotel operator and the rest of the technical team will be present. We would like to announce in the coming weeks the venue and dates.

2.3 COMMENTS

We have been working hard to adapt the project to the latest demands of the environmental agency in Venezuela as well as securing the project finance by the local banks. Changes in the local currency and monetary policy in Margarita Island forced us to renegotiate terms.

2.4 FUTURE

We apologize for the lack of information so far. We have been working hard in getting all ready! Our commitment is to improve dramatically our information process.

CARACOLA BEACH AND SPA LATEST NEWS

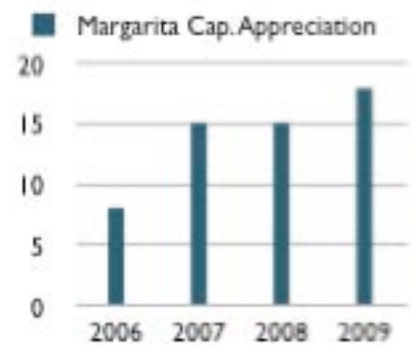
Dear Clients,

Please accept our apologies for the lateness of this newsletter. We expect future ones to be far more frequent with plenty to tell. We have been working very hard to overcome the typical issues of construction in an emerging market. Despite this, let us announce the most important thing: everything is sorted and ready. Banesco (www.banesco.com), one of the most solid banks in Venezuela, has confirmed the finance for the construction of the resort. This has been possible due to the strong balance sheet of MYCM Group, defeating the current financial turmoil experienced by other international companies involved in construction. During this time, changes in environmental legislation and new requirements demanded by the American Hospitality Association, we have had to incur minor changes.

MMG Construcciones, the local construction company collaborating with MYCM, is ready to start the foundations of the first phase. We will be using a "tunnel" construction method, which is up to 3 times faster than normal developments, which will ensure our completion time. We have also experienced delays due to the shortage of construction materials in Margarita (this is a typical issue when a development takes place in a Island).

Once work has started in earnest, we will try to organize as soon as possible a seminar where all the relevant parties

involved in the construction are present (MYCM, local constructors, architects and engineers, as well as Geneva Hospitality). Ideally we will try to offer two different venues to address all of our clients in the UK and Ireland as well as those on the Isla Margarita



In the meantime, MYCM Group has not stopped expanding. We have started the development of nearly one thousand social houses in Morocco as well as new constructions in Abu Dhabi. We have completed the development of several Solar Energy Projects in Spain and we are ready to keep expanding in that area.

Despite of the difficulties that the world has gone through in 2009, MYCM Group is confident that our future is more solid than ever. Let us thank you again for your confidence in us.

Gabriel Martinez
MYCM Director

Q&A UPDATES

WHY THERE HAVE BEEN DELAYS IN THE INITIAL SCHEDULE ?

Needless to say that the Real Estate sector has been challenged during 2009. Changes in Venezuelan legislation to touristic and environmental requirements with structural designs of commercial property has made us work hard with our technical team to adapt fully to the new situation. Everything is ready and sorted now, and our local construction company is now ready to start the core of the construction.

WHAT CAN I EXPECT FROM NOW ON ?

We will keep you posted monthly with the latest development of the resort, by email, including pictures of the progress. We have enabled a direct telephone number and email only for the purpose of Caracola Beach and Spa. We will soon enable other forms of communications (facebook, Twitter and any other electronic form). We are researching now other methods to enable more fluent communication (i.e. an app for i-phone device). Any other suggestions from you will gratefully considered.

I WOULD LIKE TO VISIT THE SITE. CAN MYCM HELP?

MYCM/Margarita Sales now have permanent representation on the Island to support inspection visits. Besides, our technical and legal team will be happy to welcome you if you would like to visit the site.

If interested, please let us know with 2 weeks in advance to arrange the visit.

HOW IS THE CARIBBEAN MARKET PERFORMING ? WHAT IS THE FORECAST FOR THE NEAR FUTURE?

Margarita Island remains the top holiday destination for Venezuelans. The demand is extremely high both in terms of sales and rentals. Most hotels run at an average occupancy of 85%, which is far superior to most mature markets. This is a good indication that Caracola will succeed in capital appreciation and rental returns as soon as it is open for operations.



CALENDAR:

**END OF
JANUARY/FEBRUARY**
Beginning of Foundations

MARCH
Clients Seminar

JUNE/JULY
Completion of Structure

MYCM/MARGARITA SALES IN TOUCH ... DURING NEXT MONTHS



INVESTOR NEWSLETTER

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