

Dear Sirs,

We are free to introduce you the intention of building a tourist resort as a hospitality and nautical center called TERRA ISTRIANA which we intend to provide for the construction to potential stakeholders and investors. For the listed tourist complex we have all the necessary plans of higher order and now we are waiting for the targeted Urban Development Plan "Terra Istriana" which is ongoing (in force by March 2012.).

A. The company TVORNICA CEMENTA UMAG (TCU)Lic owns:

1. Ownership of the tourist area of construction of 147.504 m² is owned by the company Tvornica Cement Umag Lic with no mortgage or other obligations, which envisages the construction of the tourist complex T-2 with 2270 beds (30% hotels, 70% apartments and villas).

The entire complex is covered with derived infrastructure of transport, water and sewerage system and utility charges paid for 218.870 m³ and paid compensation for the electrical power connection of 7.857 kW.

2. TCU Lic is in possession of the existing port, which is converted into a concession for the port of nautical tourism up to 199 berths for docking the largest mega yachts.

3. TCU Lic also holds the concession for the remaining 775.984 m² of land, which refers to recreational, agricultural and water areas with plantations of 6000 olive trees and rich animal fauna of fallow deer, roe deer, mouflon sheep, and with more than 200 sheep and goats. In this concession area TCU Lic possesses a concession for the excavation of rock in the amount of 1.200.000 tons, which will be used to build the marina and all the other necessary construction work.

We must state that the company has no employees with contracts for an indefinite period and is not encumbered by any mortgage loan obligations or charges. In case of your interest we will provide the insight and other proprietary social values that TCU Lic has at its disposal.

B. On the building area owned by TCU Lic according to approved urban master plan, it is possible the construction, based on the proposal prepared by the project office URBIS-72 as follows:

1. Boutique Seaside Hotel 5* with 280 beds and a total gross floor area of 15.926 m²
2. Suit and Congress Hotel 5* with 432 beds and a total gross floor area of 20.680 m²
3. Boutique Eco Wellness Hotel 5* with 180 beds and a total gross floor area of 13.766 m²
4. Apartments buildings with 742 beds and a total gross floor area of 41.332 m²
5. Villas with 252 beds and a total gross area of 12.271 m²
6. Villas with pools 5* of total area of 3.600 m²
7. Other objects like Club restaurant, reception, administration, garages with total area of 8.964 m²
8. On the maritime concession area of the marina total construction area of 9.459 m² for facilities and berths for about 199 yachts.

At the same time we deliver you one of the proposed urban concepts created by Urbis 72 in order to visualize better the possibilities of development of the area.
The total gross area of all the necessary facilities presented in this proposal is about 116.000 m².

So please, if there is a possibility that this project could be offered to the market, to interested international hotel companies, investors or investment funds, we are at your disposal for any clarification and consultation for possible business cooperation in mutually beneficial interest.

Best regards,
Owners of TCU Lic