

My name is David Saxe. Almost all of you know who I am by name but many of you don't know me personally. The purpose of this update is to tell you about myself, why I first got involved in the Recovery process, recent events which have most of you confused and my motivation to stay involved with the Recovery Pool Committee.

I am a Chartered Accountant and I have over 40 years of business and investing experience. I was fooled just like you. I have asked myself many times how I could not have recognized the signs of this fraud, especially since I knew the people involved. On looking back, the perpetrators created a very convoluted web which was almost impossible to recognize. The transactions were well documented, security agreements were signed and executed and due diligence reports and physical visits supported the fact that the businesses and mining facilities existed, the security agreements were in place, the refinery existed and the metal reserves were there. This is more of a fraud than a scam as the ultimate recipient of the funds has refused to repay those funds. Some very sophisticated investors were caught in this very situation and the RCMP has taken several years to try to sort out the specifics of the fraud. It was very sophisticated.

In the spring of 2008, it became apparent to me that Milo Brost's plan to restructure the internationally managed funds was not going to happen. I spoke with several other investors and former Structurists who knew Milo Brost, Gary Sorenson and Martin Werner. By July, 2008, Glenn Selig, Kirk Mosdell, Nigel Brisbane and I had formed the first "Coordinating Committee" with the commitment to try to develop a plan to recover everyone's investment. For the next several months, we worked with Martin Werner and we met with Gary Sorenson to try to execute this recovery, which involved taking over the Merendon assets and creating liquidity through the sale of assets, the development of the mines and ultimate liquidation of assets. In January, 2009, it was determined that the geology reports provided to us did not support the existence of the mining reserves we were told existed, Martin Werner was under the thumb of Gary Sorenson and Gary Sorenson had no intention of honouring his commitments to us. The Coordinating Committee sent out a bulletin to everyone revealing this information.

Subsequent to our reporting this finding to all of you, we were approached by Brenda MacMillan who advised us that she knew a Recovery Agency who were specialists in recovering assets. Kirk Mosdell and I flew out to their office and after a very productive meeting; we decided that engaging the services of the Agency was our best course of action. Once again, we reported this to you.

Because of her association with the Agency and her assertion that she had experience in asset recovery, Brenda insisted that she be added to the Committee. As result, Glenn, Kirk and Nigel left the Committee, leaving Brenda and I as the remaining members of the revised Investor Recovery Pool Committee. During the process of engaging the services of the Recovery Agency, the Agency insisted that the Recovery Pool Committee establish a set of Policies and Procedures to guide the operation and administration of the Committee. Both Brenda and I signed this document. Brenda's role was to handle the administration and communication with

Participants and my role was as the internal auditor of the committee and to assist with the recovery process. Brenda and I were to have joint signing authority on all bank accounts and we were both required to share passwords, documentation and information relating to the Committee.

Over the course of the next several months, it became apparent that I did not have signing authority on the bank accounts and Brenda was handling all funds, deposits and banking. This was a direct breach of the Policies and Procedures of the Committee. Brenda was also required to provide me with all banking and other documentation and email passwords and to have all of her communications approved by the Committee. She refused to do this. In December, 2009, Brenda was sent a warning by the Agency that she was obligated to adhere to the Policies and Procedures or risk being removed from the Committee. In February, I sent formal written requests to Brenda to provide me with the information she was required to provide to me, but she continued to ignore my requests. I submitted a formal request to the Arbitrator of the Committee to enforce my requests and after a hearing; the Arbitration Award supported my position. Brenda still refused to provide the Agency and myself with copies of documentation, banking documentation and email and website passwords. After subsequent written warnings and continued unauthorized communications, I advised Brenda that she was being removed from the Committee for breach of the Policies and Procedures and my decision was ratified by the Committee Arbitrator. As of March 30, 2010, Brenda is no longer on the Recovery Committee. From now on, all communications coming from Brenda is unauthorized and likely misleading.

I want to assure all of you that these internal issues have not affected the overall activities of the Recovery Agency in its work towards recovering our assets. A lot is happening in the background and much of this will become evident over the next couple of months. The Agency will continue to report to you directly from our new email site, assetrecoveryinfo@gmail.com. The main fallout from our internal issues is that Brenda has refused to provide us with the passwords for the recoverypool@gmail.com email account so we have been forced to reconstruct a new email address list. We know that we have missed some email addresses in this effort so if you know anyone who is a Participant in our recovery efforts who did not receive Update # 11 or 12 from the Agency or this email, please have them send an email to assetrecoveryinfo@gmail.com and have them ask to be added to the list. Once they are verified as a Participant, their email address will be added.

There are several very important factors on which we need to report. First, Brenda has made some pretty serious accusations against myself, the Agency and the Agency's lawyer(s). None of these accusations have any merit and this will be proven over time. Second, I have been very active in working with the Agency since their initial engagement and I have an excellent working relationship with them. The Agency will continue to work on behalf of the Investor Recovery Pool. Third, in spite of her protests to the contrary, Brenda has received compensation for her work, without authorization from the Recovery Pool Committee. Fourth, after conferring with the Agency, we have agreed that an independent audit will be conducted by a Calgary firm of Chartered Accountants as soon as we are able to secure the banking records from Brenda. An

application to the Court may need to be brought forward in the near future to enforce the policies of the committee to compel Brenda to provide the documents she is required to produce. And fifth, I will be interviewing potential candidates to be added to the Recovery Pool Committee over the next couple of weeks and new members will be invited to join the Committee as soon as this due diligence process is completed.

I am an investor just like each of you. I have suffered losses like you and my objective is to do everything I can to recover those losses. I stepped forward because no one else did. I knew this task would not be easy and that I would likely come under attack from those who might question my integrity, the integrity of the Committee or even the existence of the Agency since they operate in complete privacy. I have devoted a great deal of my time and effort over the past two years to this project because I truly want this project to succeed, for my sake, for your sake and for the sake of all those who have lost their investment. I am in this until we complete our recovery objective.

I am aware that there are several websites and blogs that call our Committee just another scam. There are many who don't believe our honourable intentions. I can only say that anyone who does not believe in our integrity does not have to continue with our journey. Nobody was forced to participate in this recovery process and nobody was forced to help pay for the engagement of the Recovery Agency. We have even accepted many Participants who could not afford to pay their way. We sincerely thank those who have contributed to this recovery effort and continue to have confidence in our overall objective of asset recovery.

Future emails and reports from the Recovery Pool Committee and the Recovery Agency will continue to originate from this email address. Emails from Brenda, through the recoverypool@gmail.com email site are not authorized, nor accurate, so please disregard them.

We look forward to a more cohesive Committee in the near future and once members are added, I will introduce them to you.

Once again, thanks for your continued support. Our journey continues and we are confident that we will have success.

Regards,

Recovery Pool Committee
David Saxe