

Dear Shareholders,

Pierides: e-mail and attachment

You will have received by now an e-mail from Pierides.

Pierides is bitter. He was fired as a director on 29 February 2008 for dishonesty. He is trying to pre-empt the various actions we are formulating against him in that regard.

Pierides has breached his fiduciary duties to the company, his fellow directors and the shareholders and is trying to muddy the waters. He has joined Flexi Club (of the Club Leisure Group) in trying to take over the company and its valuable property in exchange for points or some other mechanism to the detriment of our shareholders, but for his and Flexi Club's personal gain. He has abused confidential information, privy to directors, to launch his attack on the company and the directors. While he was a director, Pierides agreed with all the decisions taken by the directors without objection despite what he now maintains. His letter is defamatory, malicious and untrue as is evidenced by the language he uses and the vagueness of the allegations. He tried to have me support his attempt (during November 2007) to buy La Lucia, that is, the company or its property. I rejected his propositions as I have done with many others before. This company is NOT for sale.

Hang on to your shares (do NOT fall for the points' sale approach! We have seen all this nonsense before).

Take care and thank you for your support. Do not respond to the inane letter from Pierides. If you would like to discuss this matter please send an e-mail to me at pmcollins@laluciasands.com and include your telephone number. I will gladly phone you back should you so desire.

Kind regards and happy holidaying,

Patrick Collins
Chairman: La Lucia Sands Share Block Limited
25 April 2008