



**SHELL**  
VILLAGES & RESORTS

LETTER TO SHAREHOLDERS

30 JUNE 2009

RE: CANCELLATION OF SHARES

Dear shareholder,

The Company wishes to advise that it has cancelled 18,931,274 shares to rectify breaches under listing rules 7.1 and 10.11.

The Company has exceeded its capacity to issue equity securities without security holder approver under listing rule 7.1 by 16,757,815 equity securities.

Furthermore, as shareholder approval was not obtained for the issue of the Shares to the Directors, it appears that the Company has breached listing rule 10.11.

Yours Faithfully

A handwritten signature in black ink, appearing to read 'Boris Patkin'.

BORIS PATKIN

DIRECTOR