

# **PRESS RELEASE**

Made on behalf of Mr. IAIN DEANE as sole executor of the estate of COLIN IAN ESTWICK DEANE, deceased which owns 28,570 shares being approximately one seventh part of the shares of KINGSLAND ESTATES LIMITED - and - Mr. LIONEL WARD (Chairman), Mr. BRIAN WARD (Secretary) of STAPLE GROVE ESTATES LIMITED - and- Mr. ERNEST HUNTE (Chairman), Mr. DAVID BYNOE (Deputy Chairman) of RIDGE LIMITED. THIS STATEMENT IS MADE WITH FULL DOCUMENTARY BACK-UP.

The legal representatives of (1) RIDGE LIMITED, (2) STAPLE GROVE ESTATES LIMITED, (3) KINGSLAND ESTATES LIMITED and (4) THE SHAREHOLDERS OF KINGSLAND ESTATES have advised that no contractual obligations on the part of any of the parties hereinbefore named exist between them and the SBG DEVELOPMENT CORPORATION and its Canadian partner THORNBROOK INTERNATIONAL CONSULTANTS INC. Further, that no such obligations have existed since September 30th 1993 and that Ridge, Staple Grove and Kingsland are free to enter into contract with any other party or parties with respect to their several lands and/or shares.

All the Vendor parties were made aware last June by Mr. Iain Deane, after the failure by some six months to complete their contracted purchase by the SBG Development Corporation, of his intentions to investigate privately the likelihood of SBG completing successfully such purchase within a reasonable and acceptable time frame.

As a result of those investigations, Mr. Iain Deane returned to London in late June 1993 in order to find other prospective purchasers for these lands over which a blanket planning permission exists. All the Vendor parties were made aware that, in furtherance of this objective, Mr. Iain Deane had instructed an agent in the United Kingdom and their sub-contractors here in Barbados to act on all their behalves.

In July 1994, these agents reported to Mr. Iain Deane that Mr. Geoffrey Jones, acting on the instructions of his principals, was due to arrive in Barbados to investigate the possibility of purchasing all or a minimum of 70% of the shares of Kingsland Estates Limited, all of the lands of Ridge Limited and all of the lands of Staple Grove Estates Limited.

Once this had been confirmed, Mr. Deane sought meetings with Mr. Lionel Ward of Staple Grove and Mr. David Bynoe (acting in the absence of Mr. Ernest Hunte) of Ridge, and received their instructions as to the requirements and terms of their respective Companies. With respect to the shareholders of Kingsland Estates Limited, Mr. Deane consulted with Mr. Watson of Cottle Catford (Kingsland Estates Limited's attorneys-at-law) under the terms of a Memorandum of non-

disclosure granted to Cottle Catford by the Kingsland shareholders and determined the requirements of the Kingsland shareholders.

Mr. Geoffrey Jones toured the several plantations on the afternoon of Saturday August 6th 1994 and decided to recommend the purchase to his principals. Subsequently, Mr. Jones met at the offices of Smith & Smith with Mr. Vernon Smith and Mr. Watson of Cottle Catford and legal matters were discussed. Immediately following this, Mr. Jones met with Mr. David Bynoe at Mr. Bynoe's office in order to confirm the terms of purchase. At both of these meetings Mr. Jones stated that his principals would have their funding for this and their other projects released to them ON October 31st 1994.

After Mr. Jones' return to England and report to his principals, he was joined in the negotiations, by his Chairman and Managing Director, Mr. Stephen Straughn.

As a result of these negotiations, Mr. Iain Deane made a statement to the shareholding body of Kingsland Estates Limited written copies of this statement being made available to each of the shareholders.

The major points of negotiations being completed, an all inclusive offer was made severally, but inter-dependently, for the shares or a minimum of 70% thereof of Kingsland Estates Limited and the lands of Ridge Limited and Staple Grove Estates Limited. This Offer was dated October 5th and directed to Messrs. Smith & Smith to the attention of Mr. Vernon Smith with the request that he convey it to the relevant attorneys-at-law for their respective clients.

In a letter of 10th October 1994 sent by Cottle Catford on behalf of six of the Kingsland shareholders whom they represent, to Mr. Barry L.V. Gale, attorney-at-law for the prospective purchaser, this offer was declined on the basis that a certain condition would need to be met.

The new Offer was made, received and dated 17th October 1994 incorporating this condition required by the six Kingsland shareholders. Mr. Ward of Staple Grove, having received the instructions of his shareholders, instructed his attorney-at-law, Mr. Hutchinson Q.C., of Cottle Catford to accept and Mr. Bynoe, acting similarly, instructed Mr. Watson of Cottle Catford to accept. In a meeting of the shareholders of Kingsland Estates Limited of 18th October 1994, Mr. Watson of Cottle Catford received the instructions of his six clients to accept the Offer simultaneously with Mr. Vernon Smith receiving similar instructions from his client and the client of Mr. Henry Forde Q.C. on whose behalf Mr. Smith was "holding papers". The Kingsland acceptance is, therefore, unanimous and made in response to and subject to the conditions of the offer made in good faith by the Purchasers as are the acceptances of Ridge and Staple Grove. We attach a copy of the recital of

the major assets of Kingsland as contained in the Offer which Kingsland accepted subject as aforesaid and marked "Schedule A".

On October 30th 1994, a full 24 hours before their self-appointed deadline, the prospective purchasers furnished their attorney-at-law, Mr. Gale, with a letter from their bankers establishing credit for a sum of money sufficient to complete the purchase of all the properties in all their aspects. A copy of this letter was furnished to Mr. Vernon Smith on behalf of the Vendors' attorneys namely Mr. Hutchinson, Mr. Watson and Mr. Forde. A further copy was sent to Mr. Clennell Goodman of the Purchaser's nominated Barbadian bankers, the Mutual Bank.

Accordingly, therefore, the parties issuing this statement have no reason to doubt the capabilities or will of the Purchaser in bringing this matter to a successful conclusion. We shall even go further and say that, through all our dealings with Mr. Jones and Mr. Straughn and their partners, their behavior has been impeccable both on a business and on a personal level.

As Vendors, we have all been concerned about the future of the employees of our several enterprises. We conveyed this to Mr. Straughn and Mr. Jones and their partners. We have received permission from Mr. Straughn to re-produce certain parts of his letter of October 19th, 1994 which he wrote to Mr. Barry Gale and copied to us. This letter was written upon Mr. Straughn learning by telephone that his Company's Offer had been accepted. We quote as follows:

*"In writing this letter, I would ask you to copy it to David Bynoe, Mr. Lionel Ward and his son Brian, to Mr. Smith, Mr. Forde and to Mr. Watson for the shareholders he represents. We have taken some time over it as we believe it would be better if we arrive to finalize things in an atmosphere, if not of mutual trust, then not one of violent dis-trust."*

*"5. Severance Payments and Gratuities. We want to convey to the Kingsland shareholders and both Ridge and Staple Grove, that our policy is to continue the employment of anyone, regardless of age, who is capable of doing the work set for them and who wants to continue to work. Ideally, we would hope there would be no severance payments due to anyone since we hope there will be no one severed. As for gratuities, this is something which we shall judge for ourselves on a one on one basis. There are some employees of the estates who have been employed on them for over 50 years. We certainly intend to give long serving employees well deserved recognition."*

*".....We want to become an integral and welcome part of the island community. We want to employ Barbadians as a priority and Barbadian firms as a*

*priority, but our greatest priority will be the care of the employees whom we inherit."*

Quite apart from being businessmen, as Barbadians we would hope this project will come to completion. Our attorneys-at-law are all working flat out on the documentation and we have every reasonable hope of success in the very near future.

In conclusion, the Vendors would all wish to associate themselves with expressions of gratitude to the late J.C. Armstrong Q.C., J.P. of Cottle Catford & Co. for his expert guidance during his life of their several corporate interests and whose work on their behalf will have contributed in no small measure in the event of a successful conclusion to this matter.

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**Any inquiries for further information on the foregoing statement should be addressed in writing and by fax to 426-3735. No verbal inquiries will be responded to and the right is reserved to withhold comment of any kind.**