



The Eco Resources Fund PCC Plc
First Names House, Victoria Road, Douglas, Isle of Man, IM2 4DF.
Telephone: +44 (0) 1624 661020 Fax: +44 (0) 1624 617823

e-mail: enquiries@premiergroupiom.com
web: www.premierecoresourcesfund.com

The Eco Resources Fund PCC plc (the 'Fund')

Directors' Report

19th December 2016

Introduction

This report summarises the background of the Extraordinary General Meeting at 9am on 19th December 2016 for the Members of the Fund to consider and vote on a resolution to wind-up the Fund. This report will be made available to all in attendance at the meeting and afterwards, a copy will be sent to all shareholders and creditors.

Background

We wrote to shareholders on 8th June 2015 to announce that due to the number of redemption requests being made, the Fund had been closed to redemptions to help safeguard the interests of all investors. At the same time we announced that a number of alternative capital raising opportunities aimed at meeting the running costs of the plantations were actively being pursued.

Unfortunately, since then an acceptable funding solution has not been successfully concluded and as noted in our more recent letters, absent a funding solution there is no prospect of the Fund continuing any further.

Since 2015, the directors and a number of the service providers to the Fund agreed to defer their fees to preserve cash resources. All concerned agreed that their fees and invoices were not due for settlement before 31st October 2016.

The Directors therefore set a deadline of 31st October 2016 to conclude any funding solutions, and when this deadline passed, resolved at a board meeting on 1st November that, with regret, had no option but to convene the meetings necessary to wind-up the Fund due to its financial position.

Current Financial Position

A summary of the current financial position of the Fund at 3rd November 2016 is as follows:

Liquid Assets – Cash - £23,871.66

Total Creditors – £2,731,614.84

In addition there are 33,766,977.94 shares in issue to 188 individual shareholders.

Finally, the Fund owns 100% of the issued share capital of ERF Limited. In turn ERF Limited owns 2,000 shares of EcoPlanet Bamboo (IOM) Limited ('EBIOM') (representing 100% of its shares in issue) and is owed around \$51m by EBIOM.



The Eco Resources Fund PCC Plc

First Names House, Victoria Road, Douglas, Isle of Man, IM2 4DF.
Telephone: +44 (0) 1624 661020 Fax: +44 (0) 1624 617823

e-mail: enquiries@premiergroupiom.com
web: www.premierecoresourcesfund.com

EBIOM in turn owns two Delaware Registered bamboo plantation owning companies EcoPlanet Bamboo CA IV, LLC and EcoPlanet Bamboo SA II, LLC. The financial position of EBIOM and the Delaware companies is not known at this time. ERF Limited has £7,626.98 in cash and approximately £1,500 of liabilities.

Recent Development

On 30th November 2016, the Fund's manager, The Premier Group (IOM) Limited (in liquidation) ("PGIOM") went into liquidation. The Fund has recently received a Statutory Demand from the Joint Liquidator of PGIOM for the fees that it is due amounting to £2,388,781.11. The Fund is not in a position to settle the amount due and the Joint Liquidator has been informed.