



The Eco Resources
Fund PCC plc

The Eco Resources Fund PCC Plc
First Names House, Victoria Road, Douglas, Isle of Man, IM2 4DF.
Telephone: +44 (0) 1624 699677

8th March 2017

Dear Shareholder

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

Further to my appointment as controller of the Fund on 22nd December 2016, I am writing to update you on the current situation.

Fund Board

In the attached letter from the Fund on 20th December 2016, you were informed that the Fund's directors had tendered their resignation and convened an extra ordinary general meeting for the appointment of three new directors. In mid-January 2017, shortly before the scheduled meeting, the proposed three new directors withdrew their willingness to act and as there were no willing replacement directors, no resolutions were passed. As a result, the Fund remains without any directors at this time.

Fund Finances

The financial position of the Fund has not changed materially since I took over as controller and it remains almost as described by the directors in the attached letter.

Bamboo Interests

In mid-January, I attended a meeting with Mr. Troy Wiseman in London. Mr. Wiseman informed me at that meeting that Sustainable Asset Lending LLC ("SAL") had foreclosed on the shares in the bamboo plantation companies which were formerly owned by the Fund's subsidiary, Eco Planet Bamboo (Isle of Man) Limited.

As such, per Mr. Wiseman, the Fund had no remaining interest in the Bamboo plantations.

Mr. Wiseman indicated that the Fund might be able to buy the plantations back however no progress has been made about that and in any event, the Fund lacks the resources necessary to make any purchase for the indicated amount of \$10m. Accordingly other than the small balance of cash, the Fund has no assets of any realisable value.

Manager Resignation

In early February, the Fund's manager, The Premier Group (Isle of Man) Limited (in liquidation) ("Premier") (which had gone into liquidation in December 2016) informed the Fund that it was resigning as manager by reason of the Fund's inability to pay past due management fees. Accordingly, the Fund does not have a manager.



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Premier's decision to resign impacted upon the tri-party agreement by which Moore Fund Administration (IOM) Limited ("Moore") acted as the Fund's administrator and the tri-party agreement is now considered terminated. As a result, Moore are no longer the Fund's administrator. However, I have reached an understanding with Moore in the short term to provide a limited administration service to facilitate communications such as this.

Winding Up Hearing

Having considered my findings and having made their own assessment of the Fund's situation and the events following from my appointment, the Financial Services Authority ("FSA") applied to the court in the Isle of Man to wind up the affairs of the Fund in the public interest.

I attach a copy of the FSA's claim form together with a formal notice of the winding up hearing which is to be held on the 16th March 2017. The notice will be published in a local newspaper on the 9th March 2017 and investors and creditors can attend the hearing on 16th March 2017 if they wish.

Conclusion

I consider it unlikely that investors will see any return on their investment in the Fund and creditors are unlikely to receive any distribution either. Whilst I appreciate that this is not the outcome that you expected or hoped for when you invested into the Fund, in light of the financial difficulties dating back almost 2 years, I don't expect that that this news will come as a surprise to you.

I hope that through liquidation, a fuller explanation of what has happened here might be forthcoming and that any necessary action against those involved in the affairs of the Fund might be taken.

Yours faithfully

Gordon Wilson
Controller
The Eco Resources Fund PCC plc (the Fund)



The Eco Resources Fund PCC Plc
First Names House, Victoria Road, Douglas, Isle of Man, IM2 4DF.
Telephone: +44 (0) 1624 699677

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

20th December 2016

Dear Shareholder

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

Further to my letter dated 25th November I am writing to update you with the results of the Extraordinary General Meeting ('EGM') of the Fund and the course of action the Directors have subsequently taken.

EGM

The EGM took place at 9am on 19th December as advised. A Directors' Report was tabled at the EGM setting out the background of events that resulted in the convening of the EGM, the financial position of the Fund and its subsidiaries as at 3rd November 2016 and a recent event in relation to the Manager of the Fund.

A copy of the Directors' Report is enclosed with this letter. It should be noted that the cash balance of the Fund reported on 3rd November has since reduced to £12,545.73.

A poll vote was conducted of the extraordinary resolution for Members to consider if the Fund should be wound up. Votes were cast representing approximately 16.8m of the 33.7m participating shares in issue, the result of which was as follows:

Votes cast For the Resolution - 2,675,413.99 (15.89%)

Votes cast Against the Resolution – 14,159,810.46 (84.11%)

Statutory Demand

As referred to in the Directors' Report, the Manager of the Fund, The Premier Group (Isle of Man) Limited (In Liquidation) ('PGIOM') went into liquidation on 30th November 2016. The Fund has recently received a Statutory Demand from the Joint Liquidator of PGIOM for the fees that it is due. The Fund is not in a position to settle these fees and the Joint Liquidator has been informed.

Next Steps

The Directors of the Fund have concluded that the overwhelming vote against the resolution is a clear indication of a vote of no confidence in the Directors of the Fund. This leaves the Directors in an untenable position and they have therefore each tendered their resignations from the Fund board with immediate effect.

Prior to resigning the Directors received an indication from three individuals, each of whom have expressed an interest in replacing the existing directors to convene a new Fund board. They are aware of the Fund's financial affairs and the Statutory Demand received from the Joint Liquidator of PGIOM.



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The three individuals concerned are:

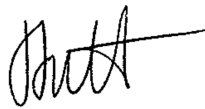
John Charles Bourbon;
Richard Robinson; and
Troy Douglas Wiseman.

The responsibility of convening a board of Directors falls to the Management Shareholder of the Fund, being Premier Group Distribution Inc (the 'Management Shareholder'). The Directors have called a further extraordinary general meeting for the Management Shareholder to consider resolutions regarding the proposed appointment of Mr Bourbon, Mr Robinson and Mr Wiseman. Enclosed with this letter is Notice of the EGM scheduled to take place at 9am on 16th January 2017 at Burleigh Manor, Peel Road, Douglas, Isle of Man. Participating shareholders of the Fund have the right to attend the EGM, but do not have the right to speak or vote at this meeting.

If you or if you know of anybody who is suitably qualified who would be interested in being considered at the EGM to be appointed to the Board of the Fund, please provide a written expression of interest to enquiries@premiergroupiom.com including a signed letter consenting to be appointed along with a current biography.

Finally, the Directors would like to take this opportunity to thank all service providers for the support that they have provided to the Directors over recent years, and wish the future directors every success in finding the right solutions for the Fund in the best interest of its shareholders.

Yours faithfully



Jamie Sutton
Director

**IN THE MATTER OF THE COMPANIES ACTS 1931 (AS AMENDED) AND IN THE
MATTER OF THE ECO RESOURCES FUND PCC PLC COMPANY NUMBER 127199C
("THE COMPANY")**

NOTICE IS HEREBY GIVEN that a Claim for the winding-up of the above named Company whose registered office is situate at First Names House, Victoria Road, Douglas, Isle of Man, IM2 4DF by the High Court of Justice of the Isle of Man was on the 17th day of February 2017 presented to the said Court by the Isle of Man Financial Services Authority of Finch Hill House, Bucks Road, Douglas, Isle of Man, IM99 1DT AND that the said Claim is directed to be heard before the Court sitting at the Isle of Man Courts of Justice, Deemsters Walk, Douglas on the 16th day of March 2017 at 10.00am (reference number CHP 17/0028) and any creditor or contributory of the said Company desirous to support or oppose the making of an order on the said Claim may appear at the time of the hearing in person or by his Advocate for that purpose; and a copy of the Claim Form will be furnished to any creditor or contributory of the said Company requiring the same by the below named Advocate on payment of the regulated charge for the same.

Walter Hugh Wannenburg
Solicitor General
H.M. Attorney General's Chambers
3rd Floor
Belgravia House
34-44 Circular Road
Douglas
Isle of Man
IM1 1AE

Ref: WW/FSAU1.18

Note – Any person who intends to appear on the hearing of the said Claim must serve on or send by post to the above named, notice in writing of his intention to do so. The notice must state the name and address of the person, or, if a firm, the name and address of the firm, and must be signed by the person or firm, or his or their Advocate (if any), and must be served, or if posited must be sent by post in sufficient time to reach the above named not later than 6.00 o'clock in the afternoon of the 15th day of March 2017.

For court use only	
Claim No.	CHP 17/
Issue date	

**IN THE HIGH COURT OF JUSTICE OF THE ISLE OF MAN
 CIVIL DIVISION
 CHANCERY PROCEDURE**

SEAL

Nature of Proceedings: Proceedings under the Companies Act 1931 relating to The Eco Resources Fund PCC PLC

Parties

ISLE OF MAN FINANCIAL SERVICES AUTHORITY
 Finch Hill House
 Douglas
 Isle of Man, IM99 1DT

Claimant(s)
 (Full name(s) & address(es))

THE ECO RESOURCES FUND PCC PLC
 First Names House
 Victoria Road
 Douglas
 Isle of Man, IM2 4DF

Defendant(s)
 (Full name(s) & address(es))

Details of claim

(use numbered paragraphs)

1. This is the Claim of the Isle of Man Financial Services Authority ("the Claimant") to wind up The Eco Resources Fund PCC PLC ("the Defendant") under sections 162(6) and 164(1)(d) of the Companies Act 1931.
2. The Claimant is a statutory board with the functions set out in the Financial Services Act 2008 ("the Act").
3. The Claimant's functions include the regulation and supervision of persons undertaking regulated activities (paragraph 2(1)(a) of Schedule 1 of the Act), the oversight

of directors and persons responsible for the management, administration or affairs of commercial entities (paragraph 2(1)(c)) of Schedule 1 of the Act and the functions conferred on it under the Companies Act 1931 (paragraph 2(1)(h) of the Act).

4. By section 2(1) of the Act, the Claimant's functions shall, so far as is reasonably practicable, be exercised in a way that is compatible with the regulatory objectives, and in a way that the Claimant considers most appropriate for the purpose of meeting those objectives.

5. By section 2(2) of the Act, the regulatory objectives are:

(a) securing an appropriate degree of protection for the customers of persons carrying on a regulated activity;

(b) the reduction of financial crime; and

(c) maintaining confidence in the Island's financial services and supporting the Island's economy and its development as an international finance centre.

6. The Defendant is a company incorporated in the Isle of Man on 17 July 2012 under the 1931 Companies Act (company number 127199C). The registered office of the Defendant is First Names House, Victoria Road, Douglas, Isle of Man, IM2 4DF. The principal activity of the Defendant is that of a Qualifying Fund which complies with the requirements of the Collective Investment Scheme (Qualifying Fund) Regulations 2010.

7. Until 7 February 2017 the Defendant was managed by The Premier Group (Isle of Man) Limited (in liquidation) ("PGIOM") of Burleigh Manor, Peel Road, Douglas, Isle of Man, IM1 5EP. At an Extraordinary General Meeting held on 30 November 2016 it was resolved that PGIOM be voluntarily wound-up and that Messrs Craig Mitchell and David Peter Craine of Browne Craine & Co Limited be appointed as Joint Liquidators.

8. The principal business of the Defendant is described in its Scheme Particulars as providing long term growth by investing directly or indirectly in Sustainable Biological Assets and in associated processing facilities required to convert raw Sustainable Biological Assets into a marketable product.

9. The share capital of the Defendant is US\$100,100 divided into 100 Management Shares of US\$1.00 each and 100,000,000 Participating Redeemable Shares of US\$0.001 each. The Participating Redeemable Shares confer on their holders, the investors in the Defendant, various rights including a right of redemption in accordance with the Articles of Association ("the Articles"), but do not carry the right to vote at general meetings save in limited circumstances provided for by the Articles.

10. The Management Shares carry the right to vote at general meetings, but not the right to participate in the profits or assets of the Defendant. Premier Group Distribution Inc of 24 De Castro Street, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands holds 99 Management Shares: the remaining 1 Management Share is held by Moore Fund Administration (IOM) Limited of International House, Castle Hill, Victoria Road, Douglas, Isle of Man IM2 4RB.

11. The most recently filed audited financial statements for the Defendant are for the year ended 31 December 2014. By the Collective Investment Schemes (Qualifying Fund) Regulations 2008, the audited financial statements for the Defendant for the year ended 31 December 2015 ought to have been prepared and filed by not later than 30 June 2016.

12. Recent material developments concerning the administration and governance of the Defendant giving rise to the Claimant's determination that it is just and equitable - and in the public interest - that the Defendant be wound up comprise:

a. On 20 April 2015 the Directors of the Defendant resolved to suspend the redemption of shares in the Defendant and such suspension remains the position.

b. On 2 June 2015 the Claimant issued a Direction pursuant to s.12(1)(d) of the Collective Investment Schemes Act 2008 directing that the governing body of the Defendant ensures that any financial advisor appointed by the Defendant and any participant in the Defendant be made aware that the Defendant was closed to redemptions and the reasons for closure. The Direction was made because while the Defendant was closed to redemptions it remained open to new investment and the Claimant considered it in the interests of participants for there to be additional disclosure requirements in place.

c. In July 2015, entities which hold the Defendant's underlying plantation assets entered into short term loan and security arrangements with Sustainable Assets Lending, LLC ("SAL"). As security, charges were apparently granted in favour of SAL over the Defendant's assets including the plantation assets, which represent substantially all of the underlying assets of the Defendant.

d. On 7 June 2016 the Defendant wrote to its investors informing that it was seeking to borrow around US\$30 million over five years.

e. On 30 June 2016 the Claimant appointed Gordon Wilson of Callin Wild Consulting Limited (Mr Wilson) as an Advisor to the Defendant, pursuant to s.13(1)(a) of the Collective Investment Schemes Act 2008. Mr Wilson proposed a restructuring via a scheme of arrangement so as to better align interests, to simplify the structure, reduce costs and to avoid insolvency proceedings.

f. On 15 July 2016 the Claimant appointed Mr Wilson as Controller of the Defendant

pursuant to s.13(1)(b) of the Collective Investment Schemes Act 2008. By his report dated 4 August 2016 Mr Wilson expressed significant concerns as to the solvency and governance of the Defendant and concluded that "the role played by all people and functionaries in the structure should be reviewed".

g. On 5 August 2016 the Claimant revoked Mr Wilson's appointment as Controller of the Defendant pursuant to s.13(8) of the Collective Investment Schemes Act 2008: Mr Wilson's appointment as Adviser to the Defendant remained in place.

h. By letter dated 14 October 2016 the Defendant gave notice to its shareholders that unless it was able to obtain new loan financing by 31 October 2016, a Board Meeting had been set for 1 November 2016 whereat it was anticipated that the Directors of the Defendant would seek approval from the Management Shareholder to wind up the Defendant and appoint a liquidator.

i. On 19 October 2016 SAL made formal demand for repayment of its loans and gave notice that it intended to realise its security on the basis that it had not been repaid within the agreed period.

j. On 21 October 2016 the Claimant issued a further Direction to the Defendant requiring the Defendant to, by 1 November 2016, either confirm to the satisfaction of the Claimant that suitable arrangements had been made to resolve the Defendant's solvency and liquidity issues and to consider whether all stakeholders had been given appropriate notifications (and to consider whether it was in the interests of investors and creditors to enter into liquidation) or to agree with the Claimant the identity of the proposed liquidator and to procure a Resolution for the voluntary winding-up of the Defendant and for the liquidation to be subject to the supervision of the Court.

k. On 1 November 2016 the Defendant informed the Claimant that, having been unable to satisfactorily address its solvency and liquidity concerns, it had resolved to convene the necessary meetings to commence the process of voluntary liquidation.

l. The Claimant is aware that, despite formal demand, the Defendant has failed to discharge the fees owed by it to its manager, The Premier Group (Isle of Man) Limited ("PGIOM") a company itself in liquidation. By letter dated 16 December 2016 the Defendant informed PGIOM that the Defendant was not in a position to settle the outstanding fees as demanded.

m. By Order made by this Honourable Court on 16 December 2016 (and upon the application of the Claimant by Claim Form issued on 18 November 2016), Mr Paul Shimmin of Messrs Shimmin Wilson & Co was appointed as an Inspector "to investigate the affairs of the Defendant", pursuant to the provisions of section 5 of the Companies Act 1974 and section 16(1)(a) of the Collective Investment Schemes Act 2008.

n. An extra-ordinary general meeting was called by the Defendant's board for 20 December 2016 at which investors were asked to vote on a resolution proposed by the Defendant's directors to wind up the Defendant. Approximately 50% of eligible investors voted: the resolution was defeated with approximately 84% of the votes cast being against liquidation.

o. As at 20 December 2016 the directors of the Defendant were Messrs Jamie Sutton, Antony John Parry and William Morris Burgoyne. Consequent upon the outcome of the extra-ordinary general meeting on 20 December 2016, each of Messrs Sutton, Parry and Burgoyne resigned as directors on 21 December 2016 having first called a general meeting scheduled for 16 January 2017 for the appointment of successor directors.

p. In the event there were no willing replacement directors and no new directors have been appointed. The Defendant remains without directors.

q. On 22 December 2016 the Claimant re-appointed Mr Wilson as Controller of the Defendant, pursuant to section 13(1)(b) of the Collective Investment Schemes Act 2008. (Thus, Mr Wilson has acted as either Advisor or Controller to the Defendant since his first appointment on 30 June 2016 : (see paragraph 12(e) and (f) above).

r. On 18 January 2017 the Controller became aware that SAL claimed to have called in the Defendant's indebtedness to it and had, in consequence, apparently foreclosed on the Defendant's interest in the plantation assets (see paragraph 12(c) above).

s. By Mr Wilson's "Report by the Controller of The Eco Resources Fund PCC PLC" dated 23 January 2017 he concluded, inter alia, that, "It is therefore our considered view that the Defendant should be wound up and that the Authority should consider bringing a winding up petition in the public interest."

13. The Claimant respectfully avers that an order winding up the Defendant is desirable, inter alia, in order to address the foregoing concerns. It is a matter of public interest and concern that Isle of Man financial institutions accepting investments should adhere to recognised standards and investors should have an appropriate degree of assurance in relation to their investments.

14. Hence it is in the interests of investors in the Defendant and a matter of public concern that a Liquidator be appointed so as to, inter alia, investigate the circumstances which have caused or contributed to the present status of the Defendant.

15. The Claimant considers it expedient and in the public interest that the Defendant should be wound up.

16. By reason of and in reliance on the matters aforesaid including but not limited to the

Controllers report dated 23 January 2017, the Claimant avers that its proper for the Defendant to be wound up and that it is just and equitable that it be so.

17. The Claimant will in addition to the above matters refer and rely upon the witness evidence and documentation filed herewith in support of this application.

18. In the premises the Claimant submits that the Defendant should be wound up under sections 162(6) and 164(1)(d) of the Companies Act 1931 and that Gordon Wilson of CW Consulting Limited be appointed deemed official receiver and provisional liquidator thereto.

AND the Claimant claims:

- (a) that the Court give directions, including as to the giving of any further notice and advertisement of the Claim and any Order made thereon;
- (b) that the Defendant company be wound up by the Court under sections 162(6) and 164(1)(d) of the Companies Act 1931;
- (c) that the Court appoint Mr Gordon Wilson of CW Consulting Limited of Bank Chambers, 5-19 Athol Street, Douglas, Isle of Man deemed official receiver and provisional liquidator and liquidator of the Defendant company if a winding up order is made;
- (d) that the Claimant's costs be paid by and out of the property or assets of the Defendant company; and
- (e) that such further or other directions or orders be made as the Court thinks fit.

If you need to continue on a separate sheet please use the prescribed form – 'HCC CONTINUATION SHEET'

Name and address (including postcode) of defendant on whom copy of the claim form is to be served	£	
	Court fee	£215.00

THE ECO RESOURCES FUND PCC PLC First Names House Victoria Road Douglas Isle of Man, IM2 4DF	Coroner's fee	£12.50
	Advocate's costs	TBC
	Total	£227.50

Statement of truth

[I believe The Claimant believes that the facts stated in this claim form are true.
 [I am duly authorised by the claimant to sign this statement]

Full name of [claimant] ['s advocate]*

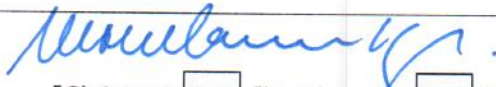
*indicate as appropriate

Walter Hugh Wannenburg

Name of claimant's advocate's firm

Attorney General's Chambers

Signed



[Claimant] ['s advocate] [Litigation friend] indicate as appropriate

Date 16 February 2017

Claimant's or claimant's advocate's address in the Isle of Man (including postcode) to which documents or payments should be sent:

Attorney General's Chambers

3rd Floor

Belgravia House

34-44 Circular Road

Douglas

Isle of Man, IM1 1AE

Telephone no.

685452

Fax no. (if appropriate)

insert fax number

E-mail (if appropriate)

insert email address

Reference (if any)

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