

MONTEGO FREEPORT LIMITED

UPDATE

Delisting

At the Annual General Meeting of the Company held August 26, 2010, a recommendation for delisting the company from the Jamaica Stock Exchange (JSE) was proposed (See Addendum to Annual Report 2010). The Resolution was not passed as shareholders requested more time to familiarize themselves with the concept of delisting. They requested additional information on delisting; the advantages and disadvantages; how the shares would be valued and traded if the company was delisted from the JSE. This was reported to the JSE. The delisting information was prepared and presented in the Annual Report of 2011. Please note that before printing of the Annual Report, the information was sent to the JSE to confirm that it was sufficient and accurate. (See Copy of Delisting Proposal Attached)

The Resolution was again taken to the shareholders at the Annual General Meeting held August 25, 2011 and was passed. Please note that by show of hands, a majority of the minority shareholders present at the meeting approved the application to delist.

At the 2011 Annual General Meeting, the shareholders were also asked to pass a resolution to wind up the company upon the completion of the sale of all remaining lands. This Resolution was passed. Shareholders asked if the company was delisted from the Exchange, how information would be disseminated to shareholders. The Board confirmed that all relevant information would be placed in the newspapers, and when necessary, mailed to shareholders. Shareholders were also informed that upon winding up, and after all creditors were paid, the remaining funds would be distributed to shareholders.

On December 8, 2011, Montego Freeport Limited made an application to the JSE for delisting. Approval was granted by way of letter dated December 9, 2011 (received January 3, 2012) to take effect January 6, 2012. At the date of delisting, Montego Freeport Limited Stocks were being traded on the Exchange at J\$1.24 per unit. Earnings per stock unit as per the last financial statements (March 31, 2011) was \$(0.11).

Winding Up Activities

At the same Annual General meeting a resolution was passed “that upon the sale of all the remaining lands owned by Montego Freeport Limited and upon Montego Freeport Limited having satisfied its mandate, it is hereby resolved that all necessary steps be taken to wind up the company”. To date the company has signed agreements for sale for all Lots with the exception of one. Efforts are being made to dispose of that Lot along with the apartment and two office spaces still under MFL’s ownership during the present financial year. Once those assets are disposed of the company should be in a position to commence winding up proceedings.

Financials

The preparation of the Audited Financial Statements as at March 31, 2012 is now in progress.