

To all shareholders in
Setstone Plc

UK Shareholders Association
BM UKSA
London
WC1N 3XX

Phone: 0870-70-60-600
Email: uksa@uksa.org.uk
Web: www.uksa.org.uk

UKSA Raises Questions About the Future of Setstone Plc

Are you concerned about your investment in Setstone Plc (formerly ThreeW.Net Plc)? If not, you should be!

Setstone became a shell company after the closure of its unsuccessful dotcom business in 2002. The only real value remaining in the business was its AIM listing. It then proceeded to look for a business with which it could undertake a reverse takeover.

At an EGM in January 2004, a capital reorganisation was approved and a group of investors lead by London & Globe Securities Ltd subscribed for new ordinary shares and for some convertible loan stock. The company changed its name to Setstone at the same time and continued to talk about the search for a reverse takeover candidate. But the company was delisted in November 2004 after it exceeded the suspension time limit of six months.

During 2004 shares were issued to raise £1.3 million. The Report and Accounts for the year ending October 2004 disclosed that approximately £1.6 million had been loaned to SHG Golden & Silver Ltd, a company with gold mining operations in Kyrgyzstan. This was in anticipation of a merger, but the transaction has never been concluded. It transpired at the AGM held on the 15th December 2005 that SHG had apparently backed out of the deal for reasons which were not totally clear, but they had certainly not repaid the loans and £750,000 of provisions against outstanding loans had been made.

The United Kingdom Shareholders Association (UKSA) represents the interests of private shareholders and we would like the directors of this company to answer some questions about what can be done to recover some value for shareholders from the current situation.

If you support our views on this matter, please do the following:

- Return the reply slip overleaf so that we can send you more information on the issues affecting Setstone and what might be done with this company.
- Look at the benefits of membership in UKSA in the enclosed leaflet. By joining UKSA you will gain many personal benefits and promote the interests of all shareholders.

Otherwise, if you have any questions on this matter, or on UKSA membership, please contact me by email, telephone or post to the above address.

Yours sincerely

Roger Lawson, Communications Director

UKSA Campaign Response Form

Yes I am interested in supporting your campaign to improve matters at Setstone.

Name: _____

Address: _____

Postcode: _____

Tick here to receive communications from UKSA via email Please supply an email address if possible as communicating via post is very expensive for a non-profit making organisation like UKSA.

Email Address *(please write clearly in capitals):*

Telephone *(optional):* _____

Return to the UK Shareholders Association in the envelope provided - no stamp required
(or post to UKSA, PO Box 62, Chislehurst, BR7 5YB)
