

3rd February 2006

Dear Member,

Facts speak for themselves - our hard work and restructuring paid off

We are pleased to announce that William has returned from a very successful business trip to the UK. Continuing to bolster and promote RIO Prestige Performance (UK) Ltd. the main holding of the above Fund. **During August 2005 William Gray forecasted an August 05 to August 2006 return of +25%** for the RIO Prestige Performance Fund.

RIO made a strategic decision in early September 05 to close RIO Portfolio and RIO World Wide Opportunities Fund; William knew that all RIO staff would have more time to dedicate to our direct funds. Owned and licensed by RIO International Investments Ltd. an investment company founded solely to offer direct investment to RIO Club members only!

Armed with the knowledge that **93% of our members holding RIO Portfolio had chosen to support RIO's decision** on the closure by investing all of their proceeds from RIO Portfolio into RIO Prestige Performance Fund, one of our direct funds. It must be said that William has put tremendous effort into assuring the success of this Fund.

Indeed members have witnessed the efforts of the RIO team at its best yet again; the facts show that since August 05 the fund has had **six consecutive gaining months, with a merciless +17%** gain - see attached graph. Some pessimists felt the target of a 25% gain marketed by RIO was optimistic - witness the facts!

RIO Options Account posts gain of + 4.6% in January 06

The extra time offered by closure of RIO Portfolio which was an antiquated Hansard administrated Fund has benefited our options account, which also has been somewhat successful with a **+4.6%** gain on Williams currency trades placed in December and closed out in January with a 10.7% overall gain to date. The account currently is in a no risk position having realized all trades. The options account is a currency trading account that can use gearing. It is a high risk holding - any member interested can e-mail us for details.

Closure of RIO Portfolio and RIO World Wide Opportunities Fund, +% Performance Benefits Members!

Since closing the RIO Portfolio Fund less than 1% of the RIO Clubs lump sum investments are now held with Hansard.

This move has strengthened the RIO Clubs direct investment Funds dramatically and ensures the continued growth of Funds owned and licensed by RIO International. All are far more flexible and cost effective than the RIO Portfolio Fund which was restrictive and antiquated. The closure of the Lump Sum Fund led to the closure of the Club's regular investment, RIO World Wide Opportunities Fund, as members will already know from our e-mails and news letter.

These closures have had almost no effect on members as William Gray continues to manage member's holdings with Hansard as promised. When managing RIO World Wide Opportunities Fund William was restricted in that this was simply a Fund of Funds, being able to select investment of the Hansard approved investment Funds only +100 choices in all. Nothing has changed for the RIO Club investor who has a Hansard Regular Product such as Pinnacle, a regular investment plan.

Today we still continue to manage all members holdings by selecting Funds for members from the +100 Funds available when investing through Pinnacle Hansard product, the only difference is that instead of seeing the title of RIO World Wide Opportunities Fund on statements members can see the actual Funds selected by William Gray on their behalf having carried out his due diligence and research.

Indeed this way a **member can see the trades placed by William more easily**. Also they will see holdings changing on their statement and hence have more detail, saving us even more time. And the best part is that they can see directly William's chosen holdings on their statement, for example since closing RIO World Wide Opportunities in September. The **Performance of holdings selected by William Gray** for all Club members with Hansard regular investment plans which continue to be managed by RIO since the closure of RIO World Wide Opportunities Fund are **Attached**. All have posted Gains yet again!

Mat Williamson
Director
Atlas Fairweather IOM Ltd.
Fund Administrator of the RIO Club.