



GOVERNOR OF NORTH SULAWESI

Manado, August 1, 2008

To
Credit Suisse First Boston
Attn.: Mr. Kai Nargolwala, CEO Asia Pacific
Credit Suisse Singapore Branch
1 Raffles Quay, North Tower #30-01
Singapore 048583

Re.: AIM Announcement by Archipelago Resources

Dear Sir,

With reference to Archipelago Resources' (AR) announcement dated July 29, 2008 titled "Proposed Project Financing" stating that AR has reached an agreement with Singapore Branch of Credit Suisse bank to provide a US\$ 48 million loan facility, I hereby express my sincere concerns in regard to Credit Suisse's planned involvement in that project.

As much as I support sustainable investment in the region of North Sulawesi, and after having studied in detail the expected environmental and social impact the mining project may cause, the Government of North Sulawesi Province, in line with the Indonesian Ministry of Environment view, has decided not to issue the permits that will be necessary for AR to start the mining operation.

I cordially clarify that the Government of North Sulawesi Province has the power to assess the environmental and social impact of this particular project, and based on the negative outcome of our assessment I have no plan whatsoever to revise my decision mentioned above.

Considering your reputation as a loyal donor and supporter for environmentally-friendly projects and especially with the upcoming World Ocean Conference (WOC) in 2009 in mind, your bank's involvement in this controversial project would have the potential to severely damage the good name of Credit Suisse in Indonesia and beyond.



Sincerely yours

S.H. SARUNDAJANG
Governor of North Sulawesi