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Press Release
For Immediate Delivery
Recovery Partners Investments Limited



Hedge Fund Confab Brings Meeting of Minds

With a sizeable crowd in attendance at the Niagara Falls venue, Alex Jurshevski, CEO of Recovery Partners speaking at the World Hedge Fund Conference said that regulatory changes promulgated by the Bank for International Settlements (Basel II) will encourage balance sheet re-balancing activity among affected banks that will have significant implications for global asset market activity in certain sectors.

Jurshevski observed that following every major revision of Financial Services legislation, a wave of industry restructuring and consolidation has ensued. To buttress his case he presented an extensive statistical analysis, which showed the impact of the new capital management rules on bank capital requirements. This research showed that under the new rules, credit risk exposures are far more sensitive to underlying economic fundamentals and the movement of variables outside of the control of the banks. Jurshevski also demonstrated that for higher risk asset exposures the new rules can produce significantly higher minimum capital requirements than under the existing rules.

The track record of the banking industry (as a whole) in responding to external challenges is not good. Moreover, the present environment features complicating factors that include: (1) the accumulation of additional stresses and strains in the financial system; (2) imbalances in the global economy; (3) rising commodity prices, particularly energy; (4) tightening monetary policies, (5) the impact of a rapidly growing China and India; and (6) the onset of a new phase in the credit cycle.

The bottom line, according to Recovery Partners, is that these forces are combining to create a sizable market opportunity relating to the need for banks and other financial institutions to reposition their balance sheets in the run-up to Basle II and beyond.

About Recovery Partners Investments Limited

Recovery Partners Investments Limited has established **Marvels™**, a transactions platform capable of efficiently identifying, valuing, warehousing and processing eligible “off-strategy” bank assets that allows for high rates of throughput while featuring a low volatility/high risk-adjusted returns profile for these assets.

This platform intermediates investment flows between suppliers of distressed and non-core financial assets and large scale institutional investors, principally pension funds, that are seeking diversification and higher risk-adjusted returns for the portfolios under their management. (www.recoverypartners.biz).

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