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**LAO HOLDINGS N.V. FILES LEGAL ACTIONS RELATED TO EXPROPRIATION AND
PLANNED SALE OF SAVAN VEGAS CASINO AGAINST THE LAO GOVERNMENT AND SAN
MARCO CAPITAL PARTNERS, LLC**

WASHINGTON, May 5, 2016. Lao Holdings N.V., the parent company of Sanum Investments Limited, has filed three legal actions in the past week against the Lao Government for violating the 2014 settlement agreement reached by both parties, stipulating the sale of the Savan Vegas Hotel and Casino, and other assets, for maximum value to the benefit of all parties. These actions have been taken in direct response to the expropriation and planned sale of Sanum's gaming and hotel complex located in Savannkhet, Laos.

"All of the actions taken by the Lao Government over the past two years have been a blatant attempt not only to avoid, but systematically obliterate its legal obligation to work with us in good faith," said Jody Jordahl, President of Sanum Investments. "If the Government had followed the terms of our agreement, we would not be taking these actions."

The first action, filed on April 26, 2016, asks an international arbitral tribunal first constituted in 2012 to revive an arbitration to hear Lao Holdings' claims that the Government of the Lao People's Democratic Republic (the "Lao Government") breached its obligations under a Bilateral Investment Treaty known as the Agreement on Encouragement and Reciprocal Protection of Investments Between the Lao People's Democratic Republic and the Kingdom of the Netherlands (the "Netherlands-Laos BIT"). While Laos has incorrectly claimed that the Settlement vests it with authority to sell Savan Vegas and other Gaming Assets on behalf of Sanum and the Government, if the arbitration is revived, even this veil of legitimacy would disappear.

This arbitration had been suspended pending the performance of a 2014 settlement agreement between Sanum, Lao Holdings and the Lao Government. The second action, filed on May 2, 2016, asks a new international arbitral tribunal to determine whether Lao Government actions undertaken since the settlement was concluded in 2014 breach the Netherlands-Laos BIT. The third action, also filed on May 2, 2016, was filed in United States District Court for the District of Delaware against San Marco Capital Partners, LLC, as well as its sole owner and employee Kelly Gass, alleging claims against San Marco and

Ms. Gass arising from their alleged mismanagement of the operation and planned sale of Savan Vegas.

Both actions filed under the Netherlands-Laos BIT are administered by the International Centre for the Settlement of Investment Disputes (“ICSID”), an agency affiliated with the World Bank. The first action, filed pursuant to the terms of the 2014 settlement agreement, alleges that the Lao Government materially breached the settlement agreement when it seized control over all of Lao Holdings’ commercial properties in Laos, including the Savan Vegas Casino. Other acts alleged to materially breach the settlement agreement included the Lao Government’s retroactive assessment of over US \$70 million in taxes; its groundless pursuit of criminal allegations against Lao Holdings, Sanum, and affiliated individuals; its actions that will lead to a low-ball sale of Savan Vegas; and its stated intention to ensure that Lao Holdings does not receive any of the proceeds from the Savan Vegas sale. If the material breach application is successful, the ICSID Arbitration that Lao Holdings filed against Laos in 2012, which was intended to be resolved by the 2014 settlement agreement, will be revived. The amount of damages claims that will be at issue if the 2012 ICSID arbitration is revived is approximately US \$890 million.

Lao Holdings’ new action under the Netherlands-Laos BIT arises from the renewed efforts of the Lao Government to impose taxes on the Savan Vegas Casino that both provided the pretext for its seizure and will prevent it from being sold for a fair market price. This new action also concerns the Lao Government’s unlawful admitted expropriation of the Casino and other recent acts taken with the effect and intent of depriving Sanum and Lao Holdings of the benefits of any of their investments in Laos.

The third action, pursued in the United States, has been commenced against San Marco Capital Partners, LLC as well as its sole owner and employee Kelly Gass. The action alleges that both San Marco and Ms. Gass are responsible for the current mismanagement of and botched sale efforts of the Casino. San Marco and Ms. Gass, were paid nearly \$2 million from revenues generated by the Savan Vegas Casino, to faithfully serve as fiduciaries to the owners of that facility (i.e. Sanum and the Lao Government) in managing the Casino and other gaming operations. The complaint states that Gass purported to know “how to run and sell” these assets but, instead, “Gass has served only [Sanum and Lao Holdings’] adversary, the [Lao Government], a corrupt and totalitarian regime that admittedly expropriated Plaintiffs’ assets in Laos with Gass’s cooperation and assistance.” The Complaint also charges that “[u]nder Gass’s management, the financial reporting is opaque at best; the only thing that is clear is millions of dollars of unexplained disbursements, while the 80% shareholder receives nothing.”

Starting in 2007, Sanum and Lao Holdings invested heavily in Laos, building and developing valuable gaming assets. In August 2012, facing expropriatory taxes, withheld or renege concessions, the seizure of assets and other acts of governmental

malfeasance, Lao Holdings began proceedings against the Lao Government before the ICSID Tribunal.

On the eve of the merits hearing, in June 2014, the parties reached a settlement agreement that imposed obligations upon the Lao Government. Under the agreement, the Lao Government promised to facilitate the sale of Sanum and Lao Holdings' gaming assets to a third party, and to negotiate an agreement for the development of commercial property elsewhere in Laos. The settlement agreement provided that the ICSID arbitration would be suspended pending successful implementation of the settlement's terms. It also provided for reinstatement of the proceedings in the event of a material breach by the Lao Government.

Sanum and Lao Holdings will continue to evaluate the situation and take actions as required to protect their interests.

More detail on the cases can be seen at:

<https://www.dropbox.com/sh/nhu3dahrs43gu67/AABVYXhuTsyLBHJk3eIfS2wa?dl=0>