



26th February, 2010

Dear Valued Shareholder,

I write to you with positive news relating to our Company. Firstly I have enclosed our "new" biodegradable nappy so you can see for yourself how good the product is. You may wish to pass it to someone you know who can use it on their baby, or you may decide to test the biodegradability for yourself!

Whatever you do with it I would welcome any comments you may have in relation to its use. Although our products have rigorous testing, it is through constructive feedback, that continuous improvements are made, as you are aware this is now our third generation nappy, generation 1, was 77%, and generation 2, 93%, our focus to develop the world's best biodegradable products will continue.

The nappy before you now is being independently tested in Australia to prove its biodegradability content.

There has been a lot going on behind the scenes, and we are very excited at the traction that is now taking place in the eco friendly market place. As recently as the other weekend there was an article by Giles Parkinson predicting many millionaires based around eco friendly companies. It is our intention to make some of them with this company! Just to highlight the recent achievements of the company, I have listed them below.

- EcoQuest Commences German Public Relations, our trading code in Germany is 51S.BE.
- EcoQuest Announces First Major Order to Korea.
- Packaging and trading name ready for new nappy launch.
- Packaging and trading name ready for new wet wipes launch.
- EcoQuest not only reduces cost of manufacture items, but trims overhead base.
- We have now completed the all new, EcoQuest website.
- You can view this at www.ecoquestltd.com I'm sure you will agree it is a big improvement.
- All new online shopping website to be launched in April 2010.

During the previous months we have taken many enquiries to stock our nappy range and we are now in a position to work through this list over the coming weeks.

The feedback my colleagues and I have received over the recent period has been positive, and the direction the company is going has received broad support from the financial institutions.

I have found the shareholder engagement extremely interesting and informative, this has been invaluable to us in ensuring we meet your expectations and needs as a shareholder. It is a challenge the board and management relish and I hope to continue to bring you positive news more often over the coming months.

Yours sincerely

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Leon Davies
Non Executive Chairman