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PRESS RELEASE

Disputed Stakebank Extension to be Acquired by GOB for a Public Purpose

Belmopan, August 27, 2024.

The Government of Belize announces that, with the approval of the Cabinet, the Minister of Natural Resources has today signed a notice of intention to compulsorily acquire the disputed 24-acre extension of Stake Bank Island.

The parcel, identified as Fiat Grant 881 of 2021, and given to Michael Feinstein, the former Chairman and Shareholder of Stake Bank Enterprises Ltd., is currently the subject of an ownership dispute at proceedings in the High Court. Unfortunately, that dispute is detrimental to the completion of a project that is in public interest.

Once the acquisition and assignment to Stake Bank Enterprises is finalized, the cruise berthing facility, which has been halted since the company entered receivership in March of this year, can proceed to completion.

The Company's receivership and the subsequent land dispute regarding ownership of the island extension has frozen works on the project, resulting in significant delays to construction and crucially, delays to completing a facility that, for the first time, would provide cruise ship passengers with a dock disembarkation.

Cruise tourism arrivals have continued to fall due to the lack of proper berthing facility in the Belize District.

Stake Bank's Receiver and Creditors petitioned Cabinet consideration for the acquisition in order to rescue the project and its BZ\$ 270 million investment to date. The Creditors have provided a comprehensive indemnity to

Government so that all costs, if any ultimately arises from the acquisition, are to be paid by the Creditors and not the Government.

Ten years ago, the then Government enacted the Stake Bank Cruise Docking Facility Development Act of 2014 which provided various investment incentives and committed Government to supporting Stake Bank's Completion, in the context of a much-needed cruise berthing facility. This berthing is even more urgent today as cruise ships have become larger. Having a dock for cruise ships, extending the tours times for visitors and salvaging a major investment project underline the rationale for Cabinet's decision.

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