

FRIZZELL LAW FIRM
305 S. BROADWAY, SUITE #404
TYLER, TEXAS 75702

BILL FRIZZELL

Legal Assistant
Goldie Norris

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Phone (903) 595-1921
FAX (903) 595-4383
E-MAIL: bfrizzell@tyler.net

Steve Kirkpatrick
CMKM Diamonds, Inc.

Re: 2005 representation in SEC proceeding

Dear Steve:

I have had some requests for information from some shareholders regarding the evidence that I obtained during my investigation of CMKM's activities in 2004 and 2005. I know you were not involved in the company's affairs at that time so I thought it would be best to give you my understanding of what information they are looking for.

I have copies of both Phase 1 and Phase 2 "Limited Representation Agreements" if you wish to see them for any reason. John Martin, a shareholder who is no longer active in any CMKM business, was my client and wanted a thorough investigation into the affairs of the company in 2004 and 2005. He asked if I would allow the other shareholders to contribute money to help him defray the legal expenses for the investigations he wanted me to conduct for him and his group. John was quite dedicated to the cause of the shareholders for many years. If it had not been for the efforts of John and his group of shareholders, there would be no company to be talking about today.

The SEC had filed a 12J proceeding and it was clear the SEC was dead set on delisting CMKM, which they ultimately accomplished. I might add that the SEC was correct I delisting the company as prior management made a decision not to produce audited financials and was content to let the company fail. John and I worked up a representation agreement where I would accept funds from other shareholders and apply them to the legal fees that I was charging John for representation. This was clearly set out in the agreements. I agreed to represent the "interests of the shareholders as a group" in a limited fashion to conduct very specific investigations outlined in the agreement.

One or more of the company shareholders is apparently disseminating information that John Martin and I are somehow secreting evidence from the company and its shareholders. That is beyond ridiculous. The shareholders were given updates weekly (and occasionally on a daily basis) at the time of the progress of our investigation. A CMKM shareholder group web site was designed for the principal purpose of sharing the information of our investigations. Regular updates were given which covered every phase of the investigation. I have located copies of ten or fifteen of the updates and there was complete and full disclosure of the entire investigation while it was ongoing. We were all working "outside the company" at the time. There would have been no reason to

hide any of our evidence. We took every opportunity to show the evidence to anyone that would consider it.

It is set out in these "limited representation agreements" that I would maintain the confidentiality of my clients. Most of the shareholders requested that I not use their actual name in any legal proceeding. I did not represent the company. I represented the "interests of the shareholders as a group" with John Martin being my named client.

As part of the investigation we set up several dedicated fax lines in my office. We instructed shareholders who wished to participate to fax their brokerage statements into the office so we could do some tabulations to determine if there might be more stock being sold than what was issued and outstanding according to our information. The information was coming so fast, we had to ask certain shareholders to call in alphabetically at certain times according to their last name. We hired contract workers working 24/7 to compile the information being faxed to my office. We were a few short weeks from the hearing and we knew it would take an inordinate amount of time to get enough evidence accumulated before the hearing. At considerable expense, we installed a fax system where an input person could look at a screen, take the faxed information off the screen and enter it into a database we had designed to tabulate the results. The document was digitized. We then gave a unique descriptive number to that brokerage statement and that shareholder. This allowed us to total the shares from the faxes that were sent in and if anyone wished to verify any of our numbers, they could go back to the unique number and look at the actual document sent in by that shareholder. I believe at one time we had a hard copy of each and every brokerage statement but I do not know if it exists today. We were anticipating that either the Justice Department or the SEC might question our documentation. We were thus armed with documented proof of the items that we received in our office from the shareholders.

This gathering process took several weeks leading up to the administrative hearing and we continued to collect data after the hearing. You and I have discussed on several occasions that it is clear there are some shareholders (whether paid or not) that would like to see this company fail. We have experienced this from the beginning. There was a concerted effort by a small group of shareholders to try to disrupt our information gathering or improperly skew the numbers we were tabulating. Some shareholders were open and obvious about their allegiance to Urban Casavant and John Edwards and they promised to wreck the company. We received a number of faxes which consisted of altered and forged brokerage statements purporting to represent billions of shares. We would see names of shareholders like Superman or Batman on an altered brokerage statement. We set up a system to purge the fake brokerage statements. We had a verification process in place to scrutinize anything that seemed less than above board. If we were suspicious and could not reach the shareholder for confirmation, their shares were eliminated from our data. We had some NOBO lists and some shareholder lists that were part of the SEC discovery which we were able to use to cross reference some of our data. In short, our information was rock solid and documented.

The information we obtained from the shareholders proved the amount of stock that was currently in the brokerage accounts of the shareholders who submitted their information. These shares of course were not in certificate form because we had in our database the actual brokerage statement which was submitted to us showing it was in the shareholder's account. We simply added what we received via the shareholder's faxes to the known number of shares we knew were in certificate form from the Transfer Agent's list. We had amassed evidence from our 5,020 shareholders that we could confirm there were at least 320 billion shares in brokerage houses. From a NOBO list we knew there were 60,000 shareholders or accounts in brokerage houses. The Transfer Agent's records showed the company had issued out in certificate form 326 billion shares to 2,033 shareholders. In summary we documented that 7,056 shareholders had 656 billion shares. The total issued and outstanding stock at that time was 703 billion shares. By simple mathematical extrapolation, if there were 60,000 shareholders (verified by the NOBO list) and we had proven that 7,000 of our shareholders owned over 650 billion shares, there was an eye popping naked short in this stock. Our data mining showed that our group of 5,000 shareholders who submitted their brokerage statements was a fair sampling of the total shareholder group of 60,000.

I made every effort to have Judge Murray and the SEC allow information that I had compiled to be considered as evidence in the delisting hearing. In the end our evidence was not considered by the Judge in its ruling nor was it considered by the SEC for purposes of instituting a naked short investigation.

A DVD was compiled which had the 5,020 brokerage statements contained within. Some of the brokerage statements were 10 or fifteen pages each. These statements contained the personal information of the submitting shareholder. No names were deducted, nor was the address or other identifiers removed. The brokerage statements contained all the person's holdings not just the CMKM stock. There is absolutely no way I would ever release a copy of this DVD to someone without a court order. I have been directed by most of the shareholders in the sign up agreements not to release their names. If this is the documentation that the shareholders are seeking, they need to file a lawsuit and get a court order for me to release this information to them. I would imagine I will be asked by the shareholders who submitted their personal information to resist such an attempt to have their personal brokerage information made public. This is not an attempt to hide naked short evidence. This evidence was our proof of the statistical extrapolation showing a huge naked short. I am convinced this naked short (albeit maybe a bit smaller) exists today.

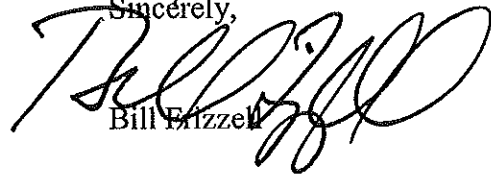
There is no other evidence, no secret files, no secret NOBO lists, and no secret DTCC communiqué. This exhibit was the result of several thousand hours of hard work and enormous expense. It is nonsensical to say that we are trying to hide information from the very shareholders that submitted the information.

The suggestion that this information has been kept from the shareholders is ludicrous. I am attaching the Motions which were filed in Court along with the opposition responses. Updates were regular and complete and posted on a special website

created for the shareholders. If you read these Motions you will see that this group of shareholders in 2005 was requesting the Court and the SEC to take action because of this massive selling of CMKM stock. The numbers are somewhat different in the offered Court exhibits because we continued to amass information for a while after the hearing. In addition to the Motions and Responses that I am attaching, I am including a file memorandum that I made in 2005 when I returned from our meetings in Los Angeles. I made this memo immediately upon returning while the facts were fresh on my mind.

Steve, I regret that things such as this take up so much of your valuable time. Please stay committed to seeing this company come back to trading. I am convinced we can make this happen. I am asking that you put this information out so that all the shareholders can make their own decisions about whether they are being misled by others or whether they are making appropriate inquiries. I have responded to these questions before and will continue to do so if it is helpful to you.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Frizzell", written in a cursive style. The signature is positioned over the printed name "Bill Frizzell".

Bill Frizzell