Beechbrook House
Lidgate Road
Dalham
CB8 8TH

Christopher Andrew Jones Esq.
Old Orchard Cottage
The Green
Cookham Dean
Maidenhead
SL9 9NZ (by First Class Letter Post and email to JonesCEEJAY@aol.com)

May 8th, 2006

Dear Mr. Jones

Re: EDI Realisations Ltd (in administration)

I write in connection with the order of Chief Registrar Baister that you be added as a respondent to the March 20th 2006 application by two partners of KPMG acting as Administrators in the EDI matter.

You have already been placed on notice that I intend to apply to be added as a respondent to the application, and that I represent Think Entertainment plc, and the assignees of certain of its rights and obligations. You are also aware that I have the strongest objection to your acting in any manner whatsoever in the matter before the court, and that I will be asking the court to reverse its order that you be added as a respondent and that an order for costs be made against you.

It has come to my attention that KPMG are offering to resolve the matter of disposition of the monies, but as yet I have not been approached by them, or their lawyers, with any offer as regards the claim of Think Entertainment plc to those monies. I understand that the offer includes the payment of money to "JAG", a proposal I will strongly resist.

Therefore I am writing this letter as an open letter as it seems KPMG and their solicitors, aided and abetted by your actions, are continuing their deliberate policy of trying to disadvantage Think, and its predecessor Newscreen Media Group plc. The letter is also copied by email to the other respondents, and I will ensure that a copy (and the documents referred to in it) is placed on the court record in due course.

The essence of the matter is that, in what I say was an unlawful breach of trust, KPMG transferred money to EDI that it was not authorised to do. KPMG now seek to cover-up that illegal act by an abuse of the process of the court, and in that they are being aided and abetted by you and your actions, and you know that to be the case, and I will not sit idly by and see that happen, however distasteful you may find my approach and/or tactics.

The transfer followed on directly from an invitation to subscribe for shares that was contained in a letter to shareholders dated July 8th 2002 which was sent by directors appointed by, and accountable to, the Administrators, and with the specific approval and full knowledge of the Administrators.

The evidence shows that material relevant information, contained in a report prepared by Eversheds, was knowingly and deliberately not disclosed to the shareholders by the Administrators and the directors in order to induce shareholders to subscribe for further shares without being in possession of important information relevant to their decision. The matter was made worse by the crass statements you made to newspaper and television reporters, all of which were widely disseminated – nationally and internationally – in order to encourage shareholders to subscribe for further shares by representing there was considerable value in litigation recoveries from Arthur Andersen Audit, which information you, your fellow directors and/or the Administrators knew and/or should have known and/or shall be deemed to have known was considered by Eversheds (solicitors to all parties to this application, other than Think) to not be the case, and which information the Administrators deliberately withheld from the shareholders.

For the sake of good order, and in the interests of justice, and in order to fully clarify matters for all interested parties, let me set out for you why I object to your involvement, and any proposal by KPMG that does not address rectification of the underlying matters.

You may find the matters unduly repetitious, but I crave your indulgence as it seems to make sense to set out the whole chronology as the best way of reaching full understanding of the gripes and anger of all 57,000 shareholders, and the nature of disputes between the many parties.

1. In November 2000, following due diligence investigations, a circular headed "Recommended Share Offer ..... on behalf of Just Group plc" was sent to the shareholders of MediaKey plc.

2. The majority of the MediaKey shareholders accepted the offer.

3. Shortly after the acquisition by Just Group, it became apparent that there were serious deficiencies in the accounting records of, and representations made by, MediaKey.

4. In May 2001, Eversheds produced a report for Just Group entitled "Preliminary Report for Just Group plc on potential claim against Arthur Andersen Audit following the acquisition of MediaKey plc".

5. The Eversheds report, inter alia, addresses the critical "Working Capital Projections" stating;
    - at page 5, point 25.5, that Arthur Andersen were "unlikely to identify anything which had been misrepresented, concealed or withheld by the directors or employees of MediaKey, and might not identify all matters of potential interest to Just"
    - at page 6, point 28, that there was a "suspicion shared by the Institutions and a number of other parties that information may have been concealed by MediaKey"
    - at page 9, point 44, that "in summary there has been a substantial hole discovered in MediaKey's financial position .....principally inflated sales forecasts, undisclosed creditors and hidden excess overheads"
    - at page 12, point 62, that "it therefore follows, in our view, that Just is entitled to pursue recovery of all the costs, losses and expenses that it has incurred from the purchase of MediaKey which would otherwise not have made"
    - at page 13, point 69, that "all in all, on the information currently available to us, we are of the view that Just's prospects of successfully recovering damages from Arthur Andersen Audit are in the region of 40%"
    - at page 13, point 65, that "prospects of success in getting round some of the exclusions of liability in Arthur Andersen Audit's engagement letter of 31 October 2000 are less than 50%"
    - at page 13, point 66, that "if we assume that the terms and conditions in Arthur Andersen Audit's engagement letter of 31 October 2000 apply, the maximum liability on any view will be £1m."

6. Eversheds also identified "that Just had contributed at least in part to the problems arising from cashflow difficulties".

7. The Eversheds report is dated May 18th 2001 and Eversheds produced a file note showing meeting the then Finance Director on May 21st 2001.

8. On May 29th 2001, Just Group issued a statement to the Stock Exchange that it was "trading ahead of expectations" and their Nominated Stock Broker, Teather & Greenwood, issued a 12 page research note stating "We re-iterate our BUY recommendation following the strategic development of the group, the improvement of the financial outlook and the increase in our DCF (discounted cash flow)valuation to 35.6p per share".

9. On August 31st 2001 the shares of Just Group were suspended from trading ahead of the company announcing it would not meet its profit estimates and its Chief Executive was to be removed from office.

10. The shares were immediately relisted for trading.

11. The shares were then automatically finally suspended from trading on AIM on November 1st 2001 when the company failed to deliver its accounts for the year to 30/4/2001.

12. On November 1st 2001 Just Group announced that "it is currently working on a number of options to secure short term funding and expects to announce the result of this in due course".

13. Shareholders started immediately to explore options for "rescuing" Just Group and having the shares relisted. They were not successful.

14. The remaining directors of Just Group applied to the High Court for Administration Orders, which were made on January 9th 2002.

15. The then Chairman of the company, Ian Miles, later publicly summed up the problems as having been:

· The Just Group had run out of money

· Had a major dispute involving the Group's main income-producing property (Butt-Ugly Martians)

· Had exceeded the Group's bank facility

· Had questionable accounts to deal with

· Had lost the confidence of major institutional investors

· Owed many millions of pounds the Group was unable to repay

16. Immediately after the shares were suspended, some of the shareholders of Just Group decided to collectively see if they could bring the former directors of Just Group to account for the collapse of the group, in particular those responsible for the "trading ahead of expectations" statement.

17. This evolved into the Just Action Group ("JAG"), which became formalised into an unincorporated association with explicit rules of membership. JAG invited members to send money to an Action Fund, and in due course, on January 31st 2002, a bank account was opened at HSBC, Bromley number 31739964.

18. Membership of JAG was not restricted to Just Group shareholders, and it is believed that upto 50% of the members may be persons who neither subscribed for shares in response to the July 8th prospectus nor sent money to the Action Fund. It is widely reported that JAG has never held any meetings as mandated by its rules, has no elected officers or officials and therefore has ceased to exist.

19. Against this background, the Administrators started selling off the principal businesses and assets of Just Group, but decided not to fully investigate or pursue the claims against MediaKey directors and/or Arthur Andersen Audit at that time.

20. JAG's objects did not include the acquisition of Just Group assets, but once the Administrators started selling assets some of the members of JAG decided to band together and try and acquire Just Publishing Ltd.

21. JAG then invited interested members to send money for investment purpose to a **different** account at HSBC, Bromley, which was opened on February 15th 2002 as account number 01741446.

22. JAG were unsuccessful in their bid for Just Publishing Ltd.

23. Representatives of JAG met with the Administrators and former management of Just Group, and concluded that enough interest could be generated to "rescue" the rump of Just Group, with its "major" animation assets – Butt Ugly Martians and Jellikins.

24. Discussions culminated in the proposal for a Creditors Voluntary Arrangement being implemented for 3 corporate entities; Just Group plc, Just Entertainment Ltd and Just Licensing Ltd.

25. The administrators and creditors accepted the proposal for a CVA- subject to proof that enough money could be raised to:

    (i) pay the estimated shortfall of the secured debt owed to NatWest Bank
    (ii) pay the preferential creditors in the 3 companies
    (iii) provide sufficient working capital for continuing operations.

26. JAG instructed Mishcon de Reya, solicitors, to advise them and on May 8th 2002 Mishcon de Reya opened a bank account to which potential investors were invited, by JAG alone, to send money. No formal prospectus was issued at that time, but investors were repeatedly solicited verbally, by email and by a dedicated web site, as well as the Bulletin Boards operated by ADVFN plc.

27. Monies for investment previously sent to HSBC Bromley account number 01741446 were not transferred to the Mishcon's account.

28. At all times potential investors were told that in the event the CVA did not proceed, all monies would be refunded in full.

29. All the investment monies that had already been sent to HSBC Bromley account number 01741446 were kept there, and were not transferred to the Mishcon's account.

30. Between the opening of HSBC account number 01741446 on February 15th 2001 and the May 8th opening of the Mishcon de Reya account, many tens of thousands of pounds were transferred to the Action Fund account and paid away from there to third parties, in spite of undertakings having been given that all monies in account 01741446 were fully refundable to the contributors. Some, but not all, of these payments were related to the CVA and were properly expenses that should have been paid by the Administrators.

31. You, Christopher Jones, purporting to be acting as Deputy Chairman of JAG, issued numerous statements soliciting investment by both the general public and existing shareholders in new shares of Just Group. These statements included many references to taking legal action against Arthur Andersen Audit and the recovery of £30million for negligence, as evidenced by numerous newspaper articles. You were working with Graham Calderbank, the former finance director of Just Group who had been present at meetings with Eversheds to discuss their report.

32. The "share offer" culminated in the letter/prospectus of July 8th 2001 sent, on the instructions of the Administrators, to all Just Group shareholders. That letter and/or its enclosures contained statements that the Administrators knew were false, in particular in relation to the claim against Arthur Andersen Audit, and were made with reckless disregard as to their veracity by the Administrators.

33. The administration of the share offer(s) was, at best, a shambolic affair. It is clear from the correspondence that the bulk of the blame for this fiasco is your personal responsibility.

34. Just Group (renamed as Newscreen Media Group plc) paid out hundreds of thousands of pounds to those persons who had sent money to Mishcon de Reya and/or the JAG account at HSBC. These monies represented "refunds" to those who could show they had not sent in the forms enclosed in the July 8th prospectus.

35. It subsequently came to light that between July 19th 2002 and July 22nd 2002, you unlawfully took £40,000 from the HSBC "action" fund by falsely representing, inter alia and by direct implication, that KPMG had authorised such a payment to you as going to be "refunded" by Just Group after the CVA was approved.

36. You were then involved in the preparation of a false board minute of Just Group to induce the then treasurer of JAG to pay the £40,000 to your bank. This, and other reasons subsequently led to the Board of Just Group deciding to remove you from office and terminate your employment. To this day you continue to assert claims against Newscreen Media Group and/or Think for damages for wrongful dismissal, all of which claims are being resisted.

37. From the new share issue monies, a voluntary payment of £1,850,000 was made to the Administrators and £201,586.69 to the Supervisors of the CVA. These monies were held on trust and to be disbursed in accordance with the provisions of the CVA.

38. The payment to the Supervisors was to settle the preferential creditors of the 3 companies subject to the CVA. The documents show that the shareholders were induced into buying new shares on the Administrators own representations that the monies being raised was not for the purpose of settling any debts other than those identified in the CVA documents.

39. The name of the company was changed to Newscreen Media Group plc ("NSMG"), but the management of the post CVA companies was "poor" from the outset; culminating in a S110 reorganisation under the Insolvency Act, and a subsequently dreadfully flawed acquisition based on forged documents.

40. At all times the Administrators were telling the management of NSMG that the surplus monies held in EDI were to be repaid to NSMG, and in the sworn declaration of solvency required under the Insolvency Act for the S110 reorganisation, the directors and all others relied upon the representations of the Administrators that there was a surplus in excess of £300,000 that was to be returned to NSMG and/or its successor company, Think Entertainment plc.

41. In January 2006 it was represented to me by the directors and solicitors acting for Think that there was some £250,000 to be returned by the Administrators to Think, and that therefore Think would not be considered to be trading whilst insolvent.

42. In reliance on that representation, and that the funds would shortly be forthcoming and were sufficient to pay all current payables as well as my own fees, I was granted a Power of Attorney to run Think, and I acquired the 3 newly incorporated companies that were set up specifically to be directors of Think.

43. It transpires that Eversheds, solicitors for the Administrators as well as the liquidators of NSMG, failed to notify the liquidators of NSMG that the draft documentation being discussed with the solicitors acting for Think, also contemplated making them a party to the agreement.

44. I was involved in discussions between solicitors acting for Think and the Administrators to have early access to the funds, and in despair wrote to the Administrators on April 13th 2005 urging them to deal with the matter swiftly as there would be dire consequences for all creditors and former directors.

45. Subsequent to a meeting with the Administrators in July 2005, they confirmed to me that they would be applying to the court for directions as to whom the monies should be paid, but they endlessly said that they would let me know when the application was being made as they also wanted directions to be given as to whether EDI should be liquidated in order to flow the money upto Think/NSMG.

46. Contrary to their undertaking, neither the Administrators nor their solicitors ever advised me they had made application to the court. That is a breach of the Civil Procedure Rules by Eversheds and their client, not least as every other party referenced in the Witness Statement of the Administrators was so notified.

So where to now:

- Think has unpaid creditors who relied upon the representations of the Administrators that money would shortly be forthcoming to settle their bills.

- The shareholders of Think were relying on the same monies as being available to meet the costs of producing accounts and convening an Annual General Meeting.

- The refusal of the Administrators to release those monies, and in the absence of any other monies, has caused me to be unable to instruct lawyers or debt collectors to try and collect other monies due to Think or its subsidiaries, as well as being unable to make the proposed investment in two production deals with the BBC.

Given that I was not present at the hearing before Chief Registrar Baister, I am unaware of what you said to him to induce you being added as a respondent; so I can only speculate on the deliberate lies and misrepresentations that you and/or Eversheds made to him.

How on earth JAG can have any claim to any monies is beyond me. JAG did not subscribe for any shares, JAG did not pay for any shares, and JAG did not pay any monies to the Administrators. Once the EGM had been held, then monies held on trust at Mishcon's and HSBC became the property of NSMG and its assigns, unless and to the extent that Mishcon's deemed it necessary to withhold further monies for refund. It was therefore the company that instructed Mishcon's to pay directly from the company's monies, the sums agreed with the Administrators and Supervisors under the terms of the CVA, therefore the £1,850,000 paid to the Administrators can only have been company money – to suggest otherwise beggars belief.

The other problem is that JAG has ceased to exist a long time ago, and all bank accounts in its name at HSBC were closed in late 2002.

The share certification was a shambles, as you know, and it became clear that despite the best efforts of Mishcon and some JAG members, some monies had not been returned by Mishcon and/or from the HSBC account, to those persons who had not subscribed for shares under the terms of the July 8th 2002 prospectus. The HSBC accounts were rapidly emptied by you and your colleagues in making supposed ex-gratia payments and salary advances, as well as NSMG expenses. NSMG met those obligations for refunds from its own resources, and even left money with the Registrars (Capita who had been appointed to sort out the mess you had caused) and some £10,000 remains there to this day to meet any other valid claims – estimated at less than £5,000 in total.

I am also aware that you have previously represented that some of your relatives may not have received share certificates, and therefore by implication I assume you may be

asserting that they may be due a refund, but this is not a view shared by Capita from the records I have seen and discussions I have had.

With the assistance and forbearance of the major creditors, as you know I have attempted to ring fence the remaining illiquid assets of Think to ensure that all creditors of Think are paid and any surplus then distributed to the shareholders other than those where valid counterclaims exist without having to place Think into liquidation which would ensure there would be no payments to anybody as all would be wiped out by professional fees.

Your interference in the EDI matter is adding to the delay in securing payment of outstanding creditors and is frustrating any action being taken to either bring miscreants to book, or to achieve value for the remaining assets.

If you are genuinely interested in acting for the best interests of the shareholders as you so loudly proclaim, then please consider your position very carefully, and hopefully you will conclude that neither you nor JAG should be a respondent to the March 20th application.

It is my intention to demand that, in the EDI matter alone and as a very minimum, KPMG repay all excess monies they took from the £1,850,000 plus interest. I then intend to ask the court to award exemplary damages against the Administrators, and to make a wasted costs order against Eversheds.

For the avoidance of all doubt, you should also be aware that it is my intention to ask the Registrar for directions as to how the criminal matters I have uncovered should be referred to the relevant authorities for prosecution, and indeed whether he will refer it himself within his inherent jurisdiction as that is likely to produce swifter and more effective action.

Yours sincerely

Mark G. Hardy