

***James C. Sell, Trustee***  
***Mathon Fund Liquidating Trust***  
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Phone 623-478-8889 Fax 623-478-8893

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Dear Investors:

Many of you have expressed concerns that our efforts to return as much to the investors as possible have not been conveyed properly. Nancy and I have already met quite a few of you for interviews and certainly appreciate your cooperation. We understand the frustration you must feel at the length and duration of a final resolution and can only express to you that your cooperation is imperative in aiding our efforts to recover the maximum possible. The length of time to recover this magnitude of money and number of investors is unfortunately not unusual. Our efforts, in case some of you do not know, are to support the claims that have been filed in court by Meyer Hendricks on behalf of the Trustee against 3<sup>rd</sup> parties we believe have liability for the investors monetary losses. Efforts are also in place to recover monies from net winners (investors receiving more in return than invested). The Connecticut property is still for sale and there are plans in recovering monies on the 4Energy and other defaulted loans. Feel free to call either Nancy Stryker @ 480-403-1496 or myself, Heather Witt @ 480-703-6376. We are happy to answer any questions that you might have. To date, we have conducted over 50 interviews and hope to expedite the process with your cooperation. The sooner we gather the evidence needed the sooner the Mathon case can be settled. It is still Mr. Sell's opinion, and that of the other three Trustees, that these efforts are worth pursuing to get the maximum monies back to you the investor.

It is our intention to put an update on the Web Quarterly.

Thank You