

EXPLORER VENTURES

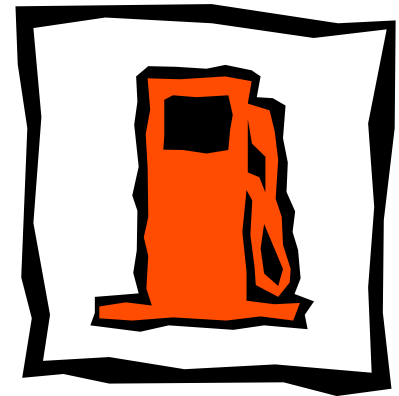
adventures in liveaboard diving

January 4, 2009

TO: Explorer Ventures Fleet guests

From: Clay McCardell, President

RE: Fuel surcharge decrease



As you are no doubt aware, oil prices have recently dropped to 5-year lows after reaching record highs during the summer of 2008. Gasoline prices in the US have dropped by over 50%; diesel fuel, while still at a premium, has dropped significantly as well.

Though the cost of diesel fuel at our bases of operations in both Turks & Caicos and the Northeastern Caribbean has been decreasing over the past months as well, the decrease has lagged significantly behind the decrease in the USA, and has not been nearly as large. Because our fuel surcharge was last adjusted in May 2008, well before the diesel price highs reached in August, our fuel surcharge decrease has been dependent on local prices dropping past the levels at that time. While we had hoped that such a decrease in oil prices in the worldwide market would translate directly and immediately into reduced diesel prices in the Caribbean, this has not yet been the case.

We are happy to announce, however, that Explorer Ventures will be decreasing the fuel surcharge on our Caribbean vessels, effective immediately. This surcharge will be added to your onboard bill during your trip and may be paid via cash, Visa, Mastercard, American Express or Discover at the conclusion of your trip. The new surcharge will be US\$95 per person for both *Turks & Caicos Explorer II* and *Caribbean Explorer II*.

Our itineraries in the Galapagos Islands will begin again in June 2009. Because of the probable elimination of government subsidies for fuel for tour vessels in Ecuador, the cost of diesel in the Galapagos will in all probability increase significantly for local operators, and is already far higher than posted prices at local pumps. We do not anticipate that the fuel surcharge for our Galapagos itineraries will decrease in the near term.

We hope that diesel fuel prices will decrease further over the coming months, allowing us to further reduce and eventually eliminate the surcharge. Given the current world economy, however, there is also the possibility that fuel prices will increase to such an extent that we'll be forced to increase the surcharge applicable to your departure. **Please be aware that the actual fuel surcharge applicable to your trip may vary up or down depending on current fuel prices.** We will post the current fuel surcharge level on our website, and make no changes less than 30 days prior to your departure.

Please let us know should you have any questions, comments, or concerns.

We look forward to hosting you for a wonderful week of diving!

Sincerely,

A handwritten signature in black ink, appearing to read "Clay V. McCardell".