



Consolidated Resources & Holdings, Inc.

No. 28 N. Domingo St., near corner Gilmore St., New Manila, Quezon City

Tel. Nos. 724-3759 / 725-7875 / 724-5055; Fax No. 724-3290

26 October 2011

JANET A. ENCARNACION

Head, Disclosure Department

The Philippine Stock Exchange, Inc.

3rd Floor Philippine Stock Exchange Plaza

Ayala Triangle, Ayala Avenue, Makati City

Subject: Signing of Memorandum of Agreement with Lite Aviation Holdings Limited

Dear Ms. Encarnacion:

We wish to inform you that our company (ABACUS) has just executed the enclosed Memorandum of Agreement (MOA) with Lite Aviation Holdings Limited (LAH). The MOA embodies the terms and conditions that shall govern our company's investment/s in LAH. Said investment/s shall, in turn, support LAH's own investments in PT Lite Airways Indonesia (LITE AIRWAYS), a duly franchised Indonesian domestic airline carrier.

While the wordings of the MOA are self-explanatory, ABACUS Management wishes to explain further, for the benefit of the public and its stakeholders, its rationale for making this investment, as well as relevant additional details surrounding the business partnership just formed.

As the fastest growing economy in ASEAN, Indonesia is now the focus of foreign investors everywhere. By 2014, Indonesia will rank as the world's ninth-largest market for domestic flights. The potential of the aviation sector in Indonesia is enormous. Alongside its significant domestic traffic, its location at the heart of Southeast Asia gives this market tremendous potential as ASEAN moves forward with liberalization.

LAH is a Singapore and Indonesia based airline advisory firm with solid professional management and proprietary airline financial software analysis tools, and is the foreign partner with technical knowhow and management control of LITE AIRWAYS.

LITE AIRWAYS is an Indonesian Foreign Direct Investment company of which LAH holds 49% of the issued shares. The other 51% is owned by the Indonesia partner, PT. Tapa Investama Indonesia. LITE AIRWAYS has obtained full business licenses, and has approval from the Indonesian government to operate an airline business upon completion of the aircraft operating certification process. LITE AIRWAYS is slated to begin operations in April, 2012.

The management of LITE AIRWAYS has identified many “secondary airports” in Indonesia that are in large, affluent, population centers that are underserved by existing Indonesian airlines. In these secondary markets, LITE AIRWAYS will not compete, or compromise the economic feasibility of the market, vis-a-vis any of the large and well-known Indonesian airlines like Garuda or Lion Air.

The LITE AIRWAYS strategy is to quickly build market share, with a fleet of 70-seater turboprop aircraft operating from these secondary underserved airports. In the following years, LITE AIRWAYS will expand and maintain its “secondary airports” strategy thus ensuring a positive cash flow stream due to the demand for air travel and the lack of competition in these markets.

As new more stringent regulations on airline ownership in Indonesia come into force in 2012, it is forecast that rationalization of the market will take place. The LITE AIRWAYS team sees, as a result, a reduced supply of seats and growing demand that will support premium pricing on most routes.

LITE AIRWAYS has a lean, high-caliber senior management team with individuals drawn from the airline and aerospace industries. The Operations team which is led by Mr. Gilles Filiatreault, who has over 40 years of experience in airline senior management, is comprised of a mix of experienced Captains, and technically-qualified managers in maintenance, safety, and inspection.

Conservative estimates of the LITE AIRWAYS financial team projects EBITDA accumulated earnings in year 4 as over US\$195 million. This equates to a 15 times earnings multiple on the ABACUS investment. Current examples of airlines being publicly traded in Southeast Asia region are Air Asia and Tiger Airways, which are currently trading at 6-8 (PE) time earnings. Using a PE of 6, LITE AIRWAYS would have a market value of over US\$600 million in 2015-6.

Additionally, LAH sees potential to add value to their holdings in LITE AIRWAYS through expansion in airline-related ancillary businesses such as aircraft leasing, airport management, aircraft maintenance, cabin crew training facilities and flight schools. In this connection, LAH and ABACUS are in discussion about a possible joint venture in the cabin crew training and flight school projects, as ABACUS has properties in Batangas that may ideally host the facilities for these projects.

Moreover, LAH recognizes the value of ABACUS and has consequently expressed interest in investing in ABACUS shares .

With the foregoing significant upside in mind, therefore, ABACUS management decided to place an initial option on a 33% investment (US\$1,000,000.00) in LAH. This option can be expanded to 67% (US\$2,000,000.00) based solely on ABACUS’s prerogative.

The wordings of the MOA will show that this ABACUS investment has been carefully negotiated to protect the company’s interests and safety. The initial risk is only \$50,000, while the drawdown on the balance of the investments and options is based solely on

ABACUS's prerogative, and must be supported by monthly milestone reports by LAH and LITE AIRWAYS. If the milestones are not met, ABACUS can limit the investment risk to the initial down payment.

For the information of the Exchange, the Trading Participants, and the general public.

Very truly yours,


JOAQUIN E. SAN DIEGO
Corporate Secretary

MEMORANDUM OF AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

OCT 26 2011

This MEMORANDUM OF AGREEMENT (MOA) made and executed this ____ day of October 2011, at Quezon City, Philippines, by and between:

ABACUS CONSOLIDATED RESOURCES & HOLDINGS, INC. (ABACUS), a Philippine registered corporation, located at No. 28 N. Domingo St., New Manila, Quezon City, represented in this act by its President, Leonardo S. Gayao;

and

LITE AVIATION HOLDINGS LIMITED (LAH), a corporation organized under the laws of the British Virgin Islands, with business address at 957 Offshore Incorporations Center, Road Town, Tortola, British Virgin Islands, represented by its Managing Director, Stephen Nathan.

WITNESSETH:

WHEREAS, ABACUS is a holding company organized under Philippine laws, whose shares are listed in the Philippine Stock Exchange (PSE);

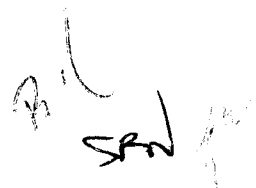
WHEREAS, ABACUS, as a holding company, has extensive investments in real estate, mining, lease of gaming equipments, and financial intermediaries;

WHEREAS, LAH, as a holding company, has investments in the aviation industry, particularly in PT Lite Airways Indonesia, an Indonesian company duly licensed to operate an airline franchise by the government of Indonesia;

WHEREAS, ABACUS, or assign, is interested in investing in the equity of LAH to support the Later's 49% investment in Pt. Lite Airways Indonesia;

WHEREAS, LAH represents and warrants that it has full authority to enter into this agreement;

WHEREAS, the above Parties have agreed to enter into a mutually beneficial cooperation arrangement;



NOW, THEREFORE, the Parties hereby enter into this Memorandum of Agreement (MOA), as follows:

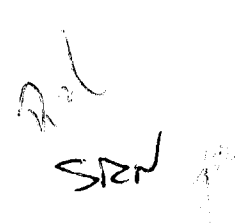
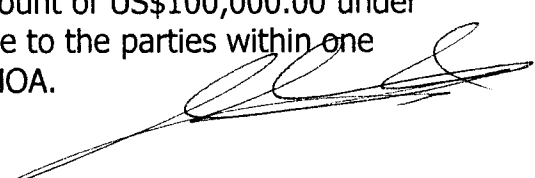
1. ABACUS declares through this MOA its intent to invest ONE MILLION U.S. DOLLARS (\$1,000,000.00) in LAH to support LAH's 49% interest in PT Lite Airways Indonesia and other aviation-related businesses. For this purpose, ABACUS shall utilize its fully-owned subsidiary, Tagapo Realty Company, Inc. (TAGAPO), or assign, as its investing vehicle, and may change TAGAPO's name to LITE AVIATION PHILIPPINES, INC., or to a similar name as may be approved by the Philippine Securities and Exchange Commission.
2. The investment shall be drawn down in increments agreed by the parties based upon a milestone schedule on the Use of Funds as required to support LAH's 49% ownership of PT Lite Airways Indonesia.
3. LAH will issue shares to ABACUS at the agreed rate of US\$1.00 per share based upon the amount drawn down on each milestone.
4. LAH hereby also grants ABACUS, or assign, an option at a second ONE MILLION US DOLLARS (\$1,000,000.00) investment into LAH. The intent to invest the "second million" option must be declared on or before January 31st, 2012.
5. As a show of good faith, and to secure the place of ABACUS as an investor in LAH, ABACUS agrees to a deposit of FIFTY THOUSAND US Dollars (US\$50,000) to LAH within three (3) days from signing of this MOA.

Deposits can be made by telegraphic transfer to the following bank account.

Bank	OCBC Bank Limited
Bank Address	65 Chulia St #01-00, OCBC Centre Singapore 049513
Account Name	Lite Aviation Holdings Limited
Account Number	520002379301
Swift Code	OCBCSGSG

FIFTY THOUSAND (50,000) shares in LAH shall be issued by LAH to ABACUS immediately upon receipt of the deposit amount at the value of US\$1.00 per share. This FIFTY THOUSAND US DOLLARS (US\$50,000.00) shall also be deducted from the initial ONE MILLION US DOLLARS (US\$1,000,000.00) investment.

6. Both Parties agree to negotiate for a share swap conversion on their respective shares up to the amount of US\$100,000.00 under such terms and conditions acceptable to the parties within one month from date of signing of this MOA.



7. The two (2) investment options above stated can only be activated by ABACUS, at its discretion, and based upon LAH achieving a total investment commitment of THREE MILLION US DOLLARS (US\$3,000,000.00) into LAH and proof of matching funds of US\$3 million by the Indonesia partner.
8. The relationship of the herein parties under this agreement shall be governed under Philippine laws. Any legal claim or suit as one party may have against the other, if not amicably settled, shall be brought exclusively in the appropriate courts in the Philippines.


IN WITNESS WHEREOF, the parties have hereunto set their hands on the day and place first above written.

ABACUS CONSOLIDATED RESOURCES
& HOLDINGS, INC.




LEONARDO S. GAYAO
President

LITE AVIATION HOLDINGS LIMITED

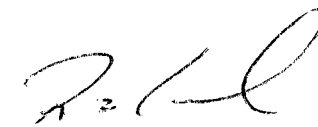


STEPHEN NATHAN
Managing Director

Signed in the presence of:



Jose A. Syjuco, Jr.



Randall Maxwell

REPUBLIC OF THE PHILIPPINES)
CITY OF QUEZON CITY) S.S.

ACKNOWLEDGMENT

BEFORE ME, a Notary Public this OCT 26 2011 day of 2011 at Quezon City, Philippines, personally appeared, with their respective Identification Nos., the following:

Stephen Nathan U.S.A. Passport No. 452049586 valid until April 6, 2020
representing Lite Aviation Holdings Limited:

Leonardo S. Gayao Phil. Passport No. PNXX0449982 valid until Jan. 30, 2013
representing Abacus Consolidated Resources & Holdings, Inc.:

Known to me to be the same persons who executed the foregoing Memorandum of Agreement and acknowledged to me that the same is their free and voluntary act and deed as well as the free and voluntary act and deed of the corporation herein represented. This instrument refers to a Memorandum of Agreement consisting of four (4) pages, including this page wherein this acknowledgement is written, signed by the parties and their instrumental witnesses.

ATTY. JOEL G. GORDOLA
NOTARY PUBLIC
NOTARIAL COMMISSION NO. NP-057
COMMISSION EXPIRES DEC 31, 2011
PTR NO. 4559910; 1/03/2011; Q.C.
IBP NO. 774185; 1/12/2010; Q.C.
ROLL OF ATTORNEY NO. 25103

Doc. No. 022
Page No. 1
Book No. 420
Series of 2011.