

TEAMWORKS Karting

3 November 2009

Dear Member

Teamworks Karting – Launch of 3rd Circuit

I am writing to all of our shareholders regarding our plans to expand from two circuits to three circuits, with the opening of a new circuit in Hertfordshire in April 2010.

As detailed in the recent Shareholder Updates we have been offered the opportunity to re-open the “Super Karts” circuit in Letchworth, which was closed down in May 2009 due to problems with fumes and noise.

The business case for re-opening this circuit is excellent both as a strong standalone operation as well as meeting the need for the Group to expand the circuit network to spread the central cost base and generate sustained profit and shareholder value. Our electric karts would fix the problems that led to its forced closure, and we have agreed Heads of Terms with the landlords that include the equivalent of 2 years rent free. Moreover, the circuit has been trading as a kart circuit since 1998 and has an established following. This circuit will be entirely owned and operated by Teamworks Karting, and is forecast to make an immediate contribution towards the group’s profits.

The Board are confident that this project represents an excellent opportunity for Teamworks Karting to capture economies of scale, and will add almost no head office costs to the existing infrastructure.

Capital Requirement

The current climate makes it difficult to obtain bank debt. However, we have now agreed indicative terms with Royal Bank of Scotland who are prepared to re-bank the Group’s existing banking facilities as well as providing a package of debt and leasing

TEAMWORKS KARTING GROUP PLC
202 Fazeley Street
Birmingham
B5 5SE

info@teamworkskarting.com
www.teamworkskarting.com
Tel: 0870 900 30 20
Fax: 0870 900 30 21

Registered in England No. 6404317

Directors

M.A. Bryant, S.J. Schehtman, P.ff. Davis, J.M. Handley

TEAMWORKS Karting

facilities to fund this new project. However this attractive offer requires Teamworks to raise a minimum of £75,000 from our own sources.

We have already canvassed opinion from our largest shareholders, and have received very positive support. We would now like to take this opportunity to offer *all* of our shareholders the opportunity to lend their support to Teamworks Karting on this project.

We aim to raise a total of £100,000 of debt from our shareholders, carrying interest of 10% per annum, repayable in 3 years. To the extent that the shareholders' debt is over-subscribed, we will scale back applications in proportion with shareholdings.

An application form is attached to this letter and please forward your completed application form by no later than **30th November 2009**. Applications will be cleared within 7 days.

For more details on the expansion plans, please email mbryant@teamworkskarting.com. We have prepared detailed analyses of the investment plans and the commercial prospects for Teamworks Karting Letchworth, which are available on request.

Whether or not you are able to invest at this time, we are grateful for your support. Without you, Teamworks Karting could not have built its two circuits, and would not have this opportunity to grow further.

With kind regards,

Yours sincerely

Michael Bryant

TEAMWORKS KARTING