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**THE BLACK SEA PROPERTY FUND LIMITED
(the "Fund")**

6 March 2009

PROPOSALS FOR RECLASSIFICATION TO "LISTED FUND" STATUS, TERMINATION OF THE MANAGEMENT FUNCTION, ENTRY INTO A NEW ADMINISTRATION AGREEMENT, APPOINTMENT OF A NEW PROPERTY ADVISER, CHANGES TO INVESTMENT STRATEGY AND AMENDMENT OF ARTICLES OF ASSOCIATION

The Black Sea Property Fund Limited announces that shareholders approved proposals tabled at an Extraordinary General Meeting of the Fund held on 4 March 2009.

Pursuant to the proposals the Fund sought to:

- be reclassified to "Listed Fund" status,
- terminate the management function undertaken by the Development Capital Management (Jersey) Limited,
- appoint BSPF Bulgaria EAD, a wholly owned subsidiary as a new property adviser advising the board of directors about the Fund's property investments,
- enter into a new administration agreement between the Fund and the BNP Paribas Fund Services Jersey Limited, and
- propose changes to the investment policy of the Fund and consequential amendments to the articles of association of the Fund.

Following the shareholder vote and the Jersey Financial Services Commission's issuance to the Fund of a listed fund certificate on 5 March 2009, the proposals are now effective.

Commenting on this news, John Chapman, the Fund's Chairman, stated: "Today's announcement marks the culmination of over a year of work to restructure the Fund and internalise its management. We expect that the implementation of these proposals will substantially reduce the Fund's operating costs, streamline its operations and create shareholder value. I appreciate the hard work of our directors and advisors in bringing this to fruition."

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