

FILED EFFECTIVE

2010 JAN -6 PM 4:41

APPROVAL AND PLAN OF MERGER

SECRETARY OF STATE
STATE OF IDAHO

BETWEEN

POSEIDON UNDERSEA RESORTS (FIJI), LLC

AND

POSEIDON UNDERSEA RESORTS, LLC

This APPROVAL AND PLAN OF MERGER ("Plan of Merger") is made and entered into as of this 21st day of December, 2009, by and between POSEIDON UNDERSEA RESORTS (FIJI), LLC, a Delaware Limited Liability Company (the "Company"), and POSEIDON UNDERSEA RESORTS, LLC, an Idaho Limited Liability Company ("PUR").

BACKGROUND

- A. The Company was domesticated and formed as a limited liability company in the State of Delaware on December 16, 2009, after being originally formed as an Idaho Limited Liability Company on October 13, 2009.
- B. PUR was formed as a limited liability company under the laws of the State of Idaho on October 11, 2005.
- C. The Company is presently engaged in raising capital and pursuing construction of an undersea resort in the Republic of Fiji, which was the goal of PUR in prior years.
- D. The Company endeavors to complete fundraising and construction of the Fiji project, and desires to remove any ambiguity about the corporate structure and ownership of interests among the Company and PUR.
- E. The Company and PUR are executing and delivering this Plan of Merger, pursuant to which the Merger will be consummated.
- F. The respective majority interests of the members of the Company and of PUR have approved the sale of the Company, as contemplated by this Plan of Merger.

NOW, THEREFORE, in consideration of the mutual agreements and conditions contained herein and intending to be legally bound, the parties hereby agree as follows:

1. Merger.

IDAHO SECRETARY OF STATE
01/05/2010 05:00
CK: 95713 CT: 20168 MH: 1201966
1 @ 30.00 = 30.00 LLC MERGER # 2
1 @ 20.00 = 20.00 EXPEDITE C # 3

W43382

(a) At the Effective Time (as defined below), PUR shall be merged with and into the Company (the "Merger"), and Poseidon Undersea Resorts (Fiji), LLC shall be the business entity surviving the Merger (the "Surviving Company").

(b) At the Effective Time, PUR shall cease to exist and thereafter its properties, business, assets and liabilities shall become the properties, business, assets and liabilities of the Surviving Company, and the Surviving Company shall continue to exist as a limited liability company under the laws of the State of Delaware.

2. Certificate of Formation.

The Certificate of Formation of the Surviving Company in Delaware at the Effective Time shall be the Certificate of Formation of the Surviving Company until amended or otherwise modified in accordance with applicable law.

3. Conversion of Membership Interest.

(a) At the Effective Time, except as set forth in Section 3(c), each membership interest of the Company outstanding shall be converted into the right to receive an amount equal to that which would be distributable in respect of such membership interest of PUR, which amounts are incorporated by reference from Exhibit A, attached.

(b) At the Effective Time, each membership interest of PUR outstanding shall be converted into a membership interest of the Surviving Company.

(c) At the Effective Time, each membership interest of the Company held in its treasury or held by PUR shall be cancelled.

4. Limited Liability Company Agreement.

The limited liability company agreement of PUR at the Effective Time shall be terminated and the Limited Liability Company Operating Agreement of [date] shall be the limited liability company agreement of the Surviving Company until subsequently amended or otherwise modified in accordance with its terms and applicable law.

5. Manager and Officers.

The manager and officers of PUR immediately prior to the Effective Time shall be the manager and officers of the Surviving Company and, subject to the limited liability agreement of the Surviving Company, shall hold office until their respective successors shall have been appointed and qualified.

6. Effective Time.

The Merger shall be effective upon the filing of the certificate of merger, substantially in the form of Exhibit B, with the Secretary of State of the State of Delaware and the Secretary of State of the State of Idaho (the "Effective Time").

7. Representations and Warranties of PUR.

PUR represents and warrants to the Company, its members and its manager that: PUR is a limited liability company duly formed under the laws of the State of Idaho; PUR has the limited liability company power and authority to enter into this Plan of Merger, and to perform its obligations hereunder; PUR has taken all requisite action to approve the Merger in accordance with applicable law; PUR has duly executed and delivered this Plan of Merger; this Plan of Merger constitutes the valid and binding obligation of PUR, enforceable against PUR in accordance with its terms; and no provision of PUR's certificate of formation or limited liability agreement, of any applicable law, or of any material agreement, contract or other instrument to which PUR is a party, or by which its assets or properties are bound, will be breached or violated as the result of PUR entering into, or performing its obligations under, this Plan of Merger.

8. Further Actions.

To carry out this Plan of Merger, any authorized person of the Company and PUR, respectively, shall be vested with full authority to perform all such further acts and deeds, and to execute any and all agreements, instruments and documents, as are necessary or proper in order to give effect to and to consummate the Merger.

9. No Implied Rights In Third Parties.

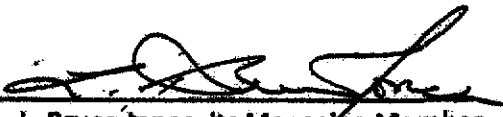
Other than the parties hereto, their respective successors and permitted assigns, nothing expressed or implied in this Plan of Merger is intended to confer upon any Person, any rights, remedies, obligations or liabilities under or by reason of this Plan of Merger.

10. Governing Law.

This Plan of Merger shall be governed by and construed in accordance with the laws of the State of Delaware (without giving effect to conflicts of law principles) as to all matters, including validity, construction, effect, performance and remedies.

IN WITNESS WHEREOF, this Approval and Plan of Merger has been
duly executed and delivered as of the date first above written.

POSEIDON UNDERSEA RESORTS (FUI), LLC

By: 
L. Bruce Jones, its Managing Member

POSEIDON UNDERSEA RESORTS, LLC

By: 
L. Bruce Jones, its Managing Member