

90 Day Executive Update

Ares Armor Customers,

On July 4th I wrote a letter stating my intents as the incoming Executive Officer of Ares Armor. Today I believe it is my duty to release an update of what has been accomplished in the past three months. These accomplishments are NOT mine. I am truly blessed by the level of commitment and dedication that the employees under my care have shown. They have worked countless hours and weekends on their own accord. They have voluntarily worked through holidays. They have diligently strived every day to meet our goals. I owe them a debt of gratitude that I feel I will never truly be able to repay. The following is what THEY, not I, have accomplished since my last letter:

1. Total Open Sales orders have **been reduced by 45%** even with all the new incoming orders that we are still receiving.
2. **Nearly 4,000 emails** have been responded to.
3. **5483 shipments** have left our building.
4. **2447 Phone calls** have been answered or responded to.
5. Outstanding Forged AR15 Lowers have been **reduced from over 19k to 8k** and by the end of the month we hope to have this number down to 4k.
6. **ALL outstanding Raw AR10 Orders have been shipped!** If you have a pickup order you may pick up NOW!
7. **Anodized AR10s will be available to fill ALL open orders by Wednesday Oct 16.**
8. Outstanding AR10 Jigs have been **reduced by 50% and we expect to be at 100% by the end of the month.**
9. Outstanding AR15 Jigs have been **reduced by 35% and we expect to be at 100% by the end of next month.**
10. The Mold for the Rudius Grips has been repaired and we have been promised an incoming tracking number to us by Monday Oct 14 and we will receive the first shipment no later than Friday Oct 18.
11. Outstanding BA kits have been **reduced by 75%.**
12. Outstanding BR kits have been **reduced by 60% .**
13. Rudius Low End Kits have been **reduced by 70%.**
14. **ALL Rudius High End Kits have been shipped!**
15. **ALL Rudius Jigs are now in stock** and will be shipping with the Rudius as soon as grips come in.

In a moment of weakness I was venting to a close friend this week about the challenges that we have faced. I spoke about the six hundred thousand dollar loss due to fraud that is currently in the courts and about the three hundred thousand dollar loss due to a burglary. I told him about how badly our name had been thrown through the mud. We talked for several hours and at the end of the conversation he gave me one of the best compliments I have ever received. He said, "You guys are like cockroaches aren't ya, an atomic bomb could go off in Oceanside and the only thing left would be Ares Armor with their middle fingers in the air."

I have a tattoo on my chest that reads, "Aut Inveniam Viam Aut Faciam," it means, "Find a way or make one." I did not find the way... I did not make the way... The only explanation I can find for our continued survival, growth and success is that I have some of the hardest working, most diligent and upright men and women on the planet for employees and we have some of the greatest people on earth for customers. I cannot thank all of you enough.

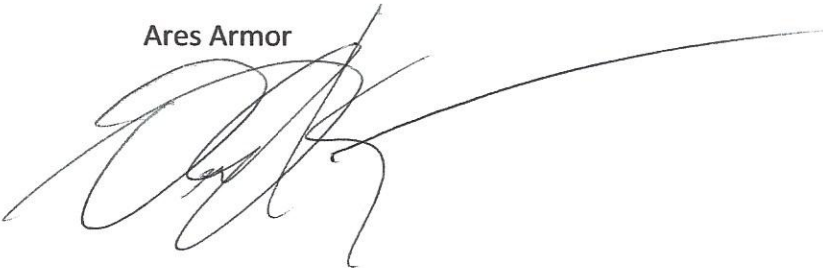
For those of you that have been patiently waiting. We are delivering at the cyclic rate! Thank you so much for your support. Words cannot express my gratitude for the patience and understanding from you, our loyal customer.

I have kept my promise and I intend to finish it. I have received ZERO compensation from Ares Armor since my last letter. I will continue to receive ZERO compensation from the Company until ALL 80% orders have been filled!

We will not rest until all orders have been filled!

Dimitrios Karras, CEO

Ares Armor

A handwritten signature in black ink, appearing to be 'DK', with a long horizontal line extending to the right.