

SCANDIUM ALTERNATIVE INVESTMENTS

Société d'Investissement à Capital Variable
à Compartiments Multiples

Centre Europe,
5, Place de la Gare,
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NOTICE TO SHAREHOLDERS

Notice is hereby given to the shareholders of Scandium Alternative Investments (the "Company") that the Board of Directors of the Company decided on October 22, 2007 in accordance with article 17 of the articles of incorporation of the Company to suspend the calculation of Net Asset Value and the issue and redemption of shares of the Scandium Absolute Return Fund (the "Fund").

The Fund currently has invested 10.87% of its net assets (as of August 31, 2007) in Absolute European Catalyst Fund Limited, an investment fund domiciled in the Cayman Islands (the "Cayman Fund"). The calculation of net asset value and the issue and redemption of shares of the Cayman Fund has been suspended and an extraordinary shareholders' meeting of the Cayman Fund will approve or reject, on October 27, 2007, the reorganisation plan proposed by the Cayman Fund's management.

The present suspension shall be notified to the investors or Shareholders affected, i.e. those who have made an application for subscription, conversion or redemption of Shares for which the calculation of the net asset value has been suspended.

Suspended subscription, conversion and redemption applications shall be processed on the first Valuation Day after the suspension ends.

Suspended subscription, conversion and redemption applications may be withdrawn by means of a written notice, provided the Company receives such notice before the suspension ends.

In the case where the calculation of the net asset value is suspended for a period exceeding 1 month, all Shareholders will be personally notified.

November 5, 2007

By order of the Board of Directors