

March 12, 2007

For immediate release

Trivergance plays strategic role in \$750 million Sunterra Deal

LAS VEGAS--Diamond Resorts, LLC today announced that it has entered into a definitive agreement under which an affiliate of Diamond Resorts will acquire Sunterra Corporation (Other OTC: SNRR) for \$16.00 per share in cash, a 35% premium over the closing price of Sunterra's common stock on March 8, 2007, the day before rumors of the acquisition entered the marketplace. The total value of the transaction is approximately \$700 million, including \$375 million of existing Sunterra debt.

The Diamond Resorts affiliate is expected to commence a tender offer (the 'Offer') for all of Sunterra's outstanding common stock within the next five business days, which is subject to extension in certain circumstances and will remain open for 40 calendar days following commencement of the Offer. A bank group led by Credit Suisse has provided a debt financing commitment to Diamond Resorts to support the Offer.

Stephen J. Cloobek, Chairman and Chief Executive Officer of Diamond Resorts, said, "We are very excited about this acquisition, which will enable Diamond Resorts to build on our position as a world leader in the vacation ownership industry to create the largest pure-play vacation ownership company in the world. With over 25 years of experience and a successful track record in the development, management, marketing and sales of vacation ownership properties, we are uniquely positioned to capitalize on Sunterra's assets and enhance its position as a global leader in vacation ownership innovation and quality."

Mr. Cloobek added, "We plan to invest in Sunterra's worldwide platform, including its 96 branded or affiliated vacation ownership resorts throughout the continental United States as well as in Hawaii, Canada, Europe, the Caribbean and Mexico. Our goal is to acquaint more consumers with the many benefits of vacation ownership and deliver an enhanced hospitality experience to Sunterra's 326,000 current owner families in 13 countries across the globe. We look forward to working with Sunterra's talented managers and employees to grow the Company in the years ahead."

The Sunterra Board of Directors has unanimously approved the acquisition and recommends that shareholders accept the Offer. Consummation of the Offer is subject to customary conditions and is not subject to financing. Diamond Resorts' acquisition of Sunterra is expected to be completed during the second quarter of 2007. Following the acquisition of at least 90% of Sunterra's outstanding shares in the Offer, the Diamond Resorts affiliate will merge with and into Sunterra, with any shares not tendered in the Offer being converted into the right to receive \$16.00 per share in cash. Sunterra will remain headquartered in Las Vegas, Nevada.

UBS Securities LLC, Credit Suisse, **Trivergance LLC**, Piercy Bowler Taylor and Kern, Certified Public Accountants, and Textron Financial Corporation are acting as financial advisors to Diamond Resorts and Christensen, Glaser, Fink, Jacobs, Weil & Shapiro, LLP, Ballard Spahr Andrews & Ingersoll, LLP and Katten Muchin Rosenman LLP are acting as legal counsel to Diamond Resorts.

The Offer for the outstanding shares of Sunterra has not yet commenced. This announcement is not a recommendation, an Offer to purchase or a solicitation of an Offer to sell shares of Sunterra. When they become available, shareholders should read:

- Sunterra's solicitation/recommendation statement on Schedule 14D-9 - Diamond Resorts' Tender Offer statement on Schedule TO, including the Offer to Purchase, the Letter of Transmittal and the other Offer documents.

Each of these documents will contain important information about the Offer. When they become available, shareholders can obtain these documents from the U.S. Securities and Exchange Commission's website at www.sec.gov.

About Diamond Resorts, LLC

Diamond Resorts has over 25 years of experience in the successful development, management, marketing and sales of vacation ownership properties and has been a consistent leader in the vacation ownership industry. Diamond Resorts' premier properties include Polo Towers, the first purpose built, high-rise vacation ownership property in the industry. Diamond Resorts most recently spearheaded the design of Marriott's Grand Chateau vacation ownership resort. The Diamond Resorts properties include some of the first vacation ownership properties in Las Vegas, such as the Jockey Club and The Carriage House, as well as Kona Reef in Hawaii. For more information, please visit www.diamondresorts.com.