

Questions Regarding Cassandra Oil AB's misleading marketing

Roil Trade and its representative Ivan Madar have extensive experience of the basic technology – in literature also called the “Blowdec – the Madar method” – that Cassandra Oil AB (“Cassandra”) is using without the permission of Roil Trade and Ivan Madar. Roil Trade and Ivan Madar are closely watching the doings of Cassandra and its leading representatives.

As part of this, Roil Trade has noted Cassandra's marketing of a method for extracting oil from e.g. car tires, plastic, electronic scrap, etc. which is primarily aimed at shareholders or potential investors. However, this marketing contains a series of misleading claims about the business and the product you provide or at least claim to be able to provide within a near future.

First, you claim that you produce oil from e.g. car tires. This claim is i.a. set forth on your website:

“Cassandra Oil is a Swedish company that uses new technology to produce oil from hydrocarbon materials, such as used tires, plastic waste, “oil sludge”, waste oil and, in the long run, oil sands, oilshale and electronic.”

According to Roil Trade you currently have no production plant that can produce oil by the method you describe. On this basis, the claim is misleading.

Second, you claim that the technology you are using is new and patented.

“Cassandra Oil's operations are based on patented reactor technology that makes it possible to use “cat-cracking” to break the bond between the hydrocarbon chains, thereby creating light fractions of oil.”

Moreover, this claim seems to suggest that you are the holder of some sort of basic patent for the method used. This, however, is not the case. As far as can be gathered from public registers, you have filed a patent application for a *product* (and not a method) which to all appearances is meant to use the “Madar method”. However, as far as is known, you have no basic utility patent or even a license from the proprietor of the utility patents – Ivan Madar. Your marketing thus gives a misleading or at least exaggerated impression of the extent your holding of and access to relevant and necessary intellectual property rights. Moreover, as regards your patent application, it can be noted that it has not been registered but is still subject to review. Hence, it seems premature to claim that your patent rights are new. In this context, it can also be noted that the international search report for your patent application criticizes the alleged invention's novelty etc.

Third, you claim in your marketing (i.a. on your website) that the oil you produce is of the same quality as marine diesel. This claim occurs i.a. on the website:

"Qualitatively, the oil produced is equivalent to marine diesel."

The claim is, according to Roil Trade, unreliable and misleading.

Fourth, you claim that your technology enables an environmentally friendly process that minimizes the release of hazardous substances.

"Cassandra Oil's technology enables the production of oil at a low cost through an environmentally friendly process that minimizes emissions of pollutants, such as sulfur."

The environmental benefits with the process that you claim to use are questioned. We ask you to note that the expression "environmentally friendly" places high demands on the process and its impact on the environment. Based on the descriptions you provide of the technology used, it is our principal's opinion that your process does not qualify for the claim "environmentally friendly". Because of the additional processing steps required which are costly, the claim concerning a low cost cannot either be warranted. Moreover, the sulfur present in the input material should in fact remain in the finished product and thus lead to increased sulfur emissions if your oil product (if such product exists) was used without further processing. Hence, your claim is unreliable and misleading.

Fifth, the technology is claimed to involve a number of environmental and efficiency benefits, namely;

"High efficiency (up to 90 %)

Enables production from a wide range of hydrocarbonaceous waste without the need for sorting the hydrocarbon material

Low power consumption (about 10-15 % of the oil produced is consumed for operating the reactor)"

Based on Roil Trade's well-founded and long-standing experience of the technology you seem to be using, Roil Trade established that you can not achieve these benefits. Therefore, the market claim is unreliable and misleading.

Sixth, it is claimed that

"Cassandra Oil's technology makes it possible to extract oil, gas and metals from electronic scrap. Cassandra Oil estimates that from one ton of electronic scrap it is possible, depending on the type of scrap, to extract about 700 kg of oil, 200 kg of copper, 400 grams of silver and 40 grams of gold."

The claim of the possibilities of extracting what has been set out above from electronic scrap using the technology you claim to be using is according to Roil Trade unreliable and misleading.

Seventh, you claim that your technology can use virtually all types of plastic except for PVC to produce oil and that this can be done without cleaning or sorting. It is further claimed that your reactor technology make it possible to use oil sludge for production of oil and also that metals can be recovered, and that the inorganic residue contains such low levels of hydrocarbon that it can be used as filler material. Roil Trade contests the reliability of your claim.

Eighth, you claim that you your reactor technology can extract oil, steel and coal from tires and that this can be done in an efficient and environmentally friendly way. Roil Trade contests the reliability of your claim as well.

Ninth, in the presentation at your website including the power point presentation from which Mr. Anders Olsson speaks, you have made a number of claims concerning the technology and test results for this technology specifically on pages 7 and 8 of the presentation. Several of the above claims are also made in this presentation. The following objections are made regarding specific aspects of the presentation:

- The SGS reports to which you refer on p. 8 do not concern your reactor (which can be gathered from checking the reference number).
- You refer to Scott Wilson's report. The report produced by Scott Wilson, "Gulf Star Oil Ltd – Euroreactor Sythetic Crude Oil: Proposal for the End Waste" of August 2008 concerns the reactor Euroreactor/Blowdec and consequently not your technology.
- It is stated on p. 7 of the presentation that '*A Scott Wilson report shows that the Cassandra process is capable of producing Marina Diesel Oil and that the product has ceased to be waste*'. This claim is totally unsupported by the report. There is nothing at all in the report to suggest that the oil that can be produced with this type of technology can be used for boats or ships. Moreover, the quality requirements of marine diesel oil are much more complex than for fuel oil.
- It is further stated on this page that

'The Cassandra technology represents a process analogous to recovery operations listed in Annex IIB of the Waste Framework Directive 76/442/EC.'

The recipient of the presentation perceives the claim as a direct quote from Scott Wilson's report, item 7,1 p. 10. As set out above, however, Scott Wilson's report did not concern your product but Gulf Star Oil Ltd's rector which was produced on license from Roil Trade and Ivan Madar. The actual quote in the report is thus "Euroreactor technology" which in your report has been replaced with "Cassandra technology". Hence, this claim is also unreliable and misleading.