

Cassandra Oil AB

Mr. Erik Nerpin

Mr. Johan Thorell

Sjöhagsvägen 14

721 32 Västerås

Sweden

Bratislava, June 5th, 2012

Confidential

Subject:

An announcement about violation and infringement of our industrial property & rights, know-how and related intellectual property by Cassandra Oil AB, Sweden.

Dear Sirs,

We are turning to you; to the two most significant shareholders as well as members of the *Board of Directors* of Cassandra Oil AB in a serious matter of violation and abuse of our industrial property & rights, know-how and related intellectual property by Cassandra Oil AB, Sweden.

Since 1996, our company operates in the field of development and production of machineries used for processing and valorisation of less-valuable and waste materials with high hydrocarbon content. Technical solution labelled as **PROCESS** FOR THERMAL AND/OR CATALYTIC DECOMPOSITION AND/OR DEPOLYMERIZATION OF LOW-GRADE ORGANIC SUBSTANCES AND **DEVICE** FOR CARRYING OUT THE PROCESS published in the world as WO1998/039368 is protected by patents which are in force in the following 9 countries of the world; Norway, Canada, Great Britain, Russia, Germany, Japan, Czech Republic and Slovakia, along with USA (US 6 165 349). The patents were gradually granted since 1998 up until 2005 with the priority since the year 1997. For the marketing purposes, our device and process was given the name BLOWDEC (BLOWing DEComposition) and it is registered under the trade mark (see www.blowdec.com).

When monitoring new, potentially rival patents; we have recently discovered on the websites of WIPO/PCT internationally published application of the Patent WO2011/078779

named 'Reactor comprising a rotor', which is derived from the Patent SE 0901600-7 granted in Sweden. The author of it is Mr. Anders Olsson. Via the further investigation it has been found out, that the rights of the patent are under the control of a Swedish publicly traded joint-stock company Cassandra Oil AB. The aim of this company and its subsidiaries Cassandra Oil Technology AB a Cassandra Oil Processing AB is to commercialise the technical solutions and attainments of Mr. Anders Olsson in terms of processing of the wastes, the waste tyres in particular, the waste plastics, the oil sludge, the old disposal sites of the oil waste and the electro scrap material.

After independent expert evaluation of the document WO2011/078779 it is claimed that technical solution of the reactor which is described here is only one of the constructions/design of our device defined in WO1998/039368, i.e. in the US patent 6.165.349. The reactor patented by the patent WO2011/078779 emerges from the deceptively described matters regarding the attributes of our reactor that are supposedly being improved by it. Mr. Anders Olsson's solutions are undoubtedly in direct conflict with our patent entitlements. Furthermore they do not meet the fundamental condition for obtaining a patent- the novelty in relation to the Swedish patent as well as to the application WO2011/078779.

The important factor is the violation of our patent rights by Cassandra Oil AB in the section of entitlements mentioned in all the acquired patents that preserve our method, i.e. process which takes place in the reactor when processing waste raw materials. In our patents, the process and method are vastly defined; the patent SE 0901600-7 i.e. WO2011/078779 does not comprehends any entitlement or claim in this matter.

The essential factor, however, is the fact that Mr. Anders Olsson is via Cassandra Oil AB illegally exploiting restricted and secret confidential knowledge, which he himself acquired from 2007 to 2010 while having business relations with our company. By doing so, he is not only harming our company, but Cassandra Oil AB likewise. In that time, Mr. Anders Olsson held the function of managing director of a company Gulf Star Oil Ltd. resided in Cyprus and a UK-based company Gulf Star Oil Processing Ltd. (further referred to as GSO Ltd.). Thus he had, in compliance with signed licensed contracts, a broad access to the confidential knowledge and know-how which shape the intellectual property of our company.

Mr. Olsson was frequently present at the presentation of our R&D device/unit Blowdec dedicated for the potential customers of GSO Ltd.. During these presentations and tests, the same waste materials which are now in the field of interest and supply of Cassandra Oil AB, were processed by our device.

Moreover, Mr. Olsson had visited the production factory more times. There, on the basis of the signed contracts, the technological device with Blowdec 250kW reactor for GSO Ltd. was being produced. During the visits of our Blowdec 45kW R&D unit as well as during the production of Blowdec 250kW device, Mr. Olsson has been taking photos (pictures). He was permitted to do so with regard of the contracts and their parts about confidentiality of the intellectual property.

In the attachment No. 3, the business cards of Mr. Olsson and Mr. Pursharifi are enclosed, with the name of the technology **“euroreactor – THE MAĐAR PROCESS”** inscribed. The exact same name of the technology was at the informative panels of Blowdec device itself as far back as in the winter 2009/2010 (attachment No. 3). Mr. Olsson has during our business relations suggested and claimed for the change of the technology’s name because of the fact that our original name Blowdec could supposedly have connoted and lascivious meaning that would be evoked and connected with our company in English speaking countries. We have agreed to this suggestion under the condition that the name of the author of the technology will remain stated.

The entire contemporary activity of Cassandra Oil AB in this field is thus based on and derived from the abused and dispossessed results of research and development financed and executed by our company since 1996. This action is without any doubt contrary to Slovak, International, British, as well as Swedish law. The activities of Mr. Anders Olsson in this manner might qualify as criminal acts committed against our company, the inventor of our technology as well as against the shareholders of Cassandra Oil AB. The acts of Mr. Anders Olsson and thereafter of Cassandra Oil AB have been and up until today they still are harmful to our company.

As for the aforementioned losses caused by Mr. Anders Olsson and his actions in Cassandra Oil AB, we are presenting (proposing) two different solutions of their elimination.

In the first proposed solution, our goal is to stop the violation of our intellectual property by the company Cassandra Oil AB. The Swedish patent office will be asked with the reference of the aforementioned reasons and with the attachment No. 1 “The evaluation of the Anders Olsson’s patent”, for cancellation of the patent SE 0901600-7’. At the same time, the objection against the application of the patent WO2011/078779 will be lodged in order to prevent any further patent obtainment. Thereafter, the background and relevant business conditions of creation of the invention by Mr. Anders Olsson and subsequent activities of Cassandra Oil AB will be exposed in Sweden. In particular, we will inform the management of the Stockholm stock-market, the Swedish chamber of commerce, the company Remium Nordic AB, the auditor’s company Pricewaterhouse Coopers AB, the authorised inspector of Klas Brand and all the majority shareholders of Cassandra Oil AB.

A legal action will be initiated against Mr. Anders Olsson in England, Sweden and Slovakia on suspicion of committing criminal acts of violation of the information from the business contact, of violation of the business contracts and of violation of the intellectual property rights.

The company Cassandra Oil AB will be sued in order to compensate the harm done and to terminate the violation of our intellectual property. All aforementioned steps will be executed in co-operation (in accordance with the valid licensed contract) with the Houston-based corporation National Oilwell Varco (NOV). The national corporation NOV is, on the bases of the licensed contract from 2005 signed between NOV and our company, disposing with the rights of our patents and intellectual property. Cassandra Oil AB infringes via its actions the rights of NOV too, in the field for which they have been given the worldwide exclusivity.

The second plan will allow Cassandra Oil AB to legally utilise our exploited and infringed intellectual property and to continue in the business. For that, Cassandra Oil AB will be provided with licence for all Scandinavian countries. The processing of waste materials from oilfields will be excluded, as it is an exclusive right of NOV. The fundamental condition in order to obtain this licence is Mr. Anders Olsson's resignation from the company and a transfer of his shares onto our company, or, eventually other solution that will be agreed on mutually and that will not violate our rights. Another condition is the settlement of the licence fee in the sum agreed in a short term after the transaction will be implemented. When accepting this suggestion, charges will not be pressed against Cassandra Oil AB and NOV will not be notified nor asked for co-operation. Thus no lawsuit would follow.

The advantage of this out-of-court settlement is the access to real technical knowledge and to valuable worldwide protected intellectual property. Furthermore, it will allow the company to utilize author's and inventor's important years of experiences within technology that were acquired when working at a refinery and that were further increasing while developing the technology. In other words, the access to a fully functional technological device instead of Mr. Olssons untested and potentially dangerous / risky device, will be provided.

The access to our patents based upon the licence, which is being offered in case that this solution will be chosen; can increase the attractiveness of Cassandra Oil AB in the eyes of its present as well as future shareholders when published and accessible to them. This can also accelerate the implementation of our technology in the market. Should the reaction to our accommodating proposal be quick and positive, we are, in addition, considering the presentment of our fully functioning mobile 250 kW unit to your company for the purpose of demonstrational and commercial operations in Sweden.

The only “discovery” on which there is no possibility of denial of Mr. Anders Olsson’s authorship is the one from year 2007, when he found our web site www.blowdec.com and the information about our technology published there. Up until then, he did not have any information, practical experiences and especially the education needed for working in the field of industrial technologies and for processing of waste materials and oil substances. Being a physicist with theoretical university education, Olsson is not capable of inventing and developing technical solutions in a complicated sector of processing engineering and chemical engineering. This reality can be a source of fundamental, probable and expectable technical problems with the device; which will be or which already is built in the charge of incompetent laic and consequential likely ‘bad will’ of your company and its top management.

Your statement is expected within a period of 21 days from the time when this notice will be delivered. During this time, we will refrain from any actions against your company or Mr. Anders Olsson.

To summarize, we are informing, that we are not willing to discuss or negotiate with Mr. Anders Olsson, nor we wish to meet with this person.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'mad'ar', with a horizontal line above it.

Ivan Mad'ar
director

Attachments

1. The evaluation of the Anders Olsson’s patent (invention)
2. The contracts with Gulf Star Oil Ltd. and Gulf Star Oil Processing Ltd.
3. Photo documentation
4. CD- Sound record of the negotiation /meeting from 01/10/2009
5. DVD- Anders Olsson Invention Story

Recipients:

Erik Nerpin

Kilpatrick Townsend Stockholm

Hovslagargatan 5B, Box 5421

114 84 Stockholm

Sweden

Johan Thorell

AB Sagax

Engelbrektsplan 1, 6 tr

114 34 Stockholm

Sweden