

Sustainable palm oil for biodiesel in Colombia – Invitation to investors

The need to feed higher world population and alternative energy to fight the climate threat increases demand for vegetable oils. EU renewable energy directive and national biofuel mix mandates will reward biofuels with carbon capture. We invite investors to our palm oil project on degraded land in the natural savannah Los Llanos in Colombia. Independent calculations demonstrate that our palm oil as feedstock for biodiesel will reduce greenhouse gases by 134% compared to fossil fuels contrasting rainforest destruction by competitors, creating professional interest in the palm and biofuel industries in general as an extraordinary good result.

The invited capital will finance expansion of the palm oil plantations to achieve economy of scale of existing infrastructure and costs until becoming cash positive with full harvest. The owners, Kristian and Ole Martin Siem, well known Norwegian innovative industrialists that controls oil service company Subsea7 and export-oriented agriculture Frupor in Portugal, has so far invested 16 million USD in the operation since 2001. New stakeholders will be given a share according to their contribution compared to this investments for upto 1 million USD as “early-bird sweetener”. Influence for larger sums will be negotiated. The project consists of the two Colombian registered companies Prestige Colombia SAS and Extractora Cimarrón SAS with following assets and business developments:

- 9000 ha with title deed and 4000 ha with use rights in Vichada, Colombia. Purchase price in 2004 was 27 usd/ha, today valued at minimum 550 usd/ha.
- 650 ha pilot production planted since 2013, first harvest June 2017 indicate 22 mt/ha yield without irrigation that has given 300 mt production YTD 2017.
- Extraction mill with capacity 10 mt/hr, or 2000 ha production, easily duplicated if expand plantation to potential 13,000 ha
- Houses, road, some cattle and close access to shipment facilities on Meta River, upriver transport for Colombian ports or downriver for direct access to Atlantic Ocean through Orinoco River in the future when Venezuelan politics allows.
- Participant in letter of intent for long term offtake agreement of 250.000 mt/year CPO with St1/Shell in the Nordic countries that offers a price premium reflecting the high carbon capture of 134% that will be rewarded under EU Renewable Energy Directive.
- Experienced leadership and respected participants in the Colombian palm oil business organisation with considerable political influence.

New entrants will hence benefit from the long term unremunerated efforts by current owners, price increase on land, no inflation adjustment and organizational achievements. The offer is valid for any investor with whom we are able to conduct due diligence and sign the contract before 28. February 2018.

The civil conflict in Colombia ended last year when the guerrilla signed the peace agreement and the government has full territorial control in the Los Llanos region, actively seeking business partners to develop industrial agriculture. Agriculture in this region is not in conflict with indigenous population. Colombia is a liberal economy with free trade agreements and member of regional trade organisations like Asia-Pacific Economic Cooperation (APEC) and The Pacific Alliance. The European Union is expected to allow imports of sustainable palm oil for biodiesel also under the updated Renewable Energy Directive (EU RED II) as the EU Council with most influence does not recommend prohibition. Business development plan, GHG emission calculations by independent experts and other background presentations can be downloaded from <http://resgrow.com/investor.html>, Oslo, 13. January 2018