

grid infrastructure. I expect energy usage to explode higher if/when BLP gets to market and proves capable of manufacturing their devices at scale, dramatically increasing the size of their addressable market.

### Recommendations

I continue to believe BLP shares have the best risk/reward profile of any investment we will ever come across. I think it is easy to lose the forest for the trees when evaluating the company's prospects, as many shareholders, weary of missed deadlines, appear to be guilty of. Here is the forest: a single company has sole intellectual property rights to a process that produces over 100 times the energy output of the combustion of hydrocarbons. The only consumed input is hydrogen, which can be electrolyzed as needed from ambient water vapor. There is zero pollution of any kind, and no carbon dioxide emissions from this process. If successful in commercializing, BLP may very well be the monopoly energy provider to most of the world for as long as patent protection is active. Even with difficulties in commercializing, I believe that BLP's patent portfolio should be valued at many hundreds of billions. Their patent portfolio is analogous to owning the intellectual property rights to any and all uses of oil, and any and all uses of the internal combustion engine. Mere proof of existence of the hydrino (there is already vast and incontrovertible proof, people just need to pay attention) and subsequent scientific community support thereof should cause an immediate and dramatic upwards revaluation of BLP shares as sharp pencils evaluate the BLP's patents and realize their scope and implications. Furthermore, Dr. Mills is arguably the greatest scientist and innovator in history. With more funds on hand and scientific community support, he will undoubtedly continue to create value new intellectual property that will further enhance the value of BLP's shares.

For these **Strategy blocked out**

If the entire investment community were to objectively evaluate the science of the hydrino and intellectual property filings of BLP, I believe the value of the shares would be north of \$400,000 per share. Obviously, successful commercialization yields a far higher value. Some back of the envelope math that is arguably conservative yields a market cap for BLP of nearly \$8 trillion (10% market share of \$4.9 trillion, 80% profit margin, 20 P/E multiple), or \$50 million per share. Furthermore, the cash flow to investors under such a scenario would be truly absurd. Assuming the same figures as before and paying out 80% of net income as dividends to shareholders, each share would yield nearly \$2 million per year in cash flow to investors.

Hopefully this makes clear why I consider this to be such a tremendous investment opportunity. The bullish case is obviously extraordinarily compelling, but the bearish case is also a major driver of why I think BLP shares have such a favorable risk reward profile. As stated above, I believe BLP's patent portfolio is incredibly valuable. For those investors with sufficiently long time horizon, I believe this value will be realized, regardless of BLP's ability to commercialize in the near term. **Strategy blocked out**

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