

Letter from our CEO



Dear Fellow American,

The world is facing a serious fuel crisis. Petroleum consumption far outstrips discovery of new sources of oil, causing prices to soar on the world energy markets. Everywhere food and other necessities are becoming less affordable; transportation is becoming prohibitively expensive; and as global oil reserves become scarcer, international competition for resources will mean that even the U.S. military and NATO may lack sufficient fuel to meet its needs. The bottom line is; new sources of energy and alternatives to petroleum must be aggressively pursued.

In 1972 we imported about 28% of the oil America consumed. Today our reliance on foreign oil has shot up to near 70 % and continues to grow. Americans now send about \$ 600-Billion U.S. Dollars to foreign oil producers. That accounts for 5% percent of the total U.S. Gross Domestic Product (GDP). If allowed to go unchecked, the cost of imported oil could potentially bankrupt the U.S. economy, reducing America's status as a world power and threatening the peace and stability of the free-world.

There is hope. The United States holds the world's largest deposits of oil shale, a kerogen-containing rock which can be extracted and processed into usable oil. The oil shale deposits found on federal lands in Colorado, Utah and Wyoming contain an estimated 2 trillion barrels of oil, enough to sustain America's fuel needs for nearly a century. The American Shale Oil Company (AMSO) is preparing to help. AMSO is one of three companies that have been granted leases on federal land in Colorado to begin experimental operations to turn shale oil into usable oil. In addition to AMSO, Chevron and Royal Dutch Shell have federal leases and are working to produce oil from shale in Colorado.

We believe that we can use AMSO's proprietary and environmentally friendly technology to tap the estimated 10-Billion barrels of shale oil in our 8 square mile area, where we hold a preference right lease.

While shale oil will not solve all of our energy problems tomorrow, I believe it will play a critical role in helping America regain its energy independence in the foreseeable future.

**Howard Jonas
Chairman**