

A Personal Letter from GSPI's President

November 5, 2010

Dear Shareholder:

While going to print on the 2011 GSPI Shareholders Letter, I felt compelled to write a personal correspondence to our shareholders as an addendum to the 2011 GSPI Shareholders Letter. This decision is predicated on recent events which include the oil spill in the Gulf of Mexico and the spike downwards in the DOW average on May 6, 2010. Both of these events relate to previous press release editorials that GSPI has published in past years. Please note that this is not an official company document but a personal comment from myself to GSPI Shareholders.

First, I would like to comment on statements presented in the 2009 GSPI Shareholders Letter. I suggest everyone re-read that letter. As you recall, I spent a significant amount of time explaining the necessity to reinstate the Uptick Rule which was canceled in June 2007 by the previous SEC administration that was headed by Mr. Christopher Cox. The new SEC Chairman, Ms. Mary Shapiro, who took office last year, promised Wall Street investors that she would look into reinstating the 60 year old Uptick Rule that protected investors. More recently, the SEC did reinstate an extremely weak version of the Uptick Rule which was hundreds of times less effective than the original. This gave the investor a false sense of security. It offered virtually no protection at all to investors. This was very relevant during the 1,000 point dip the stock market took on May 6, 2010. People who were interviewed on Bloomberg Television were asked if this could have happened if the original Uptick Rule was in place and all of them stated emphatically that it could not have happened.

I certainly want to thank the many GSPI Stockholders that took portions of our 2009 GSPI Shareholders Letter and forwarded them to their representatives in Washington, D.C. Many of these people called and told me that they were doing so. In fact, in April 2009 six Senators wrote a letter to Chairman Shapiro stating almost verbatim the case that was outlined in our Stockholders Letter. I have added the Senators' letter and the excerpts from GSPI's 2009 Shareholders Letter to GSPI's Web site (under Uptick Rule Update on our home page) so that you may compare what was said by the Senators and what GSPI Shareholders forwarded to Capitol Hill. You can make your own conclusion as to the similarities of the case that was presented.

The second item I would like to comment about is the predictions on my

personal Web site - <http://www.JosephLaStella.com>. The site is a compilation of many press release editorials and comments predicting a variety of future events based on engineering and statistical analysis which have come to pass. The dates on the press releases corroborate with the events that followed and you will see that all of them pre-date the actual events. The reason I suggest you reading this is the fact that the Web site also contains statistical analysis of the oil/energy problems that have existed in the United States for more than 30 years which clearly indicates that we will never be able to drill enough oil to even come close to the oil/energy needs of the U.S. and the world.

Although I do believe in drilling for oil, to even think that drill, drill, drill is an answer to our energy problems is a fallacy as revealed by reviewing some statistics. The complete report is on my Web site, however, let's review some of the points very simply:

- 1) The U.S. consumes 25% of the total world oil production each day, however, we only have 2% of the world's known oil reserves (Fact: the U.S. is not listed on the 10 top countries with oil reserves).
- 2) Drill, drill, drill - There are more oil wells drilled in the U.S. than the rest of the world combined and we still only have 2% of the world's oil reserves. Drilling is not even a short term answer.
- 3) Oil shale and tar sands are enormously energy and capital intensive and almost double (CO₂) global warming gases in their processing. They can only add a small amount to the world energy output. For example, Canadian tar sands with 3 million barrels a day output predicted by 2015 contrast with the world consumption of 86 million barrels a day.
- 4) Some people think hydrogen is the answer. Hydrogen is not an energy source, it is only an energy transmitter. It takes a real source of energy (i.e., solar, geothermal, bioenergy, etc.) to make hydrogen and therefore hydrogen is not a solution to the world's energy problem.
- 5) Solar, wind and geothermal energy plants are capital intensive and will require huge investments and considerable time to make a significant impact.
- 6) For additional information, see Peak Oil Editorial written on December 1, 2005, at <http://www.JosephLaStella.com>

Also, an interesting fact is that today we consider as statistically relevant, big oil finds that are 1 billion to 2 billion barrels. These also give the public a false sense of security because they are not major oil finds. A 2 billion barrel oil find, which are few and far between, will only supply the world for

24 days. The U.S. strategic oil reserve supply in the salt domes approaches about 1 billion barrels and will only supply the United States for a measly 40 days. I don't think they will give that oil for people to drive to the beach. They will keep that for military purposes.

All the major oil finds in the entire world were discovered before 1970. Which proves that all modern technology including satellites and all the other high-tech equipment cannot find any oil deposits that come even close to the oil deposits discovered prior to 1970. Those oil finds were in Mexico, Saudi Arabia and Kuwait, and a major oil find in those days was considered in the 30 to 100 billion barrel range. There is no doubt that we cannot drill for oil to satisfy our needs. And the sooner we realize that the better off we will be.

My last comment is on Global Climate Change (Climate Shift) and Global Warming. It does not matter what side of the political debate you are on, it's not going to stop what is inevitable. My personal predictions on many of the subjects have been verified by actual events which came later and it is very clear that Global Warming is not a linear progression, it is an exponential progression that we do not have any computer models to mimic. At some point very soon, it will be a runaway and irreversible process. And I don't mean in 20 years or 30 years, I mean in just a few years.

Just consider one case in point, a research ice-breaker ship from Japan in the early 2000s was sent north to plant an instrument station on the ice and could not get passed the 80th parallel. The ice-breaker could not break the ice any further. However, just five years later the same ship going north went past the 80th parallel and when it got to the 84th parallel it could not find enough ice to even plant the new instrumentation. It's so unbelievable how these things are happening at an extraordinary pace that to ignore them is nothing more than suicidal. One day we will wake up and something catastrophic will have happened. Global warming is really climate change and climate change will not be gradual, it will be violent.

We have enjoyed for the past 60 years some of the best climatic years for earth and some of the best geological surface years for earth. You do not have to go back too long in geologic history to see that this is correct. However, we are now conducting an experiment on the global scale with no historical experience except to note that the atmospheric levels of CO₂ have never been this high in the past 750,000 years. Ice cores retrieved from Antarctica confirmed this fact. Which means that we are now on uncharted waters and if we don't do something very quickly we will not have much chance of survival. Violent change could be from a variety of things including one of the great ice sheets (Greenland or the North Pole) sliding into the ocean overnight and

immediately raising ocean levels, killing millions of people. This could happen very quickly, possibly within the next 5 years. Also, climate rise in temperature will not be uniform. A 2°F rise in average global temperature will result in 1°F rise at the Equator, however, a 12°F rise at the North Pole due to atmospheric prevailing wind conditions. This will not only melt the ice but also reduce the sun's reflection from the reduced amount of ice and thus increase to an additional level the Global Warming equation. Furthermore, warmer pole temperature is tremendously accelerating the thawing of the “permafrost” ground which is now releasing stored methane gas (several hundred thousand years worth) into our atmosphere. It should be noted that methane gas is 20 times more potent than CO₂ as a greenhouse gas. This adds still another unpredictable level to the Global Warming equation that no computer model can predict.

In summary, warmer temperatures globally means migration of every known species (animals, insects and the bacteria and viruses that they carry) north to new locations where the local environment has no immunity to the new species. Forests, agricultural crops and every living thing is now under attack by these new invaders and causing catastrophic destruction. God help us if the new A/H1N1(unstable) flu viruses links up with the bird flu virus, which kills 60% of those infected. The bird flu virus only needs a partner (like the new A/H1N1) to make it airborne.

I feel compelled to write this and I'm sure some of our stockholders are unbelievers, however, please remember this message when it does happen. My book “National Birthright” is many months late in publication, however, several chapters were released during the Summer of 2008 and I received some positive feedback. If you are interested in receiving timely updated reports please send your email information to josephlastella@earthlink.net for free insights to global events, and review 8 years of successful predictions at <http://www.JosephLaStella.com>

Thank you for reading my comments and I will see you at the 2011 Special Shareholders Meeting.

Sincerely,

Joseph LaStella