



Investment Report: San Jerónimo Island Guano Project
A Sustainable Opportunity for Organic Fertilizer Production

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1. Introduction

San Jerónimo Island represents a unique opportunity for investors seeking sustainable and high-yield projects in Mexico. Situated off the western coast of the Baja California Peninsula, this uninhabited island serves as a vital ecological sanctuary for diverse seabird populations and a natural source of nutrient-rich guano. Its strategic location enhances its appeal, providing logistical advantages for potential global distribution. Furthermore, the guano's exceptional chemical composition, rich in nitrogen, phosphorus, and potassium, makes it invaluable for organic agriculture and positions the island as a cornerstone of the global shift towards sustainable farming practices. With untouched natural resources, growing market demand for eco-friendly fertilizers, and a clear alignment with environmental sustainability trends, San Jerónimo Island offers unparalleled investment potential with the promise of significant financial returns.

2. Location and Characteristics of San Jerónimo Island

San Jerónimo Island spans approximately 48 hectares (ha) and stretches 1.2 kilometers (km) in length. It is strategically located in the Pacific Ocean, south of El Rosario Bay in the municipality of San Quintín, Baja California, Mexico. Key geographical coordinates include:

- 14 km South-Southwest (SSW) of Punta Baja.
- 8.4 km West-Northwest (WNW) of San Antonio Point.
- 3.2 km North of the Sacramento Reef.



The island is characterized by volcanic cliffs, sandstone formations, and a reasonably flat terrain covered with a substantial layer of seabird guano. Guano, formed from the accumulation of seabird excrement over centuries, is an organic material rich in nitrogen, phosphorus, and potassium, making it a highly valuable natural fertilizer.

3. Regulatory Compliance and Certifications

San Jerónimo Island's operations are fully compliant with the regulatory requirements set forth by the Mexican government. This ensures not only the legality of our activities but also the sustainability and safety of the processes involved. Key permits and certifications include:

- **Environmental Impact Statement (Manifiesto de Impacto Ambiental or MIA):** Verifying that all operations are conducted with minimal environmental disruption. This permit is valid for three years, during which we continually address and comply with all conditions set forth by SEMARNAT to maintain its validity.
- **Mining Concession Title:** Authorizing the extraction of guano from the island.

Moreover, our commitment to quality and sustainability is reinforced through internationally recognized certifications, which enhance our competitiveness in global markets:

- **United States Department of Agriculture (USDA):** Certifying compliance with organic farming standards in the U.S.
- **Organic Materials Review Institute (OMRI):** Certifying that our guano is suitable for organic farming practices across the U.S. and Canada.

U.S. DEPARTMENT OF AGRICULTURE ANIMAL AND PLANT HEALTH INSPECTION SERVICE VETERINARY SERVICES RIVERDALE, MARYLAND 20737 UNITED STATES VETERINARY PERMIT FOR IMPORTATION AND TRANSPORTATION OF CONTROLLED MATERIALS AND ORGANISMS AND VECTORS Issued from APHIS eFile System		PERMIT NUMBER 619-23-90-03505 PERMIT CATEGORY Commercial START/RENEW DATE 01-29-2024 DATE EXPIRES 22-MAR-2025
NAME AND ADDRESS OF SHIPPER BAJA GUANO S.A. de C.V. Paseo Todos Santos #1565, Int. 3er piso Fraccionamiento Playa de Ensenada Ensenada, Baja California Mexico, C.P. 22840 +1 949 929 9455		U.S. PORT OF ARRIVAL Any U.S. Port(s) MODE OF TRANSPORTATION Air, Land, Sea
NAME AND ADDRESS OF PERMITTEE INCLUDING ZIP CODE AND TELEPHONE NUMBER Danilo Cacciari BAJA GUANO LLC 7922 S Logan Street Littleton, Colorado 80122 19499295455		
AS REQUESTED IN YOUR APPLICATION, YOU ARE AUTHORIZED TO IMPORT OR TRANSPORT THE FOLLOWING MATERIALS: Seabird guano - (avian origin) (FOR FERTILIZER USE ONLY)		
RESTRICTIONS AND PRECAUTIONS FOR TRANSPORTING AND HANDLING MATERIALS AND ALL DERIVATIVES THIS PERMIT IS ISSUED UNDER AUTHORITY CONTAINED IN 9 CFR CHAPTER 1, PARTS 94.6 AND 92.2. THE AUTHORIZED MATERIALS OR THEIR DERIVATIVES SHALL BE USED ONLY IN ACCORDANCE WITH THE RESTRICTIONS AND PRECAUTIONS SPECIFIED BELOW (ALTERATIONS OF RESTRICTIONS CAN BE MADE ONLY WHEN AUTHORIZED BY USDA, APHIS, VS).		
• Adequate safety precautions shall be maintained during shipment and handling to prevent dissemination of disease. • With the use of this permit, Danilo Cacciari, Permittee, acknowledges that the regulated material(s) will be imported/transported within the United States in accordance with the terms and conditions as are specified in the permit. The Permittee is the legal importer/recipient (as		
SIGNATURE E-SIGNED by Pamela Simpson on 2024-01-29 18:30:09 GMT	TITLE VETERINARY MEDICAL OFFICER	NO. LABELS
VS Form 16-6A (MAR 93) Atras Replaces VS Form 16-3A and 16-3B which are obsolete. Continued on subsequent page(s)		

 OMRI Listed® The following product is OMRI Listed. It may be used in certified organic production or food processing and handling according to the USDA National Organic Program regulations.		
Product Baja Guano 0-4-0		
Company BAJA GUANO LLC Danilo Cacciari 7922 S Logan Street Littleton Colorado 80122 United States		
Status Allowed with Restrictions	Categories NOP: Guano, bat or bird	Date Listed 13-Nov-2023
Product code bdj19413	Use Class Crop Fertilizers and Soil Amendments	Expiration 1-Dec-2025
Restrictions May only be (i) applied to land used for a crop not intended for human consumption; (ii) incorporated into the soil not less than 120 days prior to the harvest of a product whose edible portion has direct contact with the soil surface or soil particles; or (iii) incorporated into the soil not less than 90 days prior to the harvest of a product whose edible portion does not have direct contact with the soil surface or soil particles.		
Organic Materials Review Institute P.O. Box 11558, Eugene, OR 97440-3758, USA 541.343.7600 • info@omri.org • OMRI.org Siguiete		

 OMRI Listed® The following product may be used in certified organic production or food processing and handling in accordance with the Canadian Organic Standards.		
Product Baja Guano 0-4-0		
Company Baja Guano LLC Danilo Cacciari 1360 Temple Hill Drive Laguna Beach California 92651 United States		
Status Allowed	Categories COR: Guano	Date Listed 8-Oct-2020
Product code bjg-14530	Use Class Crop Fertilizers and Soil Amendments	Expiration 1-Jun-2025
Restrictions Not applicable.		
Organic Materials Review Institute P.O. Box 11558, Eugene, OR 97440-3758, USA 541.343.7600 • info@omri.org • OMRI.org		

4. Guano Extraction Process

The extraction of guano from San Jerónimo Island is a meticulously planned and highly artisanal process. The method relies exclusively on human labor, avoiding the use of industrial machinery or techniques that emit significant amounts of CO₂. Key steps include:

1. **Manual Harvesting:** Workers use shovels and sieves to extract and filter guano. This ensures minimal disruption to the island's ecosystem.
2. **Bagging:** The filtered guano is bagged on-site using eco-friendly materials.



3. **Transportation:** These bags are transported via traditional fishing boats (pangas) to the Cooperativa Ensenada's operations center at Punta Baja.



4. **Storage:** The bagged guano is then moved to our secure warehouse in the nearby village of El Rosario de Arriba.



While our warehouse provides excellent storage capabilities, **the island itself serves as the main natural storage facility.** The guano remains preserved in its original state, protected by the island's unique climatic and geological conditions. This natural storage minimizes handling and ensures the guano's quality until extraction.

5. Applications of Guano

Large-Scale Agricultural Use

Guano's high nutrient content makes it an ideal additive to fertilizer compound for green house and hydroponic farming:

- High-value organic produce like fruits, vegetables, and specialty crops.
- Export-oriented farming, where certified organic inputs command premium pricing.

Micro-Applications: Home and Local Use

Guano's versatility extends to smaller-scale applications, including:

- Home Gardening: Ideal for enriching flower beds, vegetable patches, and ornamental plants.
- Urban Agriculture: A perfect fit for rooftop gardens and vertical farming setups.
- Floral Cultivation: Enhances flowering and fruiting in plants such as roses and orchids.
- Landscaping and Tree Planting: Acts as a slow-release fertilizer for young trees and community planting projects.

6. Scientific Research and Studies

Chemical Composition Analysis

Comprehensive studies have been conducted to analyze the chemical composition of San Jerónimo Island's guano. These studies included several extractions across various points on the island, identifying areas richest in nitrogen, phosphorus, and potassium—key nutrients for agriculture. The findings were analyzed by the Colorado State University Denver Laboratory, ensuring the data's scientific rigor.

Reserve Estimates

To determine the total guano reserves on the island, a certified mining expert from Baja California conducted an extensive study. The results estimate approximately **178,000 metric tons (196,000 short tons) of guano** deposited on the island. This study underscores the island's potential as a long-term resource for sustainable fertilizer production.

Avian Population and Regeneration

Using drones and artificial intelligence, researchers from Colorado conducted a detailed census of the island's avian population. This study identified the number and major species of birds visiting the island one day in April of this year at 18,000 and 5, respectively, and laid the foundation for a predictive model for guano regeneration over specific timeframes, ensuring the sustainability of this resource.

7. Market Analysis and Potential of Guano

Guano is globally recognized for its exceptional natural properties as an organic additive fertilizer. Rich in essential nutrients such as nitrogen, phosphorus, and potassium, it is a cornerstone in sustainable agricultural practices.

Key Market Trends

- **Growing Demand:** The global organic fertilizer market is projected to grow significantly, driven by the increasing demand for organic produce and sustainable farming practices.
- **High Value:** Guano-based fertilizers command premium prices in markets across North America, Europe, and Asia. Bulk guano fertilizers are priced between \$1.25 and \$1.50 per pound depending on purity and certification, while high-grade organic-certified guano can fetch \$3 to \$5 per pound in niche markets.
- **Environmental Sustainability:** Guano aligns with global trends toward reducing chemical inputs in agriculture, offering an eco-friendly alternative that enhances soil health.

Potential for Liquid Guano Production

Guano's value can be significantly amplified through conversion into liquid form, known as "Liquid Guano." This process involves simple agitation for an average of 40 to 48 hours to achieve a highly concentrated super juice. Remarkably, only 100 mg of guano are needed to produce 1 liter of super juice, creating a 1:10 conversion factor. This means that for every unit of raw guano, ten times its value can be realized through this process. By adopting this innovative approach, investors can achieve a return on investment up to tenfold, making the purchase of San Jerónimo's concession Island a highly lucrative long-term venture.

San Jerónimo's guano reserves provide an opportunity to supply this high-demand market, with potential applications spanning large-scale agriculture, export markets, and local organic farming initiatives.

8. Investment Opportunities

Investors can leverage the following opportunities:

- **Production and Processing Facilities:** Establishing guano processing plants to create value-added products such as pelletized fertilizers or liquid concentrates.
- **Export Ventures:** Targeting high-demand markets in North America, Europe, and Asia.
- **Local Distribution:** Developing retail channels for micro-application products targeting home gardeners and urban farmers.

Additionally, the potential acquisition of San Jerónimo Island 's concession represents a highly strategic investment. The value of the concession, including its rich guano reserves and unmatched ecological significance, is estimated to range between **\$400 and \$500 million USD**. As previously highlighted, the potential of liquid guano production offers a 1:10 value amplification. **If investors are willing to pay this valuation, the reward could reach between \$4 billion and \$5 billion USD by utilizing the liquefied process.** This transformative potential underscores the project's unprecedented profitability and attractiveness.

The project's low operational costs present a significant advantage:

1. **Artisanal Extraction:** As detailed earlier, the extraction process avoids the purchase and maintenance of expensive industrial mining equipment, reducing overhead significantly.
2. **Established Partnerships:** The Cooperativa Ensenada provides skilled labor, transportation of materials, and comprehensive security for the island, minimizing logistical challenges and additional expenses.
3. **Natural Storage Advantage:** With the island itself acting as a natural guano reservoir, storage costs are substantially reduced, enhancing profitability.
4. **Byframing this investment as a partnership opportunity, we aim to underscore the mutual benefits and transformative potential of this project.**

Conclusion

San Jerónimo Island's natural guano reserves represent a sustainable, high-yield opportunity for profit-oriented investors. This report highlights the immense ecological significance of the island as a crucial habitat for seabirds and the pivotal role it plays in supporting biodiversity. Economically, the guano reserves offer a unique chance to capitalize on global trends in organic farming and sustainability, presenting a profitable and environmentally responsible venture for investors. With its strategic accessible location, untouched resources, and alignment with global sustainability trends, the project offers unparalleled potential for growth and profitability. The artisanal extraction process, which avoids industrial machinery, ensures minimal environmental impact, while the ecological certifications enhance the project's appeal to environmentally conscious investors. These unique selling points, combined with the island's natural advantages, make this a truly exceptional investment opportunity.