

Alexandra and Paulo Correa
42 Rockview Gardens
Concord, ON
Canada

28 August 2000

Dear Paulo and Alexandra,

I am beginning this letter on the morning of 28 August (Monday), after our discussions and activities of the last day and a half, which included: an overview tour of your most impressive labs, review of significant introductory aetherometric papers for your proposed web zine, exercising of the PAGD apparatus, demonstration of an apparently clear anti-gravity effect, discussions of the performance characteristics of the new motor and its possible extension into demonstration devices, and discussions of possible funding sources and publicity/validation approaches to further your efforts and proposals.

Of all the laboratories I have visited over the past 11+ years, yours has been by far the most impressive and worthy of significant funding. I am deeply, deeply appreciative that you have given me this cherished opportunity to learn about your experiments and theories at a level that few if any outsiders previously have had. You are doing absolutely brilliant work which deserves the most rigorous verification and ultimate acceptance by the scientific/technological community. Whatever transpires from now on, let me assure you that I will be working on as many fronts as your parameters will allow to further your most exceptionally worthy research and technology. When you win big (and you will), we will win big too, even without one penny of equity remuneration to reward my funding search efforts on your behalf. I ask no compensation whatsoever for these efforts, only that you will keep an open mind, as I know you are trying to do, about my recommendations and proposals.

I would like it to be possible to have a written agreement from you that would specify the following: If investment comes to your efforts via my direct introductions to individuals and corporations (not just from subsequent generalized publicity), this would result in some very small equity position in Azure and/or in ABRI for Cold Fusion Technology, Inc. I leave it up to you what that reward might be. Anything at all would be pleasing, as well as ultimately rewarding to our hard-working CFTI employees who own stock in CFTI. Alternatively, you might wish to specify some sort of finder's fee for CFTI, based on the level of investment received. But let me repeat most emphatically: I will without hesitation attempt to secure support for your efforts even should these outlined financial rewards not be available.

Let me say outright that I am extremely optimistic of being able to obtain for you fairly quickly -- let us say within the next three months -- some significant investment funding at the level of several hundred thousand dollars. Call that just "seed" or earnest money. I am further optimistic of securing much larger funds (\$millions) by further efforts beyond this three month period. It is obvious that this potential success is predicated on written agreements from you about what

you will agree to do as far as technical information disclosure and demonstration device activities.

To begin my efforts, I would like your permission to convey performance level descriptions from this visit to a small, select group of people, which will include these and possibly a few more whom I might bring to your attention later:

- Ed Wall, Ken Rauen, Jed Rothwell (CFTI)
- Charles Entenmann (Florida/New York)
- John Thompson (Nassau, Bahamas)
- Dan Cavicchio (Vermont)
- Steve O'Donnell (Ohio)
- Sir Arthur C. Clarke (Sri Lanka)
- Dr. Amar Bose and Joe Veranth (Bose Corporation, Massachusetts)
- Dean Kamen (New Hampshire)
- "Jacques" X. in New York (the technological marketing robot man)
- Dr. Robert Solomon and colleague Robert Brill (Massachusetts/Pennsylvania)
- Lewis Larsen (Illinois)
- Possibly: Jamie Childress (Boeing Corp.)

Mike Carrell is a separate issue, which we will discuss orally. Caution is required.

In approaching these individuals for their possible financial and other assistance to you, I will of course emphasize that they are not to broadcast in any general way the information that has come to them from me. (There is not a prayer of a chance that any of them would do so anyway, since they all know that it would not be easily believed, they had no proof of it yet, and they would look a bit silly if they gave it any credence without further investigation.)

What I would tell these individuals is the following:

I have visited your laboratory and have satisfied myself in a preliminary way that the PAGD device was as-advertised (the high output/input ratio pulses) and ready for immediate on-site verification by a serious investment party.

I saw a demonstration of an over-unity motor(s), apparently powered by ambient space energy, which could in fairly short order (several months) be brought to a completely self-sustaining, 5-10 watt continuous work-producing condition, albeit with an observably non-draining battery in the loop. Patents are being filed on it.

I have witnessed an indisputable, easily verified anti-gravity demonstration at greater than 50% weight cancellation.

I had a chance to do a preliminary review of easily repeatable experiments and data (involving temperature and charge) and associated theories that are said to support the underlying mechanisms in the motors, anti-gravity, and PAGD operation. That this information, some 20 compendious articles, was going to be introduced via www publication within the next few months.

I was shown general and specific business plans to further this research. Investment opportunities exist in the several hundred thousand dollar to multi-million dollar level.

I learned that the former second-to-the-top leader of a well-known aviation corporation is backing this effort fully, AND that I had spoken to him after my visit with you.

All of my efforts in dealing with the above individuals and companies would be given enormous assistance orders of magnitude more assistance if the following additional critical information could be conveyed:

That CFTI, in return for its fund-raising and other advisory services, was negotiating to enter into an agreement with you to be the exclusive distributor and marketer of scientific demonstration devices and educational kits designed, developed, and specified by you, with our design and manufacturing assistance. These devices would consist of at least these elements:

Charge -measuring apparatus for verifying irrefutable physics anomalies in the electromagnetic and gravitational realm, correlated with Sun- and weather-related issues.

Temperature-measuring apparatus for verifying irrefutable physics anomalies in the electromagnetic and gravitational realm.

A self-sustaining, battery-in-the-loop electric generator in the 5-10 watt range.

Let me elaborate on this point. I have 100% confidence that sales of these devices would lead very quickly to torrents of orders. I am quite sure that we would not easily be able to satisfy all the orders we would receive, which would be mainly for the demonstration patent-applied-for electric generator. That is why we would approach this with plans to ramp up production of units to very high levels quickly hundreds to thousands of units per month, even IF the sales price of the demo-generator (DG) were \$5,000. Even at \$10,000 per DG, we would have significant numbers of orders.

I have high confidence that the profit returned to you from these sales, with reasonable margins for us, would likely allow the financial resources to build up quickly such that these sales alone could suffice to fund Azure and ABRI. This is particularly so because of an absolutely inevitable corollary to these sales: You would quickly receive dozens to hundreds or even thousands of requests for licensing the technology and/or investment. I have no doubt that among these will be former parties to whom you offered investment. (Tough luck for them!) The additional advantage of launching the DG marketing effort is that that the perceived value of a percentage share of Azure/ABRI would escalate dramatically as validation of the technology and theories supporting it spread. You would retain full control of the company.

We have already had lengthy discussions about the pros and cons of my

ideas to secure you funding. Let me just recapitulate and expand briefly on this area:

The primary overriding objective, I assume, is to achieve widespread validation of experiments and widespread reading of your theoretical work as quickly as possible. All our experience with marketing heretical physics/energy ideas and all the experience of every technological revolution in history PROVES one thing: it can only be done by allowing large numbers of people to experience and be exposed to the science and technology in such a way that there is ZERO DOUBT that the new science and technology is for real. I can think of no instance in which that was not the case even in standard matters such as railroads, computers, spaceflight, and aviation. All the problems that the cold fusion, free energy, new physics people have been having are due 100% to the fact that there is no generally available TANGIBLE EMBODIMENT to what is being claimed. Libraries of peer-reviewed reports and experiments will not under any circumstances suffice to break the reigning paradigm. Any attempt to sell deeply heretical scientific ideas without tangible scientific demonstration devices is doomed to utter failure and confusion, and attacks by the scientific establishment that you are a deluded fraud. The reason that this is so is that very, very few groups will respond to a request to conduct the kinds of experiments that you have performed (unless you revealed explicit plans for the self-sustaining motor). Secondly, of even those very few groups that do respond and try to experiment, some will fail to do adequate experiments, others will find bogus excuses what these successful experiments are wrong due to some unspecified or imagined systematic error, and on and on basically the cold fusion story revisited.

The launch of the sale of these demonstration devices, I confidently predict, will prompt one of the biggest media uproars in history and you will smile all the way to the bank to fund your institutes. It will dwarf the uproar over cold fusion, precisely because victory in positive opinion will be achieved with weeks, or at most a month or two. The subject matter will be the same free, non-polluting, abundant energy and the end of the oil age, but the outcome will be entirely different: total victory versus failure and confusion as in the case of cold fusion even after 11 years of bloody battles. I would stake my life on that. If P&F had had high over-unity reliable demo cells that were being given out or sold on day-one in 1989, they would now be billionaires and Nobel laureates, rather than people who have been written out of history except for their alleged misdeeds.

Please credit me with some insight about how the media work and what it would do under various circumstances!! I have been in media activities since 1982. My contacts in the media are such that as long as demonstration devices are on-market, I believe it will be very easy to ignite a media furor essentially every major newspaper and television outlet in the world will have no choice but to cover this matter, IF we are given the means to do it: DGs being sold by the hundreds and thousands. Could there be anything better than that? I think not.

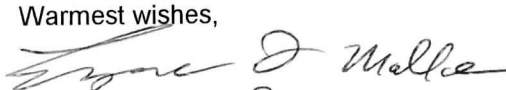
Since the issue of publication and charging for publication came up last night, let me say that it would be myopic in the extreme to charge anything for access to your proposed 20-article series and introduction. There just are not enough people who will pay you for that service to make it worthwhile. Our magazine, much more interesting a priori to wider audience, has had to struggle to hold onto few thousand readers

after five years of active publicity. Charge \$250.00 if you wish for your multi-volume Aethrometry book. I have no problem with that, but you simply MUST GIVE AWAY your precious, basic scientific papers. This is the functional equivalent of publication in Science and Nature, whose doors are obviously closed to you (but not for long!). This will significantly suppress and confuse the doubters and will win you droves of adherents. The message will be clear and unfiltered. No one will be able to say that you are just trying to rip off people by selling bogus theories and experimental reports. You will partially disarm the critics and make them think twice after they scan your material!!! When DGs are on the market you will sell many, many thousands of Aethrometry books, based on the news of the DGs and the new science. You MUST think of this basic technical information that you plan to put on the web as the BEST supplement to the parallel advertising campaign. Every single news release, every single ad, every single mention of your devices will have the www site listed. The combined effect of the DG sales and information onslaught will deliver an utterly crushing blow to the predictable enemies. Yes, they will be utterly destroyed!

We stand ready to begin assisting you as soon as you define the issues and parameters for us within which we can operate. We will take full charge of manufacturing, marketing, and distribution of the devices. I will take full charge of all media and advertising activities. Aside from interviews and profiles or whatever you wish to do (or not do), you will have NO responsibilities for this massive impending activity other than to prepare (or just design) the prototype demo units and write some brief educational material. I will gladly be the official spokesman. I will study your 20 papers and books and become their best advocate. But as you well know, there can be no better advocate than the replication of your experiments. I am proposing to confidently give this my all-consuming effort so that this will happen, based on everything I have learned about science, media, and life.

You will receive more comments and plans later from me, based on your feedback. I will answer any questions and concerns that you may have.

Warmest wishes,

 8/28/2000
Eugene Mallove, Sc.D.
Director, NSRL
BATT-ON-CHIEF, Infinite Energy