

# INFINITE ENERGY<sup>TM</sup>

**Cold Fusion and New Energy Technology**

Cold Fusion Technology, Inc. • Infinite Energy Magazine  
P.O. Box 2816 • Concord, NH 03302-2816  
Tel. 603-228-4516 • Fax 603-224-5975 • <http://www.infinite-energy.com>  
• [editor@infinite-energy.com](mailto:editor@infinite-energy.com)

September 21, 2000

Dr. Paulo and Alexandra Correa  
Labofex  
42 Rockview Gardens  
Concord, ON L4K 2J6, CANADA

Dear Paulo and Alexandra,

This is the third letter to you on thoughts about your work and how to proceed, since I visited Labofex on August 25-27, 2000. Previous letters were during the August visit and on September 1. Paulo recently sent me a letter (dated September 11th) and we had a phone conversation on the evening of September 18th. I hope that you and your advisors/associates will have a chance to study and reflect on our accomplishments, background, and orientation in light of the package of "goodies" Fedexed to you in the first week of September.

Let me reiterate that the four individuals (Entenmann, O'Donnell, Cavicchio, and Thompson) continue to express eagerness to visit your lab and meet with you, under tight NDA, of course. I have received letters and calls from them — two letters from O'Donnell, and one phone call from Entenmann, who was afraid I might not keep him in the picture. I assured Charles that he was on tap and would be informed of any invitation from you ASAP. There is no question in my mind that the potential exists for all of your funding to come from this single initiative. In the very worst case, you would learn how the BEST disposed individuals would react to your accomplishments and plans. The reason I say *best* disposed, is that all these individuals are: 1. In the strictest sense *believers*, meaning that based on their other involvements they are predisposed to accept the possibilities of new physics and new energies. and 2. They are predisposed to want to help NOT exclusively because of direct financial gain, although that is clearly in their minds, but by motivations of goodwill toward new energy and new physics generally.

Let me repeat that at least one of Dan Cavicchio's connections is the "right hand man" of Ruppert Murdoch. Our investor/supporter Sir Arthur C. Clarke had

briefed Murdoch *in-person* about cold fusion/new energy about a year ago on one of his rare travels to the UK from Sri Lanka. It turns out that Murdoch then asked this right hand man to look into CF/NE —to perform some due diligence. It just so happens that this colleague of Murdoch knows Dan Cavicchio very well and immediately consulted with him on the matter. I do not offer Murdoch as a paragon for a potential investor for you, just that the contact is open should you choose to take advantage of it.

I have spoken to you also about Mr. Matthew Price -Gallagher of Terralogix in Canada, with whom I will meet on Monday September 25. (Enclosed is the text from an e-mail attachment he sent me last Monday, after we had spoken for about an hour on the telephone. The format translation was not perfect, but it is adequate to get a good view of this "corporate profile" and some of the players in his company.) My conversation with Price-Gallagher came about because of my mention to Dr. Brian Ahern that I had witnessed something like a "Holy Grail" of new energy. Neither Ahern nor Price-Gallagher knows anything about *who* you are or *where* you are. This information will be kept private until I hear otherwise from you. (You gave me permission, however, to give them the synopsis that I have given the four people named above who already know of you.) Materials scientist Dr. Ahern, whom I can vouch for fully, having known him since about 1991, apparently intends to leave Quantum Energy Technologies, Inc. in Woburn, Massachusetts for some kind of advisory role with Terralogix and Gallagher. My impression of this potential funding source is very good based on what I already know of Ahern's orientation and Price-Gallagher's statements to me about the kinds of activities he is currently pursuing. It almost seems like a "marriage made in Heaven," to use a trite phrase. I sense that Gallagher and his multiple family connections in many broad industries in Canada would be able to come up with the several tens of \$millions you require. He did not "blink" over the phone when I mentioned \$50 million. He appears also to be knowledgeable about off-shore business dealings and is aware that "the party" -- you -- has intent in those directions. He already has an IBC set up in Barbados, he told me. He is energy- and environment- oriented. What could be better? I will have the chance to probe him more deeply this coming Monday. By phone I will report to you my impressions either late Monday night or the following morning. Again, we are proceeding informally on this entire matter, but if some financing of your efforts comes out of this initiative or any other of my initiatives on your behalf, I would appreciate being considered for some kind of liquid asset or small equity position facilitator's/finder's fee.

As to over all approach to bringing your ideas and technologies to the world, you are the in the driver's seat, obviously, just as we are with our own prospective activities (that are, to be sure, much, much less developed than yours). I cannot impose my ideas on you, nor would I wish to. All I can attempt to do is to offer our paradigm to you as a suggestion. Pick and chose what you wish from it, or reject it all if you wish. I really do think that areas of disagreement between us on how business and publicity can best be handled is

due to a "reference frame" shift. We have been involved in the more general problem of presenting radically new ideas and technologies to the public, while you have been involved in relatively covert scientific research, technological development, and attempts to receive large capitalization via what I have called the "retail" approach. The latter approach's greatest fault—an indisputable fact in my view—is that each entity approached has no particular pressure on it to perform for fear that someone else will "eat their lunch." The only way of producing a legitimate fear that another party may gain advantage or that a great opportunity will be missed and someone else will pick it up, is to make two facts 100% obvious to *all* potential funding parties—both those that you have considered and those who are still hiding in the shadows: 1. The reality of your technology and 2. That you are broadly seeking to make deals. That is the rock-bottom basis for our fundamental philosophy. This is actually standard practice for all conventional business: prove that you really have something legitimate and put up a "for sale" sign!

This is not rocket science. Your doubts about this come, I fully understand, from your past experiences, your generally pessimistic philosophical temperament, plus your assertion of various auxiliary issues that you insist put this kind of technology and sale in a completely different category. OBVIOUSLY, the technology in this case is orders of magnitude more potent than so many other technologies, but business is business and the principles are the same. I would argue strongly that what you are trying to do faces some of the same problems that standard technologies and sales do. (If you wish to bring in security issues and the like, that's fine, but I can address those too. For one, the VERY best security is having total public disclosure -- after patent issues are taken care of.) Know well: Once the cat is out of the bag, it cannot be put back in. And there is then no reason whatsoever for anyone to unethically attempt to eradicate or interfere with the source of the radical ideas. Sure, they may still *try* to do so, but they would be overwhelmed by public sentiment to the contrary, which public support you could have for the asking by doing the proper things. If you do not think there is at this time enormous popular support for revolutionary scientific and technological ideas, think again! There is a hunger for it. The concerns of daily newspapers and the popular culture of sci-fi movies are testament to this. The hunger for and massive purchase of alternative health care likewise validates my point. This cultural pressure is your greatest weapon, but you — sad to say — appear to deny that the weapon has utility. You wish to attempt to make various "retail" deals with those who have no particular investment in these popular ideas. In fact, you have apparently dealt with some of those who have every incentive *against* those ideas! I predict that your conventional approaches to securing large capital will all fail, but I would truly love to be proved wrong! Nothing would make me happier right now than to receive a call from you telling me that the money was in the bag!

With all due respect, your approach has been misdirected and there is evidence that it continues to be. I don't care how many ethnic communities in how many

countries you approach, or how many corporations you have sought—from 320 to 500—it makes no difference. It is all in some sense “retail,” and you have NOT established the irrefutable facts, essential to all business, that what you are dealing with is a reality and that you have proved that you are going to market with it and are not holding back, NOT offering just a vague hope, however codified in the most elaborate business plan. What investors want most to see is relatively near term sales. The investment opportunities that have the best chance of working are those that come from pre-disposed parties, such as the ones I have offered to you. There are more potentials out there — such as Dean Kamen of Dr. Amar Bose, but those are on the back-burner for now.

One of the most astonishing pieces of evidence I have from you that you need to consider re-adjusting your thinking is your assertion that I could not find high-profile professors and spokesmen to do public battle for you (or me) after they had been provided adequate demonstrations—with devices *in their possession* that they could thoroughly test. I will not give you one-millimeter of ground on this point! You are dead wrong. IF in the course of the past 11+ years of cold fusion research there had been a significant demonstration unit to bring to any of these people — and there *never* has been one that is reliable, powerful, and 100% guaranteed to work cold fusion device— we could have had any number of giants go to battle for us, such as Clarke, Freeman Dyson, several dozen MIT professors personally known to me, Dr. Buzz Aldrin, etc. These people have been crying to have such a demonstration device in their possession. They would have been eating out of our hands long ago, making public assertions about what they had seen. If you wish to contest this point, fine. We shall agree to disagree, but just remember, you are wrong and I am right (smile)!

Let me address the issue of long term goals and ethics, since we had touched on that in our recent telephone conversation. I presume that one of your highest goals, which is mine too, is to have scientific truth—the true facts about Mother Nature—disseminated to and accepted by the widest possible segment of humanity. I also find that I would be *much* happier in a world in which the truth about historical facts — such as what Reich and Pons and Fleischmann accomplished and were all about— would be generally accepted, rather than what we have: a vulgar, obscene cartoon. I further assume that you wish good things for humanity, in its totality despite its gross ethical and other shortcomings, and you do not wish humanity to be harmed by whatever you do. To me these general goals govern my ethical position. Anything which I can do to advance open inquiry within science and to expand the frontiers of our knowledge of Nature is for the good. I also acknowledge my and your inability to predict *in every particular* the consequences, both positive and negative, of purveying new knowledge and new technologies based on that new knowledge. We are only given one life, so we must do our best with what we have and with what we have developed. Perfection is not a choice. Certainty is not a choice. If one is disposed by the general ideas I have outlined in this paragraph, it is I think



moral to chose at any given time the path that is most consistent with those goals.

I am delighted that you have prepared the enormous body of text and graphics that you have, which explains your new scientific ideas. As I told you in our telephone conversation, I think that the areas of biology and medicine touched on by your theoretical framework are perhaps of the greatest importance. After all, we can live without free energy and anti-gravity, but we cannot live — properly— without the correct ideas about biology and medicine. So, with that thought in mind and contrary to my previous feelings, I recommend that you release via the www (as you have said you intended) *at the earliest possible time* the information about the temperature and electroscope experiments, plus whatever else may be in those 20-25 documents. I also urge the earliest possible publication of your opus magnum book. I think that this body of material will begin to "soften-up" the opposition, like an artillery barrage in advance of the landing craft, to use a military analogy. I caution against charging for access to the www articles. The result would be a microscopic audience, entirely insufficient to make it likely that many would try to reproduce the experiments. For our part, we will make our audience aware of the disclosures on the www and in print when that happens. We will try our best here to participate in the validation of the experiments in a high profile way that will encourage others to do so too.

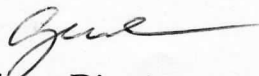
I note in your letter of September 11 that your investment banker, with whom I obviously have some disagreement, stated, as you report: "One should stay put until one is just about ready to release complete products, and then strike hard with all that one has." That this is an incorrect assessment of the situation is as obvious as day to me. A simple analogy will suffice, which I think is an excellent one: Roentgen and x-rays, Suppose that Roentgen, instead of publishing his work on the discovery of x-rays and its vast scientific and technological implications, had gotten together with his investment banker and decided that because there would be so much opposition to the concept of x-rays, he should avoid publication and wait until they were ready to come out with a full line of products for doctors, hospitals and dentists! This is almost precisely what is being counseled here over 105 years after Roentgen. All you need is one knock-out irrefutable product or demonstration and you will be home free. The Correa-Reich motor (should we call it that?) fits that requirement perfectly. The "opposition" that he fears will vanish, once this demonstration is in wide circulation. Fortunately, Roentgen did not hold off and the rest is history. The world is better off for it. I do not know whether he tried to patent an x-ray device, but I am sure he could have done so. I am *not* counseling the release of shoddy or incomplete products. Quite the opposite. I am advocating absolutely irrefutable devices with a money-back guarantee and the guarantee of what a new business most needs: massive, free, positive publicity. You would have that in spades if these demonstration devices were out there.

I wish to be blunt about your investment banker's advice -- and I would say this to his face, unhesitatingly: He may have more experience in investment banking and all manner of conventional business. I respect that, but he knows from nothing with respect to an area with which I have had almost 12 years of *unique experience* and opportunity to consider what works and what doesn't. I know what I am talking about. I have seen the mistakes by many others and I fear you are headed in the direction of those others who have already failed with this host of self-defeating requirements, even though you are in the best position of anyone I have ever encountered in this field to produce an impact. I believe from the bottom of my heart and mind, that the plan I have put forth regarding demonstration devices has virtually no chance of failing. I wonder what this investment banker would say if I brought to the table investors who would fund the whole project (\$50-\$100 million), under the condition that the demonstration device route be taken? Don't answer! I think I know his response already. He would reject it! Enough said. I hope I have a chance to talk to your man Uri S., a man of obvious technical and practical experience. Though I might not be able to move the investment banker, though I respect his greater knowledge in his sphere of training, I think I might have better reception with Uri. If he has not learned from his experience with IAI, I would be surprised. There are obvious lessons to be discussed.

I only wish that I could persuade you to go that one extra step along with your publication, by offering the Holy Grail free-energy demonstration unit (the Correa-Reich (?) motor) for sale from wherever you may reside at the time. (I am glad the patent has now been prepared and is soon to be filed.) If you cannot or will not take that step, so be it. Let me repeat this key point: If the devices were sold at the same time, your entire corpus of theories and proposed areas of research would be given phenomenal, broad, and deep support within *months* of such disclosure and sales initiation. Without demonstration units, it will take *years* to gain acceptance of your ideas. Perhaps that time lag does not trouble you, as it does me. It is not just the danger of time-lag, by the way, it is also the danger of being marginalized by not having the knock-out blow on day one. The knock out blow *is* the demo unit. I know that I will likely never be able to convince you to introduce these demonstrations at an early date, but I would have felt it not ethical not to have tried.

A final note to put on paper: I have maintained strict confidence in not telling Mike Carrell about the issue of his non-disclosure me of your Hawkins caution. We shall speak again soon. I am at your service with infinite advice for an infinite future.

Warmest wishes,



Dr. Eugene F. Mallove, Director  
New Energy Research Laboratory (NERL)  
Editor-in-Chief, *Infinite Energy Magazine*