

MAGNETIC MILES UPDATE – JANUARY 2021

Last year we provided an update with the hope that we were going to be able to start buying back units from members if they so desired to sell them. We have been unable to do that and what follows is an update as to various issues regarding the Company and its technology.

Prior to going into the update as to the energy system and the coatings we believe it is important to provide a brief outline as to where we are and how we got here. This is important because we need to make decisions as to where we go next and want members that believe they can help to do so.

As all of you are aware Michael Cristoforo (Mike) was the driving force and Manager of the Company for many years. After Mike became too ill to continue to run the Company he appointed Charles Heath (Chuck) to take over as the Company's Manager. During these years there was a group of individuals that were part of an "advisory committee" put together by Mike and continued by Chuck.

During Mike's tenure not only was the Company attempting to continue to develop the energy system through the work of Devon Meyers and Keith Campbell (the Company's patent attorney), but Devon had also developed what we have been referring to as the Coating. Both of these endeavors continued under Chuck.

During these years funds were always an issue for the Company and new investment was always being sought. Mike also brought on an expert in the low energy nuclear reaction (LENR) field, Dr. Douglas Lindstrom to help with attempting to get the energy system to the next level and also in the hopes of providing the Company with some more credibility in the LENR field. Mike died early in 2017 and Chuck continued on as the Manager.

During 2017 and into 2018 the Company continued to do some testing on the energy system however because of limited funds only limited time could be allocated for continued work on the system.

In July of 2018 and August of 2018 the advisory board met and continued to try to move forward with both the Coating and the energy system. Although there was some work done on the energy system in 2018 it became clear that the Company did not have the funds necessary to continue on with that so in 2019 the decision was made to attempt to move forward on the Coating and try to monetize that. Everyone agreed that the Company would continue to work on the Coating.

To further complicate issues Devon Meyers died in the spring of 2019.

COATINGS UPDATE

In the fall of 2019 it was discussed by the board that a wholly owned subsidiary of Magnetic Miles would be created to hopefully produce test the validity and/or sell the Coating hopefully in 2020. This has yet to occur and some issues have arisen which the new Board will need to evaluate.

Provided with this update is an update provided by Dr. Lindstrom regarding the energy system.

As you are all aware the Company has been attempting to get the energy system to the next level for either someone's purchase or interest to fund further development for many years. In mid 2018 the Board attempted to get the energy system over what we were hoping was this last hurdle but were unable to with the limited funds available. It was at that time that we decided to try and see if we could monetize the Coating as a quicker solution to funding the Company. As discussed above we are still not there yet but possibly closer with that technology.

The Company needs further funds for this in order to actually have someone work on the system for a solid few months to get it up and running and make another push to garner interest hopefully through Dr. Lindstrom's efforts/contacts or those of various members of the Company.

COMPANY NEEDS MOVING FORWARD

THE COMPANY NEEDS PEOPLE WHO HAVE TECHNICAL, OPERATING AND FINANCIAL EXPERIENCE AND THAT CAN SPEND MORE TIME ON A WEEKLY BASIS TO GET INVOLVED IN MOVING THE COMPANY FORWARD

We will be sending out ballots again but would first ask that people that would like to get more involved please volunteer your time and put your name in for a position on the board. Some of us would like to take a step back and provide some input if asked but we really do need others to step up and perhaps bring new ideas to move the Company forward. We have a handful of board members that would like to take a break and this may be the time to get others involved in helping us try to get the energy system into the right hands to see if it can be moved forward in a much more measureable way than we can at this point.

The Company needs people to get more involved if they believe they may have contacts that could be useful to help us move these products forward. CONTACTS IN FUNDING AND TECHNOLOGICAL EXPERTISE are needed by the Company.

Over the last 2 years the Company has been limping along financially as the only funds placed into the Company's account has been those provided by various board

members. The Company needs people to come forward that can help raise funds if we are to continue to be able to operate and hopefully monetize the energy system.

We will have about 4/5 spots available to be filled on the board and therefore please email us if you would like to be considered for the board and have your name put on the ballot that goes out to all the owners. Please provide perhaps a 2 paragraph statement as to your background so that people have that when they vote. We would like to get ballots out in February so that we can have a new board for the upcoming year.

PLEASE PROVIDE US THIS BRIEF DESCRIPTION OF YOUR BACKGROUND AND INTEREST IN WORKING WITH THE COMPANY AND/OR BEING ON THE BOARD SO THAT IF YOU SEEK TO BE ON THE BOARD THAT DESCRIPTION CAN GO OUT TO THE OWNERS.

PLEASE PROVIDE US YOUR INFORMATION ON OR BEFORE MARCH 1, 2021

PLEASE EMAIL YOUR INFORMATION TO - STOBIAS@MAGNETICMILESLLC.COM