



Dear Fellow Shareholders,

In our effort to keep shareholders up to date with the latest developments in the Magnetic Miles project here is our latest report.

We are happy to report that since our last newsletter we have received acknowledgement that our third patent was accepted by the United States Patent Dept. This application gives us the patent rights for a device which can create energy in a static state. (No Moving Parts.) We also have just filed a fourth patent application on the method of how we convert the output of the MM1 into measurable and useful energy.

We now have additional engineers that have joined the team, one of which is a former nuclear engineer and naval officer, who is also a fellow shareholder. He will be working with the rest of the team in the design and testing of a device in the next thirty to sixty days. We feel this device may capture even more energy than our current device and provide indisputable measurements of greater output versus input.

We are still engaged with the University of Alabama. Upon the completion of the newest "Vessel" version we will entertain not only Dr. Haskew and Dr. LeClair, but also other world renowned physicists to examine our technology, our data and our ability to demonstrate how we can capture energy.

Once we obtain accreditation, further proving our achievements, we will then invite potential buyers and all other interested parties to view our technology. We are trying to bring the result of years of testing and development to a conclusion. We expect to be ready to present this project to prospective buyers before the end of this year.

Because of patent laws and the risk of releasing information that can compromise the project, we cannot be too descriptive in any correspondence. Please be assured we are all doing our best to bring this project to a very successful conclusion. Our technical team continues to work on an average of six to seven days a week with no monetary compensation.

We will keep you advised and up to date on our progress. Our next newsletter is scheduled for October 2014. We look forward to reporting some exciting news. Until then I'd like to thank you for your belief, continued support and most of all your patience.

Sincerely,


Michael Cristoforo, COO