



Summary of Information provided at the annual stockholders meeting October 31, 2015

Moller International and Freedom Motors Technology

- **Volantors**

The Skycar volantor is a true flying car, similar to those seen in the movie “Back to the Future II” or “Fifth Element”. What makes the Skycar different from other so-called flying cars, is that it avoids a runway by taking off and landing vertically (VTOL). In addition to its VTOL capability, the Skycar fits in a single car garage, is designed to fly at over 300 miles per hour and can drive on the street to a nearby Vertiport (Heliport) where it will use the automated highway in the sky, called HITS, now in development by the US government. The volantor models scheduled for initial production are the two passenger Skycar 200 and Neuera 200 for commuter and recreational use as well as the Firefly for emergency rescue and border patrol. The Skycar 400 and 600 require more thorough FAA certification and will not be available for at least 3 years except for military applications. The key to the Skycar, Neuera, and Firefly performance is the Rotapower® rotary engine. An earlier version was smaller and lighter for its power output than any other small engine in the world, however, to achieve the design payload and range, more power was needed. Utilizing the rotary engine assets acquired from General Motors (GM), Outboard Engine Company (OMC), and Infinite Engine Company (IEC) along with \$45 million in additional development, Moller International was able to achieve over 3hp per lb. of engine weight with its latest design. The resulting 204 horsepower engine is small enough to tuck under one arm, and provides the power required to meet both the design payload and range. The volantor utilizes multiple Rotapower® engines to eliminate the consequences of an engine failure.

- **Rotapower® Engines**

The performance of the Rotapower engine created worldwide interest for many other applications including hybrid cars, recreational vehicles, and portable power equipment. As a result, Moller International’s commercial engine licensee, Freedom Motors, has received letters of intent, conditional orders, and firm orders for over 3.5 million engines (approximately \$5 billion).

- **Aerobots (Drones)**

Moller International has delivered a wide variety of drone aircraft to various branches of the US government where its Rotapower® engine allowed VTOL delivery of significant payloads over substantial distances. Aerobots with this unique ability are expected to become ubiquitous in the near future as the FAA provides guidelines for their widespread use.

Moller International activity during 2015

- Upgrade the original M200 Neuera prototype to the FAA standards required for FAA approval to demonstrate it before a group.
- Create and demonstrate a scale model of the Neuera Firefly as a rescue/utility version of the Neuera 200.
- Work with our FAA liaison Ed De Reyes to get approval for a quick and low cost way to achieve FAA approval.
- Rearrange occupancy of our present facility to achieve an 80% reduction in our facility and operating cost without losing any of our volantor and engine development capability.
- Finalizing the design details of the Skycar 200.

Freedom Motors Activities during 2015

- FM assumed responsibility for all engine development except for aircraft and ducted fans use. Previously, FM contracted MI to undertake its engine development.
- Work with various companies on the integration of our engine into their products.
- EB5 funders prefer to finance hotels with clear job creation. As a result we ended up needing to provide far more support material than expected. We will know (yes or no) by year end.
- After two false starts, we feel comfortable that our present attorney is addressing the Regulation A offering in a way that improves our chances for a successful outcome. As soon as it is filed, I will provide a newsletter update.
- Strategize a business plan around EB5 funding that would address how to create the necessary jobs within two years if FM was offered EB5 funding.

Other

- I have done over 25 radio interviews promoting our technology and how it will integrate into a future personal airborne transportation system.
- I have turned down dozens of other TV and media requests because of my limited time available

Goals for 2016

Moller International

- Demonstrate the Neuera 200 in a FAA approved flight before the international press.
- Upgrade M400 Skycar to FAA flight worthy status.
- Begin limited production of the Neuera 200 and/or Firefly.
- Begin prototype construction of the Skycar 200.



- Construct and demonstrate a Skycar 100 if funded under contract.



- Engage with a joint venture partner to undertake production

Freedom Motors

- Acquire funding from one or more of the following on-going activities.
 - EB5 funding for \$5 million to \$10 million.
 - Regulation A funding for \$2.5 million to \$5 million.
 - Fund raising consultant – Jon Feinstein our Administrator of Marketing and Technology.
- Complete a Beta production run of 400 engines (200 – 150cc and 200 – 530cc).
- If funding permits we will begin endurance testing a compound version of our 27cc displacement engine. This engine is the ideal candidate to power a one kilowatt gen-set. The US government is prepared to subsidize a \$240 billion program to put one in every home in the US that has natural gas (about 75 million homes).