

Clean Air Turbine

How to win XPRIZE

By BRPauL



Where do we Start.

**Dr. Robert McGee, Chairman and CEO
Clean Air Turbine Company, Inc
3991 Pontchartrain Drive
Slidell, LA 70458**

&

Inventor BRPauL

We will start with the Business Plan First for complete overview and understanding made simple.

CONFIDENTIAL

COPY # _____

Clean Air Turbine Company, Inc.

DO NOT COPY

July 2011

Confidentiality Agreement

The undersigned reader acknowledges that the information provided by Clean Air Turbine Company, Inc. in this business plan is confidential; therefore, reader agrees not to disclose it without the prior express written permission of Clean Air Turbine Company, Inc.

It is acknowledged by reader that information to be furnished in this numbered copy of the business plan is in all respects confidential in nature, other than information which is in the public domain through other means and that any disclosure or use of same by reader, may cause serious harm or damage to Clean Air Turbine Company, Inc. Upon request or if the reader decides to forego investment at this time, this numbered document is to be immediately returned to Ronald J. Doeve, the Company's Corporate Secretary and General Counsel, to P.O. Box 956607, Duluth GA 30095.

Signature

Name (typed or printed)

Date.

This is a business plan. It does not imply an offering of securities.

DISCLAIMER

The Company advises you that all the information included in the following Business Plan includes forward looking statements. These statements are based on Management's beliefs and assumptions, particularly related to certain projected economic results, and upon information currently available to management. Forward looking statements include the information concerning possible or assumed future results of operations by the Company as set forth in every section of this document. Forward looking statements also include statements in which we use words such as "projected" or similar expressions indicating an intended but unknown future result. Each party relying upon this document should understand that these constitute Management's best projections of future results and should not be relied upon as an assurance or warranty of future results in any manner.

STATEMENT OF PURPOSE

Purpose of the Business Plan

The purpose of this Business Plan is to secure \$20,000,000 in investment funds to launch a global energy manufacturing and distribution enterprise. Clean Air Turbine Company, Inc. (“CAT Corp”) will manufacture Clean Air Turbine™ systems, scaled to commercial coal-fired power plants and other industrial applications, to remove dangerous emissions and increase production efficiency. The CAT Corp has acquired exclusive licensing for patented “hydrogen on-demand” technology, a crucial component of the Clean Air Turbine™.

The CAT Corp has developed a simple, efficient and cost-effective technology that will enable coal-fired power plants to meet binding international environmental standards put forth in the 1997 Kyoto Protocol and stringent U.S. Environmental Protection Agency Clean Air regulations that threaten coal-fired power generation. This applies to both existing facilities and future construction and all grades of coal, regardless of impurities.

The Clean Air Turbine™ system:

- Burns 99% of dangerous coal exhaust while capturing all mercury emissions.
- Brings carbon dioxide emissions into environmental standards transforming coal to a green energy that is virtually pollutant free.
- Achieves a 100 % increase in efficiency, capturing the two-thirds of energy currently lost in unburned fuel and heat exhaust at plants (*when properly configured*)
- Eliminates the need for costly plant modifications and interruptions to current operations.

Business Model

CAT Corp will be a manufacturing franchise with exclusive rights to the Pulsar™ on-demand hydrogen and oxygen generation system for use in the Clean Air Turbine™. The Company will offer 30 international “Master Franchises” for exclusive use and indigenous production of the Clean Air Turbine™ in defined geographic areas for negotiated production runs. Franchise territories will be determined by current and projected economic industrialization and power demand, population distribution, and national and cultural divisions.

The Company will determine the value of individual franchises based on energy consumption in terms of coal or coal products consumed. This approach will establish baseline regional or national market potential for each franchise and provide an objective standard for pricing individual franchises. Because of unique political, economic and social characteristics associated with different franchise territories, CAT Corp has the option to offer discounts or charge premiums for individual franchises in the best interests of the Company.

CAT Corp will receive production royalties per unit for the manufacture of the Clean Air Turbine™ and associated components under license. Additionally, the Company will levy 4% royalty fees from the power generation customer based on the plant efficiencies achieved with the Clean Air Turbine™ system (*compared to baseline efficiency results prior to CAT™*)

installation). CAT Corp will in-turn return 38% of royalties from power generation customers to the respective franchise owner. The Company will use these fees to sustain technological research and development and spiral upgrades.

Financial Model

CAT Corp revenue source will be based on the following:

- Sale of 30 Master Franchises
- Manufacturing, sales and distribution of Clean Air Turbine™ systems worldwide
- Power plant royalties

CAT Corp will sell 30 Master Franchises at the rate of \$1 million per gigawatt of electrical consumption provided by coal and coal products providing total revenue of \$1.31 billion. The Company will retain ownership rights in the United States, which represents the second largest coal-fired power generation at 335 GW behind China and will price Clean Air Turbine™ production units with a 200% profit margin.

CAT Corp has negotiated an agreement with *Prime Core Tech, LLC* for exclusive rights to manufacture the patented Pulsar™ and Clean Air Turbine™ system for domestic and international sale.

Based on conservative projections CAT Corp will achieve its break-even point upon the sale of its second franchise (based on \$15M average price) projected at the 10 to 11 months of operation. The Company conservatively forecasts first year sales of three Master Franchises and one 600-megawatt capacity Clean Air Turbine™ system to gross over \$125 million, delivering a first year **600% Return on Investment**.

Capital Required & Use of Funds

Robert McGee, Chairman and CEO of Clean Air Turbine Company, Inc., is seeking funding in the amount of \$20 million to fund this business venture. The amount is sufficient to cover the costs of building production prototypes (\$5.0 million), initial manufacturing (\$8.5 million), international marketing and franchises (\$500,000), first year salaries (\$2.9 million), and other start-up costs approximating \$3.0 million.

Summary

The oppressive regulatory environment ushered in by the Kyoto Protocol and environmental standards in the U.S. that threaten coal-fired power generation offers an ***unprecedented opportunity*** for on-demand hydrogen technology. The Clean Air Turbine™ offers a ***“right now”*** solution for making coal-fired power plants not only compliant with the most stringent EPA regulations, but can even transform these power plants to a “zero” carbon footprint at a fraction of the cost of retrofitting older coal-fired plants with carbon controls and/or replacing them with gas-powered plants. In addition, the Clean Air Turbine™ will save billions of dollars in capital expenses by extending the service life of legacy coal-fired plants without major modifications while meeting EPA standards.

The Clean Air Turbine™ is poised to transform the global energy landscape by enabling coal to be burned at high levels of efficiency with negligible environmental impact.

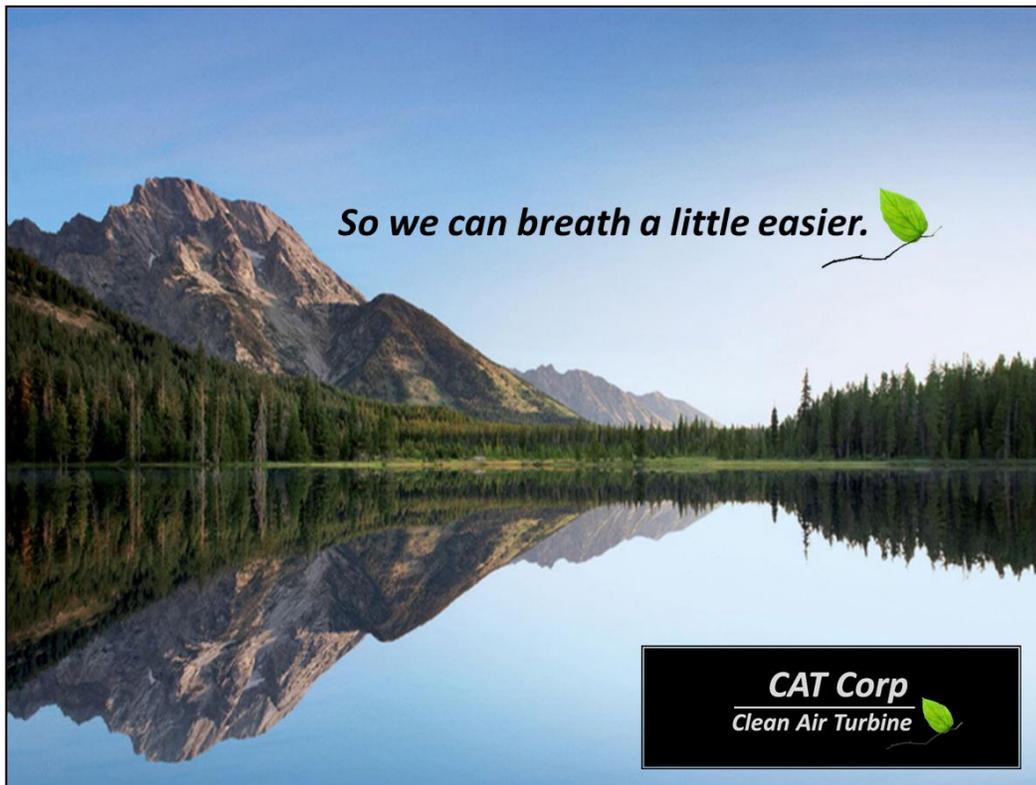


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SECTION 1 EXECUTIVE SUMMARY

Coal-fired power for the foreseeable future will remain the dominant source of electrical generation with more than 50,000 generation units worldwide and growing. In the U.S., 1,522 units are in operation with 170 new units projected to come on-line by 2030. The Clean Air Turbine™ system offers tremendous cost savings to power utilities by reducing capital costs and operating costs associated with emission control measures.

To meet coming restrictions to reduce conventional emissions, older coal-fired power plants will require expensive upgrades which could result in over 50,000 megawatts of coal plant retirements and require an investment of up to \$180 billion for remaining plants to comply with the mandates.

Business Profile

Clean Air Turbine Corporation, Inc, utilizes a revolutionary technological break-through in on-demand hydrogen generation to capture and burn 99% of harmful emissions. Working on the concept for over 15 years, the inventor, Mr. Buddy Paul, was able to effectively separate pure hydrogen and oxygen from water using very little energy in a patented device called the Pulsar™. Undergoing extensive patent research and independent testing, the Pulsar™ has been validated as a proven technology. When used as part of the Clean Air Turbine™ system, it virtually eliminates all harmful coal-fired plant emissions.

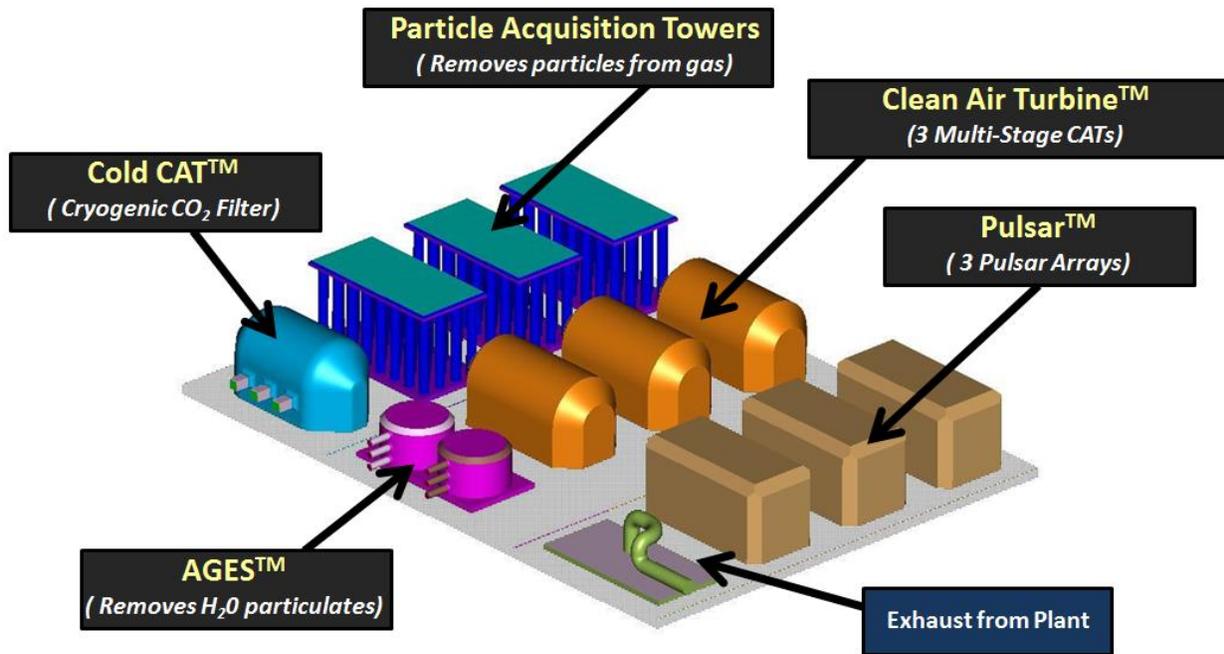
“Our group became aware of the Pulsar technology almost a year ago. Because of the potential we saw in commercial application of the technology, we formed a corporation and began to validate and prove out the technology in a structured manner. In the last 8 months, we have had the technology reviewed, tested and validated by over 15 engineers; including two PhD’s who oversaw the initial purity and volume testing that was completed. Based on the results obtained by our due diligence, we became convinced that the technology was real and that there were a number of tremendous commercial applications upon which our company could be based upon. For these reasons, we decided to buy a license to manufacture and use the Pulsar technology and are very excited about the opportunities that are ahead of us.”

Bert Means, President
Proteus Resources Group, Inc.
Bert.Means@proteusresources.com
<http://www.proteusresources.com>

Instead of pursuing hydrogen as a fuel source, Mr. Paul uncovered an unexploited niche for using hydrogen to burn hazardous hydrocarbon emissions resulting in the development of the Clean Air Turbine™.



The Product or Service



CAT II™ System – 50' X 100'

The Clean Air Turbine™ system consists of five interconnected component systems designed to remove all air pollutants in five stages from the exhaust of coal-fired power plants and when configured properly can generate large amounts of electrical power and reduce the total amount of fuel consumed per watt. The CAT™ system will eliminate the need for carbon controls and increase the efficiency of the plant by 30 to 40% over those equipped with scrubbers.

Marketing Strategy

CAT Corp's primary market is the coal-fired power industry, which is being threatened by a "tsunami" of new regulations and emission standards. However, the Clean Air Turbine™ system has a unique and proven capability with no direct competitors and is distinctively poised to corner the market for transforming coal to a clean energy.

CAT Corp's marketing and promotional strategy will consist of a focused campaign to create a "buzz" in the industry about the Clean Air Turbine™ system by targeting executives and senior management in the coal-fired power industry. The Company will develop high quality informational advertisements in leading trade publications, use banner or text "push" advertisements associated with industry e-newsletters, and have displays at trade shows.

The Company's Master Franchise strategy will capitalize on the need for clean coal-fired power generation, both internationally and domestically, allowing the company to penetrate the global

market in the first year and setting the conditions for rapid expansion as production capability increases.

Financial Objectives

The Company is seeking funding in the amount of \$20,000,000 to launch this business venture. The amount is sufficient to cover the costs of building production prototypes (\$5.0 million), initial manufacturing (\$8.5M), international marketing and franchises (\$500,000), first year salaries (\$2.9 million), and other start-up costs approximating \$3.0 million.

CAT Corp's major sources of revenue reside in the sale and distribution of the Clean Air Turbine™ system directly and through Master Franchises. The pricing strategy for the Clean Air Turbine™ and its components will include a 200% profit margin for direct sale of the system.

Based on conservative projections for the sale of three Master Franchises and the sale of one Clean Air Turbine™ system, the Company will achieve first year EBITDA earnings more than \$125 million—a six-fold return on the initial investment. Second- and third-year projected EBITDA earnings will exceed \$1.6 billion and \$3.25 billion, respectively.

CAT Corp will offer 30 international Master Franchises for exclusive use and indigenous production of the Clean Air Turbine™ with each franchise priced at the rate of \$1 million per gigawatt of electrical consumption generated by coal in the respective franchise territory resulting in revenues in excess of \$1.3 billion.

Management and Operations

CAT Corp has assembled a highly qualified management team of successful professionals, executives, engineers and entrepreneurs who bring specific talents, experience and expertise to the Company. CAT Corp's offices and fabrication shop will be located in West Palm Beach, Florida, approximately five minutes from I-95 and 12 miles from Palm Beach International Airport.



Exit Strategy

Upon meeting all milestones, the CAT Corp Board of Directors will have the option to entertain buy-out offers or mergers/acquisition with international energy companies. Until these milestones are met, CAT Corp will distribute earnings in the form of dividends for continuing operations in its industry applications.

The investor(s) will have several exit opportunities. The most likely exit will come from a buy back of the outstanding shares using cash on the Company's balance sheet or through the exchange of the stock with long term capital provided by an institutional lender.

While there are no initial plans to take the Company public, when the CAT Corp's value is determined to be \$500 million and the management team is equipped with experienced executives able to successfully take the Company public, the Board of Directors can vote for an Initial Public Offering. Currently, there is no stock buyout or buyback plan, but there is a warrant allowing purchase of common stocks at a locked-in price (\$1/share) for holders of Preferred stock.

Summary

The oppressive regulatory environment ushered in by the Kyoto Protocol and environmental standards in the U.S. that threaten coal-fired power generation offers an ***unprecedented opportunity*** for on-demand hydrogen technology. The Clean Air Turbine™ offers a ***“right now”*** solution for making coal-fired power plants not only compliant with the most stringent EPA regulations, but can even transform these power plants to a “zero” carbon footprint at a fraction of the cost of retrofitting older coal-fired plants and/or replacing them with gas-powered plants. In addition, the Clean Air Turbine™ will save billions of dollars in capital expenses by extending the service life of legacy coal-fired plants without major modifications while meeting EPA standards.

The Clean Air Turbine™ is poised to transform the global energy landscape by enabling coal to be burned at high levels of efficiency with negligible environmental impact.

SECTION 2

BUSINESS DESCRIPTION

2.1 Company Overview

Clean Air Turbine Corporation, Inc, will be a global energy manufacturing and distribution enterprise based in West Palm Beach, Florida, developing high efficiency Clean Air Turbine™ systems designed to remove harmful emissions from coal-fired industrial plants, principally coal-fired power plants. The Company will focus its efforts to meet the needs of investor-owned utilities, publicly owned utilities, and independent power producers in the U.S., and state and publically-owned power generation plants worldwide.

The CAT Corp utilizes a revolutionary technological break-through in on-demand hydrogen generation to capture and burn 99% of harmful emissions. Working on the concept for over 15 years, the inventor, Mr. Buddy Paul, was able to effectively separate pure hydrogen and oxygen from water using truly little energy by manipulating electricity in a unique way. This led to the invention of the Pulsar™, a simple and inexpensive device that applies an extremely low electrical (0.5 amp) current to water creating pure hydrogen, oxygen, and electric energy.

Based on the capability of the Pulsar™ to create on-demand hydrogen, Mr. Paul, working with Dr. Robert McGee, pioneered a new direction in the emerging hydrogen industry. Instead of pursuing hydrogen as a sole fuel source as applied in fuel cell technology, Mr. Paul and Dr. McGee uncovered an unexploited potential market for using hydrogen to burn hazardous hydrocarbon emissions.

Knowing that hydrogen is the hottest burning element, burning three times hotter than gasoline; Mr. Paul concluded the rapid combustion of hydrogen in a contained chamber would consume virtually all pollutant particles (sulfur dioxide, nitrogen oxide, carbon monoxide, arsenic and volatile organic compounds) from any type of exhaust. He began working to solve this problem by building a laboratory near his home in Slidell, LA.

Working exclusively on this problem for the past 2 years, Mr. Paul developed a device applicable to industrial coal-fired power plants, the largest air polluters, which resulted in the development of the Clean Air Turbine™.

The Clean Air Turbine™ is a device that purifies exhaust and ambient atmospheric air while generating highly efficient mechanical power in the process. With the appropriate CAT system, hazardous air pollutants can be reduced by an estimated 99%, and when used in conjunction with the Artificial Gravity Enhance Separator (AGES™), Cryogenic Air Pump Carbon Dioxide Precipitator (CAP™), and Particle Acquisition Tower (PAT™) will eliminate all airborne carbon dioxide emissions. In addition, the Clean Air Turbine™ can (based on the customer's needs) be coupled to generators to harness the mechanical energy of the spinning turbines to produce electricity—achieving an over 100% increase in the plant's efficiency or doubling its electrical output.

Clean Air Turbine Corporation, Inc, was founded by the Company's CEO and inventor in April 2011 and is in the developmental stage. The Clean Air Turbine™ has undergone extensive patent research and independent testing with favorable results confirming the uniqueness of the device and its revolutionary application of on-demand hydrogen to virtually eliminate all harmful coal-fired plant emissions.

The Clean Air Turbine™ design has been engineered with in-depth three-dimensional computer-aided design blueprints and solid model designs and is ready to be sent to specified manufacturers for production.

Provisional patents have been filed for the associated components of the Clean Air Turbine™ system to include:

- Artificial Gravity Enhance Separator (AGES™)
- Cryogenic Air Pump Carbon Dioxide Precipitator (CAP™)
- Particle Acquisition Tower (PAT™)

Coal-fired power for the foreseeable future will remain the dominant source of electrical generation with more than 50,000 generation units worldwide and growing. In the United States alone, 1,522 units are in operation with 170 new units projected to come on-line by 2030. The CAT offers tremendous cost savings to power utilities by reducing capital costs and operating costs associated with emission control measures. Using a notional 600-megawatt plant, the CAT will reduce new plant capital cost by 16% equating to \$377 million and provide in excess of \$87 million annually in operating cost savings.

In addition, the CAT will eliminate the need for costly scrubbers and carbon allowances while increasing the life cycle of the existing fleet of coal-fired power plants in the U.S. and around the world.

The oppressive worldwide regulatory environment ushered in by the Kyoto Protocol and more restrictive Environmental Protection Agency (EPA) standards in the U.S. that threaten coal-fired power generation offers an **unprecedented opportunity** for on-demand hydrogen technology. The Clean Air Turbine™ offers a **“right now”** solution for making coal-fired power plants not only compliant with the most stringent EPA regulations, but can even transform these power plants to a zero-carbon footprint at a fraction of the cost of retrofitting older coal-fired plants and/or replacing them with gas-powered plants. In addition, the Clean Air Turbine™ will save billions of dollars in capital expenses by extending the service life of legacy coal-fired plants without major modifications while meeting EPA standards.

2.2 Mission Statement

CAT Corp is committed to applying cutting-edge hydrogen solutions to improve the economic, social and environmental well-being of our planet. The Clean Air Turbine™ is poised to transform the global energy landscape by enabling coal to be burned at high levels of efficiency with negligible environmental impact. The Clean Air Turbine™ will create a healthy, clean and sustainable future for our children...so we can breathe a little easier.

2.3 Company Goals and Objectives

CAT Corp's objective is to build a global manufacturing and distribution network for the Clean Air Turbine™ system.

CAT Corp's immediate goals include:

- Building a working prototype of the Clean Air Turbine™ to validate operational design and make any adjustments before going into its first production run.
- Sale of 3 Master Franchises within 90 days of completion of prototype.
- First run of operational Clean Air Turbine™ and accompanying system components.

CAT Corp's goal is to meet the following milestones within 5 years:

- Sale of all 30 Master Franchises within 36 months generating in excess of \$1 billion in revenue.
- Full-scale production of Clean Air Turbine™ and its system components.
- Negotiated agreements for the indigenous production of the Clean Air Turbine™ in foreign markets under license and management of the respective Master Franchise owner.
- Value of the Company exceeds \$500 million.

2.4 Business Model

Regulatory pressures associated with the Kyoto Protocol and the U.S. Clean Air Act are being driven by the growing demands of environmental and health advocates. However, the price to reduce airborne pollutants will impose an inordinate amount of economic pain causing the near-term closure of nearly a quarter of the 1200-plus coal-fired power plants, if required to add scrubbers and selected catalyst reduction systems which can cost \$200 to \$300 million per installation resulting in economic slowdown and job losses.

The cost to retrofit an existing coal-fired power plant to meet U.S. EPA Clean Air standards was cited in the CRS Report for Congress *Power Plants: Characteristics and Cost* (Nov 13, 2008) to be \$1,600 per kilowatt of electrical capacity or \$960 million for a 600 megawatt plant. Although, this cost is based on strict U.S. EPA standards, it reflects similar Kyoto Protocol standards that set binding targets for 37 industrialized countries and the European community for reducing greenhouse gas emissions. Under the new regulations, the EPA would give utilities three years to install adequate pollution control technologies allowing only one-year extensions for plants that need extra time to comply. Tom Fanning, chairman of the electrical utility Southern Company said, "the compliance period is unreasonable" and a surge of shutdowns could create wide-spread grid reliability problems during peak seasons, hurting the economy.

CAT Corp's Clean Air Turbine™ system will meet the concerns of environmental and health advocates by eliminating harmful emissions while extending the life cycle and viability of the existing coal-fired power generation fleet. It will also eliminate the need for carbon controls and increase the efficiency of the plant by 30 to 40% over those equipped with scrubbers. CAT Corp will manufacture Clean Air Turbine™ systems for direct sale in the U.S. and to international franchises for exclusive use and indigenous production in defined geographic areas for negotiated production runs. CAT Corp offers a solution to transform cheap and abundant coal into the cleanest burning hydrocarbon which is the life blood of industrialized economies.

2.5 Business Entity

Clean Air Turbine Corporation, Inc. is incorporated in the State of Nevada as a C-Corporation for the purpose of Research & Development.

2.6 DBA Name (Doing Business As filing)

The Company will do business as the "CAT Corp."

2.7 SSIC Code (Standard Subject Identification code)

CAT Corp does not have an SSIC Code as it has no military procurement or sales authority.

2.8 Ownership

CAT Corp consists of 500,000,000 shares of preferred and common stock ownership.

- 70% Prime Core Tech, LLC
- 20% Investor (s) (*single investor or divided among multiple investors*)
- 10% Buddy Paul (*Invention Bonus*)

2.9 Business Address and/or Mailing Address

- 3991 Pontchartrain Drive, Slidell, LA 70458

2.10 Business Phone Numbers

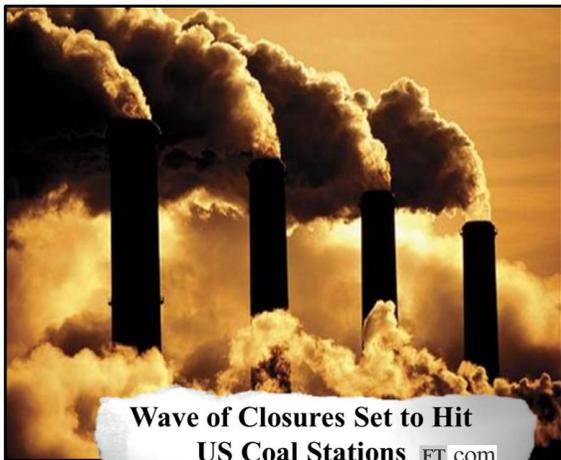
- Office: 985-718-7545
- Mobile: 791-332-0099 (*Bob Beard, CDO*)
- Mobile: 805-551-3451 (*Pat Matrisiana, COO*)
- Mobile: 757-771-9714 (*Baker Beard, President*)
- Mobile: 817-600-0593 (*Robert McGee, CEO*)

2.11 Tax Identification Number

Clean Air Turbine Corporation, Inc.

- State of Incorporation: **Nevada**
- Date of Incorporation: **April 18, 2011**
- FEI Number: **44-1773896**

2.12 Industry Trends



Closures of US coal-fired power plants are set to accelerate sharply during the coming decade as a wave of environmental regulations hits the industry.¹ Pending EPA regulations to slash U.S. power plant emissions will lead to the closure of nearly 18% to 20% of the nation's coal-fired generation.² Additionally, new controls on emissions from coal-fired power plants threaten over 800,000 jobs, restrict business development and drive higher energy costs.

In 2007, coal-fired power plants, in excess of 50,000 plants worldwide, accounted for 41% of global power generation which is responsible for one-quarter of total emissions of carbon dioxide--the main culprit in global warming. Although no single country comes close to the 2.8 billion tons of carbon dioxide produced annually by the U.S. power sector, other countries collectively account for three-quarters of the power-related carbon dioxide burden. China follows the United States with 2.7 billion tons; followed by Russia, India, Japan, Germany, Australia, South Africa, the United Kingdom and South Korea.

Top Global CO₂ Producers

50,000 coal-fired plants worldwide, accounted for 41% of global power generation responsible for one-quarter of total CO₂ emissions



¹ Crook, E. (2010, October 18). Wave of Closures Set to Hit US Coal Stations *The Financial Times*. Retrieved from ft.com.

² Holly, C., (2010, October 9. EPA Air Regulations Shrinking Power Glut . Retrieved from http://www.coalpowermag.com/environmental/EPA-Air-Regulations-Shrinking-Power-Glut_285.html

To fuel their exploding manufacturing base, China will build 500 coal-fired power plants in the next decade, at the rate of almost one per week. This massive appetite for coal means equally huge greenhouse gas emissions. In the past year, China has added generating capacity that is equal to the whole of France's electricity grid. Unless China finds a way to clean up its coal plants and the thousands of factories that burn coal, pollution will soar both at home and abroad. The increase in global-warming gases from China's coal use will probably exceed that for all industrialized countries combined over the next 25 years, surpassing reductions called for by the Kyoto Protocol by five-fold.

Already, China uses more coal than the United States, the European Union and Japan combined. And it has increased coal consumption 14% in each of the past two years. To make matters worse, India is in close pursuit to China in stepping up its construction of coal-fired power plants with a population expected to surpass China's by 2030.

The United States' coal-fired power fleet includes 1,522 coal-fired generating units at 614 plants generating a total of 335 gigawatts of production capacity. A typical 500-megawatt coal plant burns 1.4 million tons of coal each year expelling:

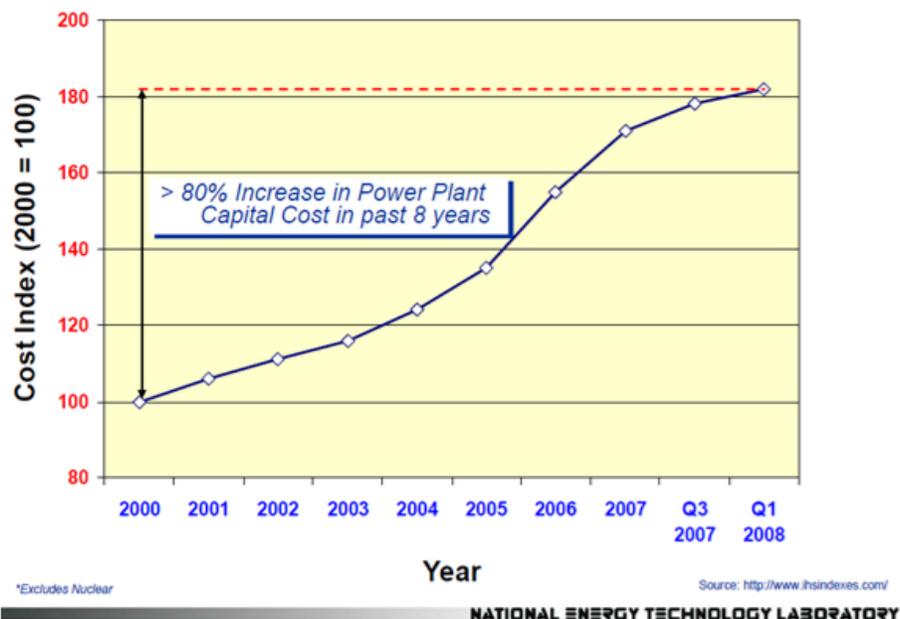
- 3.7 million tons of carbon dioxide,
- 10,000 tons of sulfur dioxide,
- 10,000 tons of nitrogen oxide,
- 720 tons of carbon monoxide and
- 170 pounds of mercury.

In 2007, coal generation accounted for 49% of total power generation in the United States. To meet projected demand, the *Energy Information Administration* estimates that the nation will have to construct 226,000 megawatts of new electric power generating capacity by 2030³...the equivalent of approximately 450 large power plants, with coal-fired plants accounting for over a quarter of new capacity built through 2015...that equates to 170 new coal-fired generating units.⁴ However, the escalating costs of new coal-fired plants combined with the “tsunami” of Clean Air regulatory restrictions, raises questions to whether this much coal-fired capacity will actually be built.

³ EIA, an independent arm of the Department of Energy, is the primary public source of energy statistics and forecasts for the United States. The estimated amount of new generating capacity is taken from the Excel output spreadsheet for the *Annual Energy Outlook 2008* report. Note that EIA forecasts assume no change to the laws and regulations in effect at the time the forecasts are made.

⁴ EIA projects the construction of 85,300 MW of new coal fired capacity.

CERA Power Capital Cost Index (PCCI)



Construction costs for power plants have increased by 80% to 131% between 2000 and 2008,⁵ attributed to the high prices for raw and semi-finished materials, the weak dollar, rising construction, and engineering costs,⁶ and worldwide demand for generating equipment from other industrial sectors ... driven by the rapid growth in Asian economies.⁷

To meet coming restrictions to reduce conventional emissions such as sulfur dioxide, nitrogen oxide, carbon dioxide and mercury, older coal-fired power plants will require expensive upgrades which could result in over 50,000 megawatts⁸ of coal plant retirements and require an investment of up to \$180 billion for remaining plants to comply with the mandates.

⁵ IHS CERA press release, "Construction Costs for New Power Plants Continue to Escalate IHS-CERA Power Capital Costs Index," May 27, 2008 [<http://energy.ihsex.com/News/Press-Releases/2008/IHS-CERA-Power-Capital-Costs-Index.htm>].

⁶ Christopher D. Kirkpatrick, "A Bidding War for Engineers: Power Plant Construction Boom Creates a Labor Shortage," *The Charlotte (North Carolina) Observer*, September 5, 2008.

⁷ Matthew L. Wald, "Costs Surge for Building Power Plants," *The New York Times*, July 10, 2007.

⁸ One megawatt power about 1,000 U.S. homes.

Emission Controls as Estimated Percentage of Total Cost for a New Pulverized Coal Plant

	Percent of Total Cost		*O & M for 600 MW Plant
	Plant Capital Cost	Plant O & M Cost	
SO ₂ Controls	12%	29%	\$49,796,920
Mercury Controls	1%	9%	\$15,454,216
NO _x Controls	2%	12%	\$20,605,622
Other	1%	1%	\$1,717,135
Total	16%	51%	\$87,573,893

Source: Calculated by CRS from MIT, *The Future of Coal*, 2007, Tables A-3.D.3. and Tables A-3.D.4. Calculations were made for the point estimates in the report; the tables have cost ranges for capital costs and for mercury control O&M costs. * Base O&M \$171,713,520

Notes: SO₂ = sulfur dioxide; NO_x = nitrogen oxides; O&M = operations and maintenance

Commercial technologies can remove 95% of the sulfur dioxide generated by burning coal in pulverized coal plants. However, sulfur dioxide control systems are expensive and will account for 12% of the capital cost of a new coal plant and 29% of non-fuel operating costs.

As a co-benefit of operating sulfur dioxide control equipment, some pulverized coal plants can achieve 90% removal of mercury, but most will have to install a powder activated carbon injection system accounting for an additional one percent of the plant's capital cost and nine percent of non-fuel operating costs.

Furthermore, control equipment to reduce nitrogen oxide emissions will consume about two percent of capital expense and 12% of non-fuel operating costs.

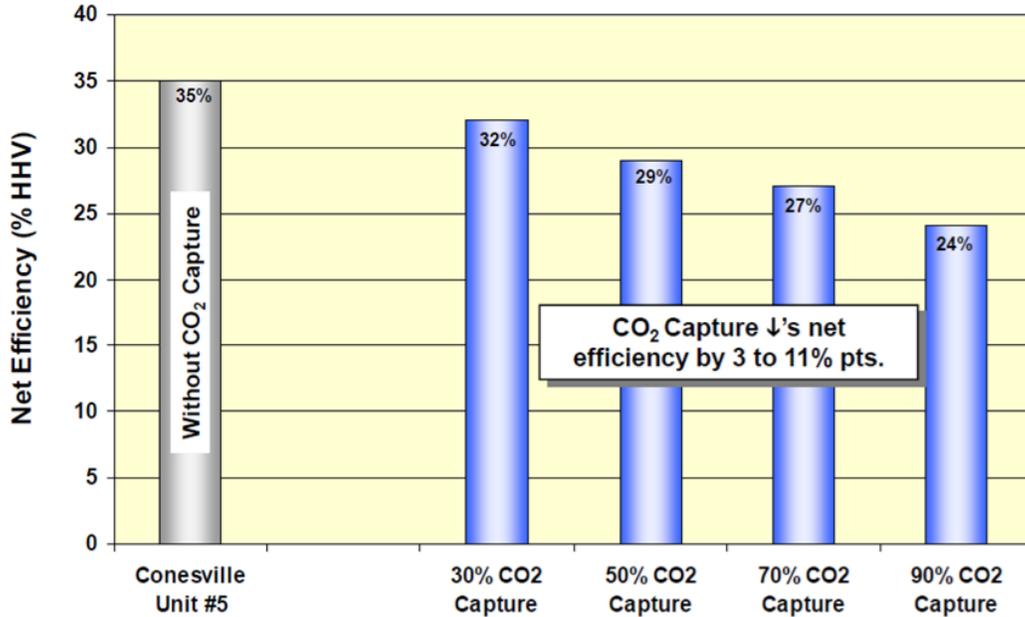
In total, sulfur dioxide, nitrogen oxide and mercury control systems will increase capital investment cost for new plants by 16% and will account for 51% of the operating costs. Applied to a single, mid-size 600-megawatt power generation plant in the United States, these operating costs alone will exceed \$87 million annually.⁹

Added to the conventional emission controls are new regulations for carbon dioxide. Technology using a class of chemicals called amines, can be used to scrub carbon dioxide from flue gas;

⁹ U.S. Library of Congress. Congressional Research Service. *Power Plants: Characteristics and Costs* by Stan Kaplan. Washington: The Service, November 13, 2008 (Order Code RL34746). Available at <http://www.fas.org/sgp/crs/misc/RL34746.pdf>

however, amine scrubbing is energy intensive, decreasing coal plant electricity output by an estimated 30% to 40%.¹⁰

Pulverized Coal Plant Efficiency



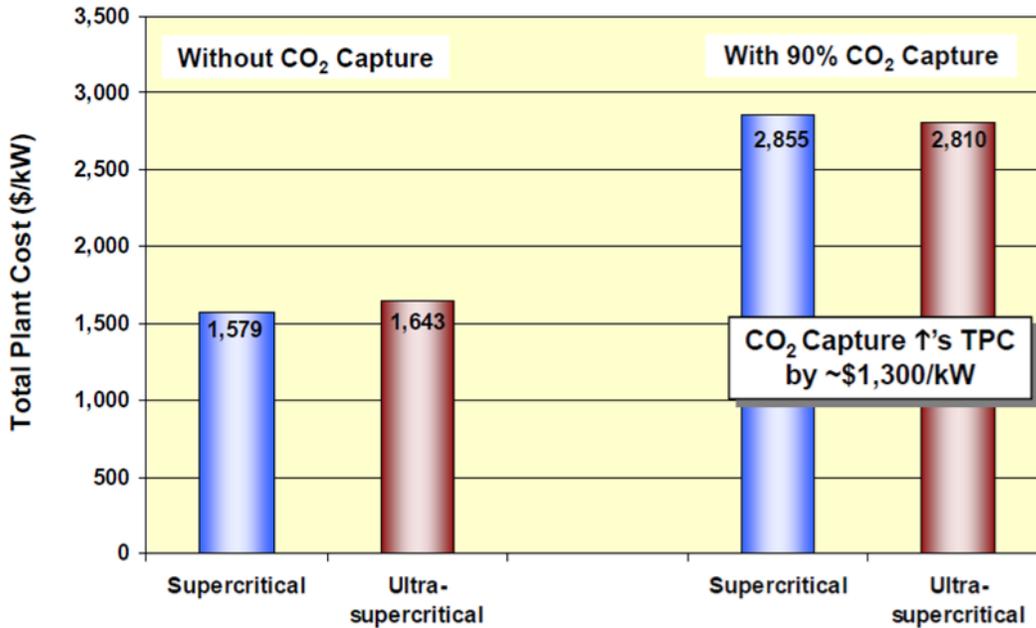
Reference: CO₂ Capture From Existing Coal-Fired Power Plants, U.S. Department of Energy/National Energy Technology Laboratory, Revised Final Report, November 2007.

For a new plant with amine scrubbing to have the same 600-megawatt net capacity as a new plant without carbon controls, the size of the plant must be scaled-up to account for the electricity and steam demands of the capture system. The increase is proportional to the change in efficiency. Therefore, a developer would have to build the equivalent of a 788-megawatt plant with carbon capture to get 600-megawatts of net capacity, with the difference consumed by the amine scrubbing system, either in the form of steam diverted from power generation or electricity used to compress the carbon dioxide.¹¹

¹⁰ MIT, *The Future of Coal*, 2007, pp. 25 and 28; "Pilot Project Uses Innovative Process to Capture CO₂ From Flue Gas," *EPRI Journal*, Spring 2008, p. 4).

¹¹ The required capacity is computed as 600 MW x (base efficiency of 38.5% / efficiency with carbon capture of 29.3%) = 788.4 MW.

Capital Cost for New Pulverized Coal Plant



Reference: Pulverized Coal Oxycombustion Power Plants—Volume 1 Bituminous Coal to Electricity, U.S. Department of Energy/National Energy Technology Laboratory, Revision 2 Final Report, August 2008

The equipment is also costly—the *Energy Information Administration* estimates 61% higher costs than building a plant without carbon controls¹² and the cost to retrofit existing plants is approximately \$1,300 to \$1,600 per kilowatt of net capacity, or almost \$1 billion for a 600-megawatt plant.¹³

Similarly, the cost and performance impacts for adding amine scrubbing to a natural gas-fired combined cycle are estimated to reduce net electricity output by 14%, and double plant capital costs.¹⁴

¹² Calculated from MIT, *The Future of Coal*, 2007, Table 3.1 (estimates for supercritical pulverized coal).

¹³ *Ibid.*, p. 28. The cost and practicality of a retrofit would vary with specific plant conditions. Another consideration is that retrofitting carbon capture to an IGCC plant may not be straightforward. An MIT study suggests that for technical reasons a developer looking toward possible future carbon legislation cannot build an IGCC plant that will provide optimal efficiency today (without carbon technology) and tomorrow (after carbon control retrofit). The developer must make a choice that may result in suboptimal performance (higher costs and less efficiency) either in current or future operation (MIT, *The Future of Coal*, 2007, pp. 149-150).

¹⁴ National Energy Technology Laboratory, *Cost and Performance Baseline for Fossil Energy Plants, Volume 1*, May 2007, Exhibit 5-25 and page 481; EIA, *Assumptions to the Annual Energy Outlook 2008*, Table 38. The plant capacity derate for the natural gas combined cycle plant is less than for the pulverized coal plant primarily because natural gas generation is much less carbon intensive than burning coal, so less CO₂ must be processed. The lower carbon intensity is due to the greater efficiency of a gas-fired combined cycle compared to a pulverized coal plant (fewer btus of fuel are needed to generate a unit of electricity), and because burning a btu of gas produces about half as much CO₂ as burning a btu of coal.

In 2010, the EPA proposed the first national standard for emissions of mercury and other pollutants from coal-burning power plants, a rule that could lead to the early closing of scores of older plants. The Clean Air Interstate Rule calls for a 71% reduction in sulfur dioxide emissions and a 52% decrease in nitrogen oxide emissions by 2014.¹⁵

The new EPA regulations will require all the nation's coal-fired plants to have sulfur dioxide scrubbers and other controls that can work in concert to reduce sulfur dioxide, nitrogen oxide, mercury and other hazardous air pollutants by 2014 and 2015.¹⁶

Forcing large emission reductions in a short time span will not only result in higher electricity prices but will cost jobs. New EPA rules threaten the elimination of nearly one million jobs creating a standard for coal-fired steam boilers literally no producer in the United States currently meets.¹⁷ The United Steel Workers have sounded the alarm, insisting that the EPA's proposal will mean disaster with tens of thousands of jobs at risk in the supply chains and in the communities where these plants are located.¹⁸

Over the last year and a half, at least 10 power companies have announced plans to close more than three dozen of their oldest, least efficient coal-burning generators by 2019.¹⁹ The pollution reduction technology is so expensive that coal companies cannot afford to continually install new scrubbers or easily make upgrades if emission standards are constantly upgraded.²⁰ And globally, a similar scenario is playing out among industrialized nations.

To meet the EPA standards, power producers are limited to three basic options:

- Bring existing plants to EPA standards incurring hundreds of millions in retrofit costs per plant.
- Replace older coal-fired plants with new plants with carbon control technology or shift to natural gas-fired plants incurring capital cost in the billions of dollars for each new plant.

Or,

- Simply close plants decreasing national electrical capacity driving higher consumer energy prices.

¹⁵ Stelle, E. (2011, January 17). New EPA Regulations Will Increase Electricity Prices in PA. Retrieved from <http://www.electricchoice.com/electric/index.php/new-epa-regulations-will-increase-electricity-prices-in-pa/>

¹⁶ The sheer volume of new controls that will need to be installed, however, will require the EPA to allow up to two additional years for compliance.

¹⁷ Morrissey, E. (2010, September 28). Exclusive: EPW Report Shows New EPA Rules Will Cost More than 800,000 Jobs, *Hot Air*. Retrieved from <http://hotair.com/archives/2010/09/28/exclusive-epw-report-shows-new-epa-rules-will-cost-more-than-800000-jobs/>

¹⁸ Morrissey, E. (2010, September 28). Exclusive: EPW Report Shows New EPA Rules Will Cost More than 800,000 Jobs, *Hot Air*.

¹⁹ Krauss, C. (2010, November 29). Breaking Away from Coal, *The New York Times*.

²⁰ Krauss, C. (2010, November 29). Breaking Away from Coal, *The New York Times*.

SECTION 3 PRODUCTS & SERVICES

3.1 Product or Service

As the power generation industry prepares to invest nearly \$200 billion to replace older generation coal-fired plants, the CAT Corp has developed a simple, efficient, and cost-effective technology that will allow coal fired-power plants to meet new international emission standards prescribed in the Kyoto Protocol and tough U.S. EPA regulations domestically. The Clean Air Turbine™ system improves the quality of the surrounding air. This applies to both existing facilities and future construction and all grades of coal regardless of impurities.

The Clean Air Turbine™ is a device that purifies exhaust and ambient atmospheric air while generating highly efficient mechanical power in the process. With the appropriate CAT system, hazardous air pollutants can be reduced by an estimated 99%, and when used in conjunction with the Artificial Gravity Enhance Separator (AGES™), Cryogenic Air Pump Carbon Dioxide Precipitator (CAP™), and Particle Acquisition Tower (PAT™) will eliminate all airborne carbon dioxide emissions. In addition, the Clean Air Turbine™ can (based on the customer's needs) be coupled to generators to harness the mechanical energy of the spinning turbines to produce electricity—achieving an over 100% increase in the plant's efficiency by capturing the two-thirds of energy currently lost in unburned fuel and heat exhaust. The CAT also eliminates the need for costly plant modifications and interruptions to operations.

The CAT Corp will provide the following:

- Manufacturing of patented Clean Air Turbine™.
- Manufacturing of patented CO₂ capturing components of the Clean Air Turbine™.
- Manufacturing under exclusive license of the Pulsar™ for on-demand hydrogen for this field of use.
- Service for Clean Air Turbine™ systems.
- Engineering and consulting services and support.

Because the Clean Air Turbine™ system is “one of a kind” with no commercial counterpart, the CAT Corp will be both a manufacturer and service provider for customers in the U.S. - repairing and servicing its CAT Corp products and providing innovative engineering solutions to site-specific problems. Internationally, the franchise owner will assume the marketing, sales and service support to Clean Air Turbine™ customers with support, as required, by corporate technical staff.

The CAT Corp engineering team will conduct site surveys to tailor the Clean Air Turbine™ system to the unique needs of the customer. Using three-dimensional Computer Aid Design (CAD) software, engineers will design and prototype Clean Air Turbine™ systems to work with a wide range of coal-fired power generation configurations and technologies. Internationally, the CAT Corp will provide engineering reach-back support and training to franchise engineering and management teams as required. This process will be a catalyst for the development of additional clean air products for different markets.

3.2 New or Improved?

Prime Core Tech, LLC, the parent corporation to the CAT Corp, has achieved what has eluded scores of major universities and industry researchers. Like many of the greatest discoveries, a sole inventor – Mr. Buddy Paul, created the Pulsar™, a simple inexpensive device with a 25-year operational life cycle that can be easily scaled to meet most industrial applications.

The Pulsar™ takes advantage of electrolysis, a thermodynamic chemical process where an electrical current is applied to water – splitting it into hydrogen and oxygen and creating electric energy. While electrolysis has been a proven physical process since the mid-1800s, it was very inefficient and expensive until now. This is where the patented break-through technology makes the difference. By manipulating electricity in a unique manner, Mr. Paul was able to separate pure hydrogen and oxygen from water using very little energy.

The Pulsar™ is an electrolysis device that has been in development and testing for years and will debut on the commercial market as an ecumenical way to generate pure hydrogen on-demand from water. Its success comes from its simplicity, ease of manufacturing, and sound design. There is no single item that sets the Pulsar™ apart from other devices but rather the combination of multiple processes working together to achieve its revolutionary results. The major improvement over standard electrolysis was to increase the production of hydrogen and oxygen by a factor of 100. This increased production of 100 times is quantified with this simple example of volume of gas produced by the amount of electrical current used.

Example:

Historical electrolysis uses 200 volts with a 0.1-amp current flowing through two electrodes to produce 1 in³ of hydrogen. That is 20 watts of electrical cost to produce 1 in³ of hydrogen.

The Pulsar™ uses 200 volts with a 0.1-amp current flowing through 100 electrodes in series to produce 100 in³ of hydrogen. The Pulsar's™ output of gas is 100 in³ for the same 20 watts of electrical cost.

The design of the electrodes and the cell itself allows for this isolated series of electrical connections using only two basic materials. The geometric design of the cells allowed for current flow, gas separation and collection means. The Pulsar's™ attributes are gas production at low end user cost, ease of manufacturing and low unit costs attributed to the use of only two base materials. Additionally, the stability of the base material in an electrical corrosive environment provides the Pulsar™ with a long productive life.

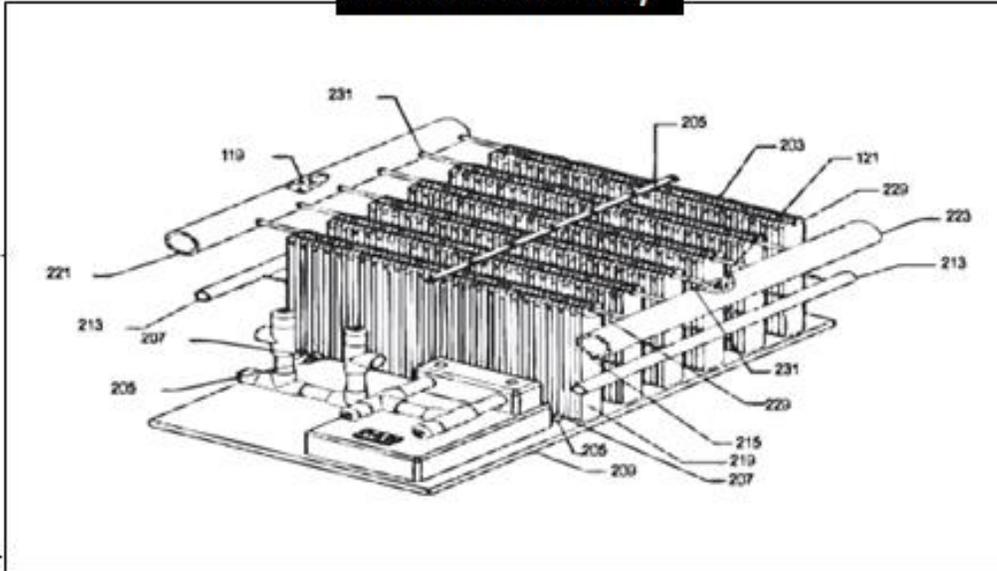
Undergoing extensive patent research and independent testing, the Pulsar™ has been validated as a proven technology. When used as part of the Clean Air Turbine™ system, it virtually eliminates all harmful coal-fired plant emissions.

“Our group became aware of the Pulsar technology almost a year ago. Because of the potential we saw in commercial application of the technology, we formed a corporation and began to validate and prove out the technology in a structured manner. In the last 8 months, we have had the technology reviewed, tested and validated by over 15 engineers; including two PhD’s who oversaw the initial purity and volume testing that was completed. Based on the results obtained by our due diligence, we became convinced that the technology was real and that there were several tremendous commercial applications upon which our company could be based upon. For these reasons, we decided to buy a license to manufacture and use the Pulsar technology and are overly excited about the opportunities that are ahead of us.”

Bert Means, President
Proteus Resources Group, Inc.
Bert.Means@proteusresources.com
<http://www.proteusresources.com>

Independent testing has proven the technology employed by the Pulsar™. The process of scaling the Pulsar™ for large scale industrial use is based upon standard engineering methods of validation where all aspects of component parts and sub-assemblies must be validated in order to scale a given size or production volume. The appropriate method will be based on a best-fit state of the art technology and logic. In the case of electrical requirements, standard mathematical calculations are acceptable to upscale the Pulsar™. Advanced computer-aided 3D solid models can handle thermal expansions, stress and any imposed loads and surrender accurate results. Actual ¼ scale models or prototypes will be subject to expected load test to create a baseline for upscale models. Scale testing provides size upscale as long as the base design is maintained, proving that the addition of another same item (in a series) will give the upscale production results. The base design is to have all items scaled for larger applications using like models tied together in a series to fulfill production rate. Size matching (i.e. number of units in the series) for the production rate ensures that all sizes of equipment used for an application meet the requirements. This is ensured by having the same base, calculations, testing and validation on all sizes of the product line.

300 Cell Pulsar™ Array



100 cells array can produce 1 ft³ of hydrogen per hour with an input of only 200 watts of electricity and 1/16th in³ of water. Cells can be combined in any number to produce the desired amount of hydrogen, for less than a single cubic foot to millions.

Instead of focusing on hydrogen strictly as a fuel source, *Prime Corp Tech, LLC* broke with current conventional wisdom by applying their hydrogen on-demand technology to a completely new problem set – toxic industrial emissions. Understanding that hydrogen is the hottest burning element, the CAT Corp developed the Clean Air Turbine™ to ignite the combustible fuel found in the exhaust, thereby burning nearly all of the pollutant particles from any type of exhaust system and unlocking the remaining BTUs of the originating fuel while capturing the heat exhaust as part of the steam turbine section of the Clean Air Turbine™.

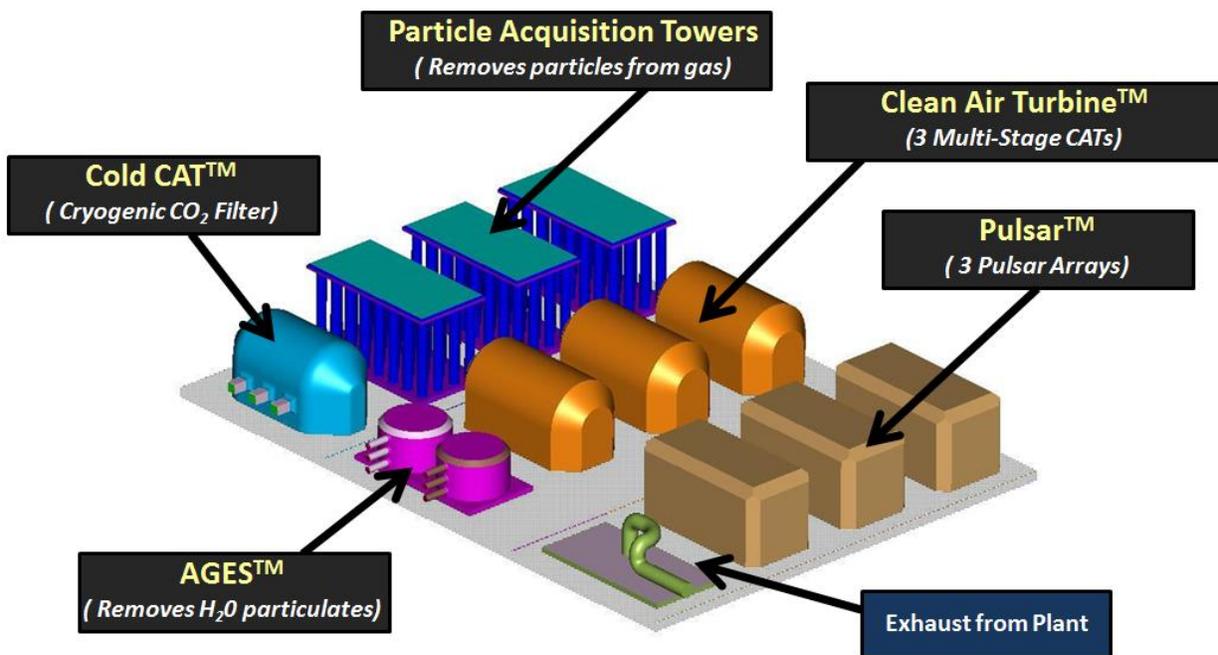
Intense heat of H₂ explosion completely rids the exhaust of:

Toxic Airborne Emission	Amount/Yr	Disposition
Carbon Dioxide(CO ₂)	3.7M tons	Eliminated in Particle Acquisition Towers & Cryogenic Air Pump
Sulfur Dioxide (SO ₂)	10,000 tons	Captured
Nitrogen Oxide (NO _x)	10,200 tons	Captured
Carbon Monoxide (CO)	720 tons	Burned in CAT™
Hydrocarbons, Volatile Organic Compounds	220 tons	Burned in CAT™
Arsenic – 220 lbs	220 lbs	Captured
Mercury – 170 lbs	170 lbs	Captured

(Based on 500 MW Coal-fired Power Plant)

The aforementioned scalability of the Pulsar allows the flexibility to customize the volume of hydrogen produced, determined by the size and requirements of the power generation facility.

Overview of the Clean Air Turbine™ System



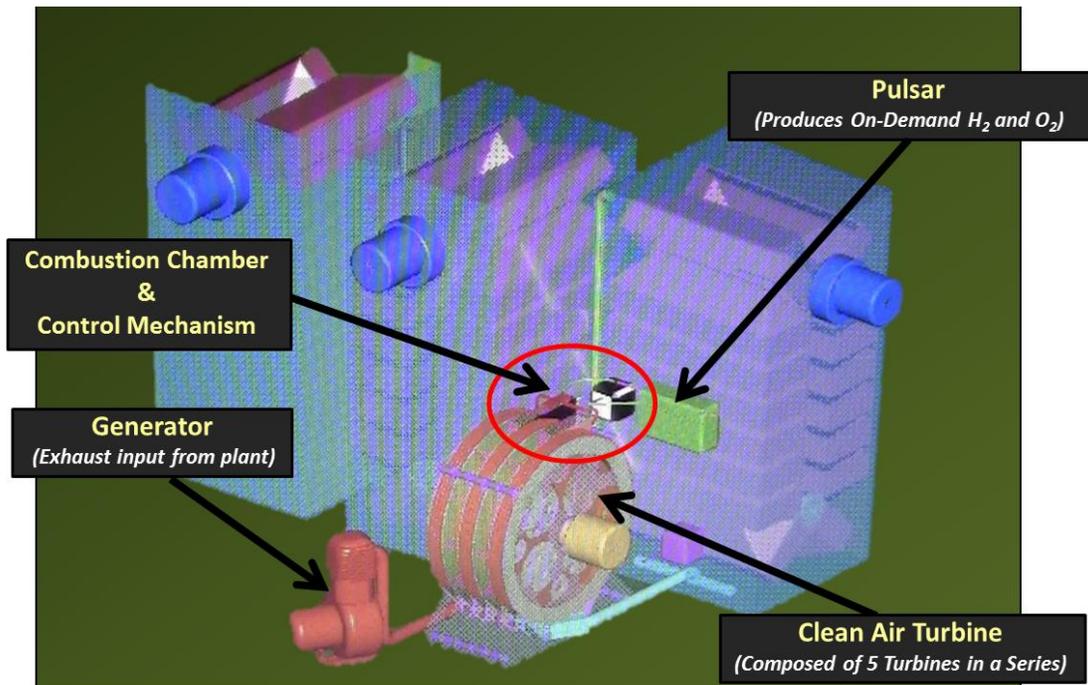
CAT II™ System – 50' X 100'

The Clean Air Turbine™ system consists of five interconnected component systems designed to remove all air pollutants in five stages from the exhaust of industrial hydrocarbon power plants and when configured properly can generate large amounts of electrical power and reduce the total amount of fuel consumed per watt.

- **Stage 1 - Heavy Particulate Removal:** The exhaust from the power plant is received with imbedded pollutants. Entering the hydroponic towers, the exhaust mixes with the water, lowering the temperature of the gas and creating the conditions for the particulate matter to condense and separate as it is filtered at high pressure through a series of baffles within the towers. As the gas ascends through the baffles, particles adhere to the fluid. The exhaust, now free from particles, will exit the top of the chamber en route to the next stage - lightweight particles will flow out with the exhaust at the upper location and heavy particles will flow out with the fluid at the bottom of the vessel.
- **Stage 2 - CO₂ Removal:** The exhaust gas continues to the Cryogenic Air Pump Carbon Dioxide Precipitator (Cold CAT) where carbon dioxide is removed. The Cold CAT separates the CO₂ from the exhaust gas. Leveraging the pressure and temperature (cryogenic), the Cold CAT turns the CO₂ into a solid form (i.e. dry ice) for physical removal/disposal. The remaining exhaust stays in a gas form where it enters the Clean Air Turbine™.

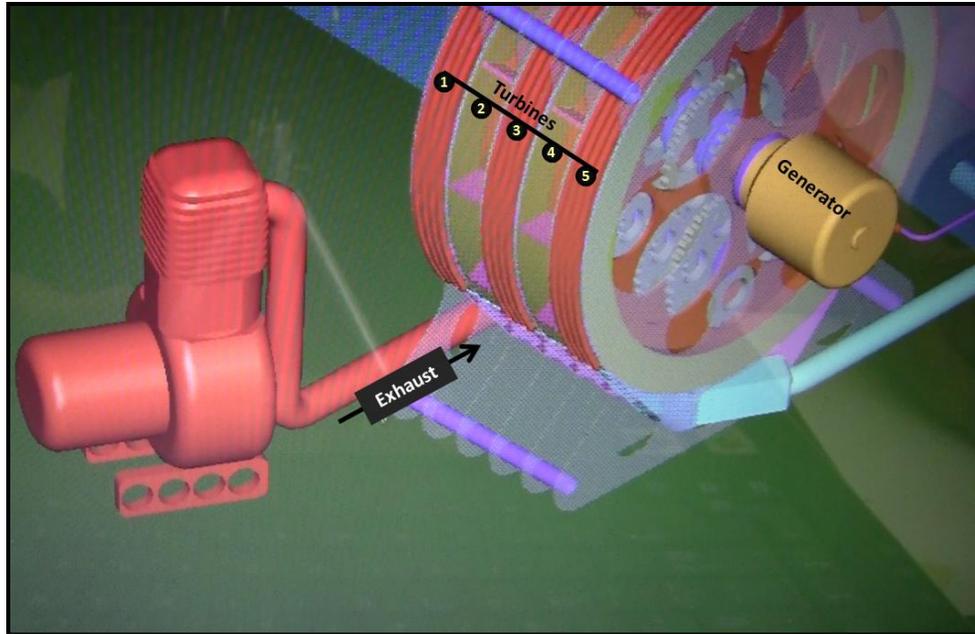
- **Stage 3 - Toxins Ignited and Burned:** The exhaust gas continues to the Clean Air Turbine™ where the residual pollutants are incinerated with a mixture of oxygen and hydrogen from the Pulsar™ (discussed in greater detail below).
- **Stage 4 - Final Particulate Filter:** As the exhaust is expelled from the Clean Air Turbine™ (*where the SO₂, CO and NO_x have been removed from the emissions*), it is channeled back through the Particle Acquisition Tower and Cryogenic Air Pump Carbon Dioxide Precipitator where remaining particles are filtered from the exhaust. The gas now consisting of pure nitrogen can be released pollution free or captured and sold.
- **Stage 5 - Water Filtration:** The contaminated water from the Particle Acquisition Tower is filtered through the Artificial Gravity Enhance Separator (AGES™). The AGES™ withdraws the heavy particles, such as mercury, through the centrifugal force created by the rotating chamber separating the particles according to weight and ejecting them. The filtered water is then returned to the Particle Acquisition Tower.

Turbine Section of Clean Air Turbine™ System



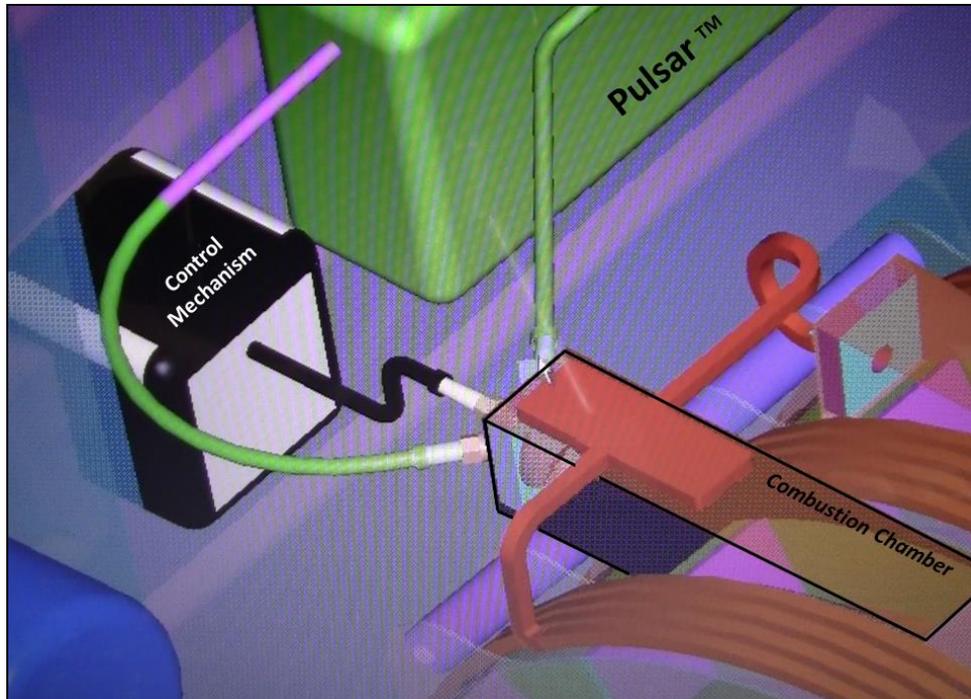
Presented is a 3-dimensional solid model of a typical Clean Air Turbine™ system.

- Represented first is a generator similar to what might be used by a coal-fired power plant or anything that emits environmentally hazardous exhaust which needs to be cleaned.
- Inline next is the Clean Air Turbine™. The exhaust expelled from the power plant generates electricity through the motion of the turbine.
- Connected to the turbine is the Pulsar™ – the Pulsar™ produces on-demand, medical quality hydrogen and oxygen, at a fraction of current costs, which is the fuel used to burn the exhaust gas from the plant.
- Adjacent to the Pulsar™ is an ignition mechanism and computer control mechanism to regulate and control the rate and duration of fire.
- The superheated and high-pressure exhaust generated by the Clean Air Turbine™ is then channeled into a series of lifting towers which equalize the exhaust - in pressure, temperature, and contaminants - to that of the ambient air.
- Finally, generators can be attached to the Clean Air Turbine™ and each of the subsequent lift towers to harness the mechanical rotational energy and convert it to electrical energy.

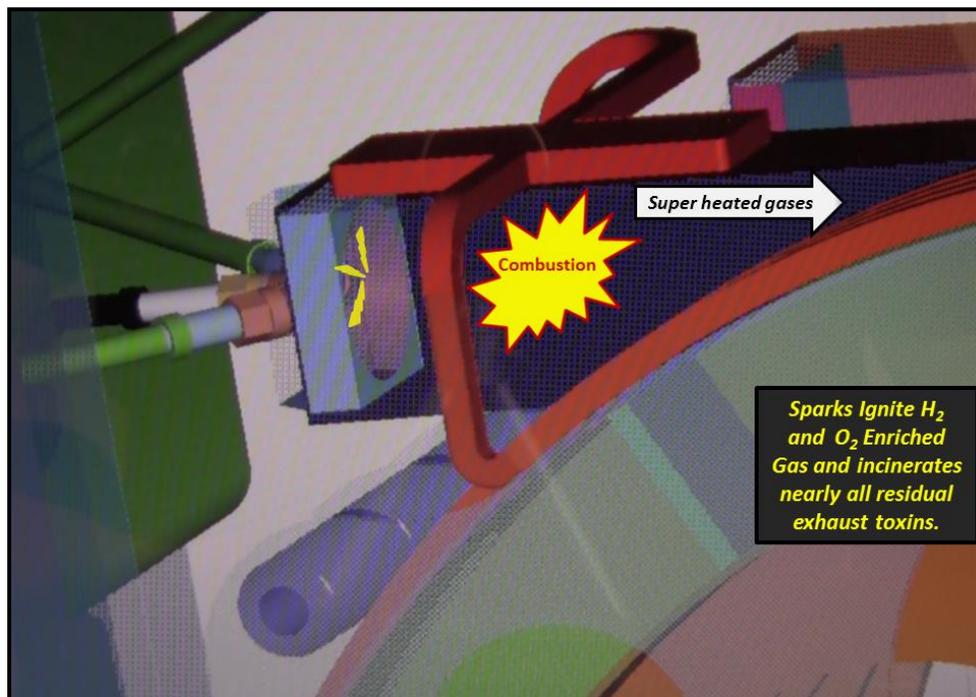


The Clean Air Turbine™ consists of 5 internal turbine blades and a generator.

- The first blade of the turbine siphons the exhaust from the plant without impeding operations, supplies air to facilitate in the purification of the exhaust, and uses centrifugal force to remove the heavier particulate matter, such as mercury, to a collection chamber.

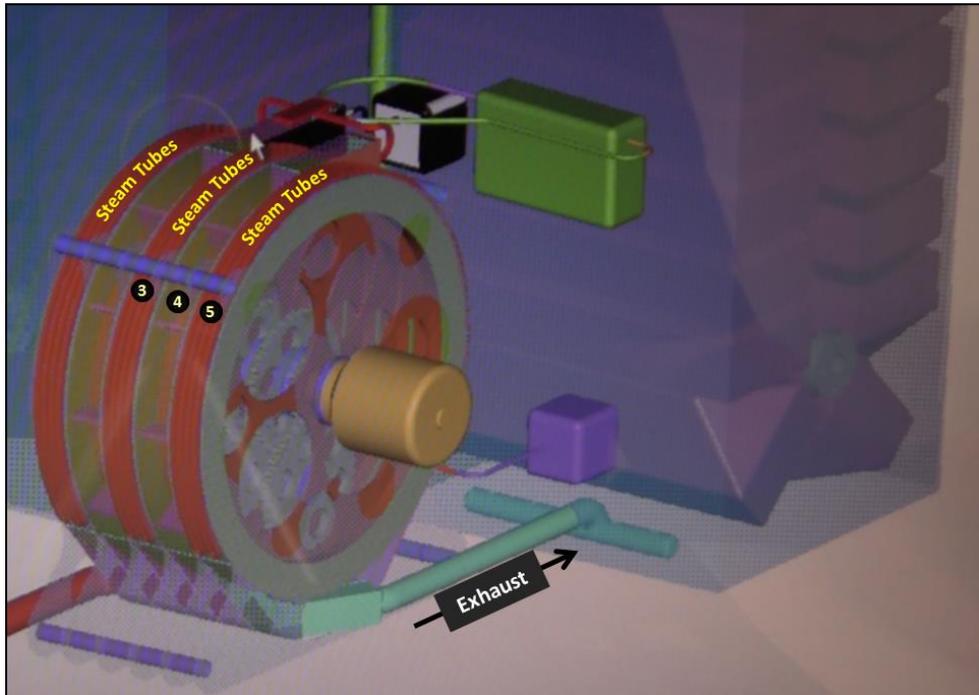


- The second turbine blade forces the exhaust to the outside of the turbine where it meets the pure hydrogen and oxygen from the Pulsar™ unit in the combustion chamber.



- There a spark ignites the mixture propelling the blade forward and increasing the pressure within, and the velocity of, the turbine. The explosion generated by the spark creates an

extremely high flame, incinerating nearly all residual exhaust fuels and toxins including sulfur dioxide and nitrous oxide. This exhausts back into the turbine, perpetuating rotation of the blades.



- The third, fourth, and fifth turbines enhance the speed of the air flow and collect, through a series of steam tubes, more of the heat produced in the combustion chamber. Each blade spins progressively faster and the rotation of the fifth and final blade can turn a conventional generator and produce up to 100% additional electrical current, thereby doubling the output of existing power generation per unit of coal.

While the intent of the Clean Air Turbine™ system is to remove all airborne pollutants from coal-fired power plants, it has an added benefit of producing electrical power if generators are attaching to the turbine caps in a manner to harness the rotational energy of the turbines. Operating at 10,000 RPMs and handling exhaust gasses up to 3,000 psi, the Clean Air Turbine™ units can generate significant volumes of electrical energy based on the requirements of the power generation plant.

The Clean Air Turbine™ system can be installed in the following configurations:

- **No power generation:** Base system configuration capitalizing on abundant, cheap power at the source of generation.
- **Sustainment Power Generation:** A generator is attached to one of the turbines to provide power for the Pulsar units and other component systems with no additional external power requirements.
- **Partial Power Generation:** Industrial generators are attached to some or all of the turbines increasing plant power generation efficiency (20 -60 % increase in efficiency).

- **Full Power Generation:** Industrial generators are attached to all of the turbines with the intent of maximizing plant power generation efficiency (60 to 100% increase in efficiency).

3.3 Stage of Development?

CAT Corp is in the developmental stage. The Clean Air Turbine™ has undergone extensive patent research and independent testing with favorable results confirming the uniqueness of the device and its revolutionary application of on-demand hydrogen to virtually eliminate all harmful coal-fired plant emissions while significantly increasing plant efficiency. The Clean Air Turbine™ design is engineered with in-depth three-dimensional CAD blueprints ready to be sent to approved manufacturers for production.

Major components of the management team are in place. They have performed extensive market research and have determined the global application and demand for this type of device which is poised to transform coal from a “dirty” fuel source to the “world’s cleanest power generation fuel.”

Initial support has been extremely favorable, and the Company is in the process of vetting manufacturing firms able to conform to the engineering tolerances of the design and the associated supply chain. Establishing a global manufacturing and distribution system is capital intensive. The Company needs to raise the capital outlined in this Plan in order to proceed.

3.4 Intellectual Property Owned by the Company

Prime Corp Tech, LLC retains sole ownership and control of patents for the Pulsar™ and Clean Air Turbine™. CAT Corp has a negotiated agreement with *Prime Core Tech, LLC* for exclusive rights to the Clean Air Turbine™ system to manufacture and sell internationally.

CAT Corp will pay royalties to *Prime Corp Tech, LLC* in the amount of \$0.30 for each Pulsar™ cell (or similar capacity) produced and 3.0% on the cost of each Clean Air Turbine™ unit produced, which will be rolled into the retail cost of Clean Air Turbine™ units.

3.5 Pricing Strategy

CAT Corp's major sources of revenue reside in the sale and distribution of the Clean Air Turbine™ system directly and through Master Franchises. The pricing strategy for the Clean Air Turbine™ and its components will include a 200% profit margin for direct sale of the system.

CAT™ System Components	Cost	Suggested Retail Price
Clean Air Turbines (CAT™)	\$4,000,000	\$12,000,000
Artificial Gravity Enhance Separator (AGES™)	\$4,000,000	\$12,000,000
Cryogenic Air Pump (CAP™)	\$3,000,000	\$9,000,000
Particle Acquisition Tower (PAT™)	\$7,000,000	\$21,000,000
Pulsar™	\$15,000/MW	\$45,000/MW

Master Franchises will purchase the Clean Air Turbine™ system from CAT Corp receiving a 33% discount over the suggested retail price effectively splitting the profit margin between CAT Corp and the Master Franchise. Below is the suggested retail cost of a complete Clean Air Turbine™ system for a 600 MW power plant and a comparison of the profit margin when sold direct versus sold through a Master Franchise. This pricing model ensures a tremendous return on investment for each of the 30 Master Franchises ensuring the franchisees viability and success.

CAT™ System for 600MW Power Plant	Itemized SRP/unit	System SRP
3x Clean Air Turbines (CAT™)	\$12,000,000	\$36,000,000
2 x Artificial Gravity Enhance Separator (AGES™)	\$12,000,000	\$24,000,000
1 x Cryogenic Air Pump (CAP™)	\$9,000,000	\$9,000,000
3 x Particle Acquisition Tower (PAT™)	\$21,000,000	\$63,000,000
Pulsar™	\$27,000,000	\$27,000,000
Site Survey & Installation	\$4,000,000	\$4,000,000
Total	\$85,000,000	\$163,000,000

SRP - Suggested Retail Price

Clean Air Turbine™ for 600 MW Power Plant	
<u>CAT Corp Direct Sale</u> 	<u>Master Franchise Sale</u> 
Cost: \$53M	Cost: \$53M
Price: \$159M	Price: \$159M
Profit Margin: <u>\$106M</u>	Profit Margin:
	CAT Corp: <u>\$53M</u>
	Master Franchise: <u>\$53M</u>
** Excluding site survey and installation	

With the anticipated demand for the Clean Air Turbine System™, CAT Corp will place a premium on orders based on the market demand.

3.6 Special Situations

There is an initial high cost associated with building a fabrication shop, an operational prototype and establishing a production line for the manufacture of the Clean Air Turbine™ system. Once the prototype is operational and test data is obtained, the prototype will serve as a critical sales tool to demonstrate how the Clean Air Turbine™ system operates and its benefits for customers in the commercial utility business.

To defray and defer capital investment costs, CAT Corp intends to actively leverage federal and state government grants, loans and tax incentives associated with renewable energy and greenhouse emissions reductions in the United States. While each federal and state program has varying requirements and time windows to apply, the potential gains could exceed tens of millions of dollars provided the U.S. Department of Energy and Department of Treasury certify the CAT™ system as viable commercial technology meeting the requirements of the various programs in accordance with U.S. law.

By improving the efficiency of coal-fired power generation and reducing air pollution and greenhouse gases, the Clean Air Turbine™ qualifies as a renewable energy technology. In an effort to encourage U.S.-based renewable energy, Congress has authorized sources of funding for renewable technologies to include:

- **Title XVII of the federal Energy Policy Act of 2005** which authorizes the U.S. Department of Energy to issue loan guarantees for projects that "avoid, reduce or sequester air pollutants or anthropogenic emissions of greenhouse gases; and employ new or significantly improved technologies as compared to commercial technologies in service in the United States at the time the guarantee is issued." The loan guarantee

program has been authorized to offer more than \$10 billion in loan guarantees for energy efficiency, renewable energy and advanced transmission and distribution projects.

- **American Recovery and Reinvestment Act of 2009 (H.R. 1)**
-
- established new investment tax credits to encourage the development of a U.S.-based renewable energy manufacturing sector. In determining which projects to certify, the U.S. Treasury Department must consider those which most likely will be commercially viable, provide the greatest net reduction of air pollution and/or greenhouse gases, have great potential for technological innovation and commercial deployment, have the lowest levelized cost of generated (or stored) energy or the lowest levelized cost of reduction in energy consumption or greenhouse gas emissions, and have the shortest project time.

Some federal programs applicable to the Clean Air Turbine™ include the following:

- U.S. Department of Treasury - Renewable Energy Grants
- Renewable Electricity Production Tax Credit (PTC)
- Qualifying Advanced Energy Manufacturing Investment Tax Credit
- U.S. Department of Energy - Loan Guarantee Program
(See “Section 8 – Supporting Documents” for more information on federal Renewable Energy Incentive Programs mentioned above.)

In addition, these same incentives are applicable to power generation companies in the installation of the CAT™ system at power plants across the U.S. CAT Corp sales representatives and engineering staff will work with utilities companies to identify applicable clean air incentive programs and provide required technical information to assist in the application of federal and state assistance.

3.7 Licensing

There are no special federal or state licensing requirements to develop or use the Clean Air Turbine™.

3.8 Competitive Advantages

Currently, there are no direct competitors using on-demand hydrogen technology to burn harmful emissions pouring out of current coal-fired power plants. Based upon extensive patent searches, the Clean Air Turbine™ is a unique device with no similar designs.

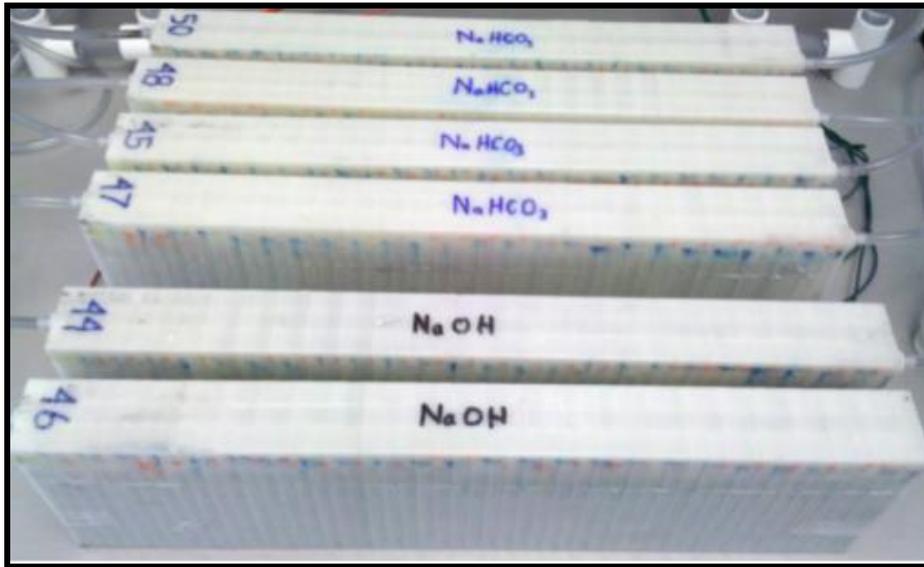
Utility companies are replacing coal-fired power plants with “cleaner” natural gas-fired power plants. As the only real competitor to the Clean Air Turbine™, natural gas cannot compete with the Clean Air Turbine™ system for the following reasons.”

- The CAT™ can be easily fitted to existing plants extending the service life and negating the need for costly new gas-fired power plants.
- Coal is significantly cheaper than natural gas reducing operating costs.
- While natural gas emits less pollutants than conventional coal-fired power plants, the CAT™ cleans 99% of all coal-fired emissions making it a much cleaner option than natural gas.

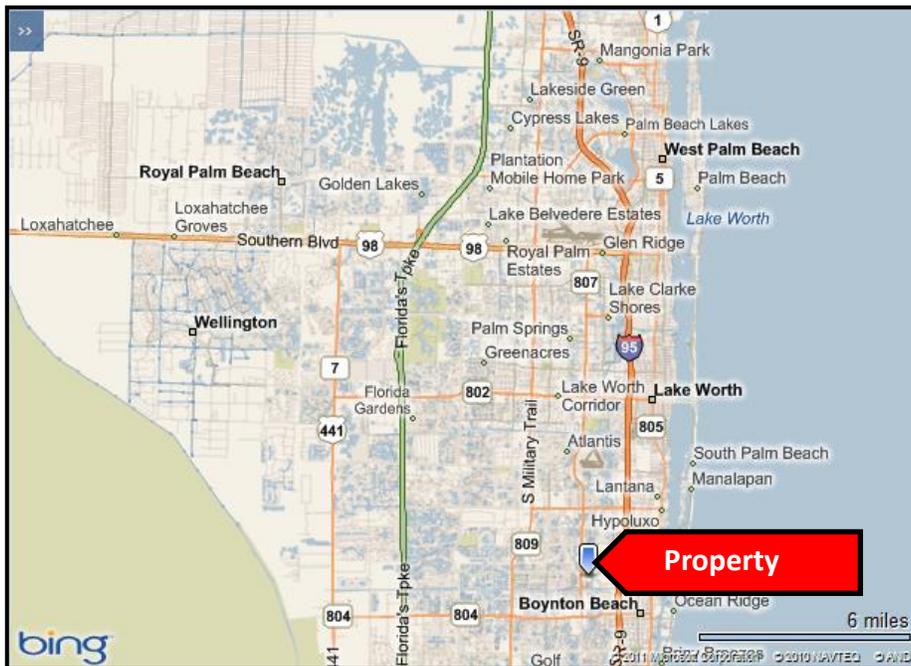
3.9 Photos/Drawing/Examples



Pulsar™ Laboratory Test Stand



First 300 Cell Pulsar™ Array During Initial Lab Tests



Location of Clean Air Turbine Corp, Inc corporate offices and fabrication shop.

SECTION 4 MARKETING PLAN

4.1 Marketing Overview

CAT Corp's marketing objective is twofold. Its primary objective is to attract a targeted customer base to generate business. This will be done by employing a focused strategy to "get the word out" among industry executives about the capability and benefits of the Clean Air Turbine™ system as it applies to their respective businesses. Since the CAT™ is an innovative system utilizing technology outside the mainstream, it is critical to develop a strategic communications strategy with a concise, but powerful message on the capabilities of the CAT™ and how it will solve the hydrocarbon emission problem for the coal-fired power generation industry. This will be done using print advertisements in targeted industry and trade magazines, banner advertisements on leading energy websites and e-publications, a multi-media website and through the development of personal contacts at tradeshow. Because sweeping environmental regulations are less than two years away from being fully implemented, time is a critical element for the marketing strategy. CAT Corp must expose and educate industry leadership on how the CAT™ can effectively negate all airborne emissions before major investment decisions are made to mitigate the effects of the impending regulatory regime through other less optimal means.

Secondly, CAT Corp plans to highlight its environmental and social contributions to society by showcasing the Company's commitment to a clean environment, job creation, and cheaper more available power. As part of CAT Corp's pledge to being a responsible partner with local communities, it will invest a portion of its revenue in conservation and education programs, community revitalization, and international relief efforts.

4.2 Marketing Strategy

CAT Corp's marketing and promotional strategy will consist of a focused campaign to create a "buzz" in the industry about the Clean Air Turbine™ system and its transformational effects to the coal-fired power industry to completely eliminate airborne pollutants while increasing plant efficiency.

Executive leadership and senior management in the power generation industry will be the focal point for the marketing strategy. The Company will utilize printed advertisements in industry magazines and journals, banner or text "push" advertisements associated with industry. e-newsletters, and displays at selective domestic and international trade shows.

A cadre of highly motivated marketing and sales representatives will be recruited with strong technical backgrounds and extensive experience in the energy industry. It is imperative these representatives can effectively communicate the benefits of the Clean Air Turbine™ system to industry executives and management, as well as engage with engineers at a highly technical level. Representatives will be required to have a comprehensive knowledge of industry trends, technology and regulatory concerns. Compensation will be in the form of a base salary with commissions on sales.

4.3 Primary Target Market

CAT Corp's primary target market is the coal-fired power industry which is being threatened by a regime of progressive international and domestic regulatory emission standards. The Company will engage public and private utility producers to sell and install the Clean Air Turbine™ system to power plants across the U.S. and the world through applicable Master Franchises.

4.4 Primary Market Research

The cost to retrofit an existing coal-fired power plant to meet U.S. EPA Clean Air standards was cited in the *CRS Report for Congress Power Plants: Characteristics and Cost (Nov 13, 2008)* to be \$1,600 per kilowatt of electrical capacity or \$960 million for a medium-sized 600-megawatt power plant due primarily to the high cost of installing amine scrubbing systems. If one considers the recent rapid increase in power plant construction costs, this figure will increase significantly. To cite an example, in 2005, Duke Energy told regulators that it was going to spend \$2 billion to build twin 800 megawatt units in North Carolina. Within 18 months that estimate rose to \$3 billion forcing the company to reduce the plant by 50% to a single 800-megawatt unit at the cost of \$1.83 billion, an 80% increase from original estimates. An industry consultant emphasized, because of the demand in China and India, "Duke and others want to build a new power plant based on inexpensive coal, but the capital costs to build that plant are doubling before they even put a shovel in the ground."

Key Challenges to Pulverized Coal CO₂ Retrofits

1. **Space Limitations** (*acres needed for current scrubbing*)
2. **Major Equipment Modifications**
3. **Regeneration Steam Availability** (*Can steam turbine operate at part load using current scrubbing technology?*)
4. **Sulfur** (*Additional deep sulfur removal required using current CO₂ scrubbing technology*)
5. **Make-up Power** (*satisfy need to maintain baseload output*)
6. * **Water Availability**
7. * **Local Storage Availability** (*saline formation, EOR*)
8. * **Scheduling Outages for CO₂ Retrofits**
9. * **Post-Retrofit Dispatch Implications Due to Increase in Cost of Electricity**
10. * **Retrofit Triggering New Source Review**
11. * **Proposed Legislation**

**Analyses on these topics is currently in progress at NETL.*

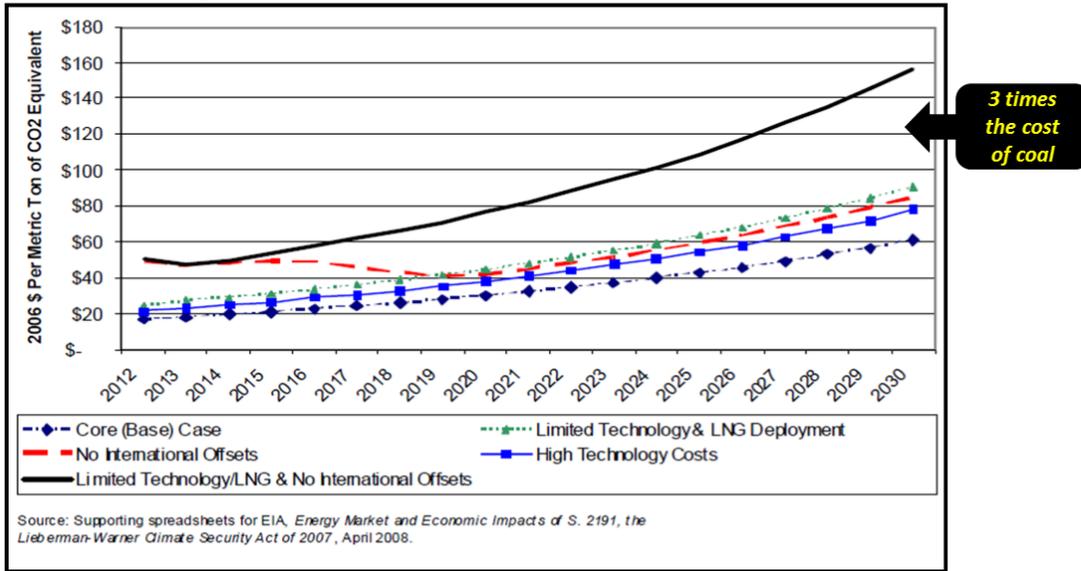
Source: "Carbon Capture Technology Options and Costs," by National Energy Technology Laboratory. Indiana Carbon Capture & Sequestration Summit, Indianapolis, Indiana, Sep 3-4, 2008.

Scrubbing technology such as amine scrubbing is energy intensive. They divert steam from power production and use part of the plant's electricity production to compress the carbon dioxide for pipeline transportation to its final disposition. Amine scrubbing is estimated to cut a coal plant's electricity output by approximately 30% to 40%. The equipment is also costly. According to one study, the cost for building a new coal plant with amine scrubbing is an estimated 61% higher than building a plant without carbon controls.

Additionally, Congress has considered legislation that would put a cost or "cap and trade" on carbon emissions. The *Lieberman-Warner Climate Security Act of 2007* (S.2191) proposed an escalating cost on carbon emissions. While estimated costs of such allowances are very uncertain, if Congress ultimately enacts laws for allowance-based carbon controls, depending on the speed with which new technologies are deployed and their costs, and the availability for purchase of international carbon dioxide emission offsets, the Energy Information

Administration estimates the price of allowances by 2030 to range from \$60 to \$160 per metric ton of carbon dioxide, potentially making carbon allowances three times the cost of the coal.²¹

EIA's Projections of *Lieberman-Warner Climate Security Act of 2007* CO₂ Allowance Prices (2006 \$ per Metric Ton of CO₂)



4.5 Stakeholders, Strategic Alliances, and Collaborators

CAT Corp will actively work to build strategic partnerships with renewable energy, coal and electric power trade organizations, educating them on the benefits of the Clean Air Turbine™ to their respective industries, while gaining advocacy from these powerful organizations. Below are trade organizations identified for approach.

Alternative and Renewable Energy

- [American Council on Renewable Energy](#)
- [Business Council for Sustainable Energy](#)
- [Renewable Fuels Association](#)

Coal

- [American Coal Council](#)
- [Coal Utilization Research Council](#)
- [Colorado Mining Association](#)
- [IEA Clean Coal Center](#)
- [Kentucky Coal Association](#)

²¹ Ibid, p.33-34. For a broader summary of S. 2191 allowance price forecasts see CRS Report RL34489, *Climate Change: Costs and Benefits of S. 2191/S. 3036*, by Larry Parker and Brent D. Yacobucci. For an example of how a different legislative approach can affect allowance prices, see CRS Report RL34520, *Climate Change: Comparison and Analysis of S. 1766 and S. 2191 (S. 3036)*, by Larry Parker and Brent D. Yacobucci.

- [National Coal Council](#)
- [Washington Coal Club](#)
- [West Virginia Coal Association](#)

Electric Power

- [American Boiler Manufacturers Association](#)
- [Edison Electric Institute](#)
- [Electric Power Supply Association](#)
- [National Electrical Manufacturers Association](#)

Because the Clean Air Turbine™ will transform coal from the largest single source of hazardous airborne pollution and greenhouse gasses to the world's cleanest form of energy derived from hydrocarbons, there is a natural strategic alliance with environmental and conservation organizations. Similar to the outreach program to educate industry on the benefits of the Clean Air Turbine™ CAT Corp will reach out to these organizations to educate them how the CAT™ is making coal a clean and “green” energy source.

4.6 Secondary Market Research

The smaller coal-fired power plants, for which the economics of installing expensive pollution controls cannot easily be justified, will be hardest hit by the coming environmental regulations with a potential loss of 50 gigawatts of capacity or 170 plants “at risk” of shutdown.²² This represents 20% of the total 335 gigawatt²³ coal-fired generation fleet in the United States.²⁴

Coal-fired plant closure isn't some theoretical, years-out possibility...it's already underway.²⁵

New and emerging EPA regulations are going to force a huge wave of coal-fired plant retirements. The Electric Reliability Coordinating Council reported, “Adaptation to all the proposed rules constitutes an extraordinary threat to the power sector.”²⁶

²² 1 GW equates to 1,000 MW or electricity for 1,000,000 homes.

²³ In 2005, the Energy Information Administration's inventory of coal plants - which includes virtually all coal plants over 5 MW, and many below that size - listed 614 coal-fired power plants in the U.S. These coal plants had a total of 1,522 coal-fired generating units (many plants have multiple units), and a total of 335,831 MW (Megawatts) of production capacity.

²⁴ Holly, C., (2010, October 9). EPA Air Regulations Shrinking Power Glut.

²⁵ Roberts, D. (2010, December 13). Process of Elimination: Huge Wave of Coal Plant Closures Coming.

²⁶ Roberts, D. (2010, August 23). Utilities Can Meet EPA Standards Without Threatening Reliability: Grist. Retrieved from <http://www.gaspgroup.org/2010/08/23/703/>

**TVA Agrees to Shut Down
18 Coal-Fired Boilers and
Curb Emissions**

The New York Times

- The Tennessee Valley Authority, one of the nation's largest coal-burning utilities, will close 18 of its coal-fired boilers at three of its plants in Tennessee and Alabama and pay in excess of \$5 billion to rein in pollutants at many of its remaining units.
- In Pennsylvania, the new regulations are expected to cost plants a total of \$2.8 billion ...spending \$1.4 billion for pollution controls at two plants alone, forcing the coal-fired power industry to close many noncompliant coal-fired generations plants as a result of the insurmountable cost to retrofit some of the state's oldest plants.
- In Ohio, 17 older plants are slated to close...meaning 5,000 megawatts of coal generation will be retired to comply with EPA regulations.²⁷

**EPA Regs May
Shutdown 70,000 MW
of US Coal Plants**

REUTERS 

- And the Electric Reliability Council of Texas, which provides the majority of electricity generation in the state, stands to shut down some 15% of its capacity. If both scrubbers and cooling towers are required, it will shut down every merchant coal plant in the region.²⁸

4.7 Competitive Analysis

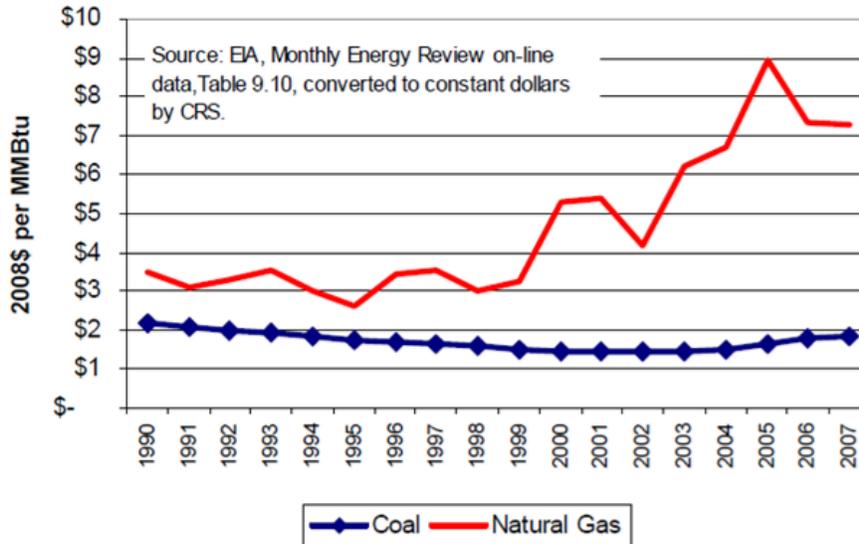
While many of the largest energy companies are investing in efforts to apply advanced technology to build more efficient renewable energy sources (geothermal, wind and solar), the fact of the matter is that unless there is a major technological breakthrough on the horizon, these sources of energy are not economically viable for large-scale base load power requirements. With a waning appetite for nuclear power, natural gas is the only economically feasible alternative to coal-fired power generation.

²⁷ Bennish, S. (2011, January 18). Greenhouse Gas Regulations Target Ohio Coal Power, Daily Dayton News. Retrieved from <http://www.daytondailynews.com/news/dayton-news/greenhouse-gas-regulations-target-ohio-coal-power-1057133.html>

²⁸ Roberts, D. (2010, December 13). Process of Elimination: Huge Wave of Coal Plant Closures Coming.

Coal and Natural Gas Constant Dollar Price Trends

Delivered Price of Coal and Natural Gas to Power Plants, 1990 to 2007, Constant 2008\$



While natural gas is three-times the cost of coal based on BTU output and has a history of volatile price fluctuations, the costly carbon controls to bring coal-fired power plants in compliance with the new emission standards has pushed natural gas to the forefront as a replacement for coal-fired power generation. However, the Clean Air Turbine™ will bring coal in line with “zero carbon” technologies like geothermal, wind and solar for a fraction of the capital and operating costs. CAT Corp offers the key to making cheap, abundant coal the most cost effect and clean source of energy to meet base load power demands using existing power generation and supply chain infrastructure.

4.8 Direct Competition

There are no direct competitors to CAT Corp able to offer the same results as the Clean Air Turbine™. The current industry alternatives include emerging Integrated Gasification Combined Cycle technology, new higher efficiency coal-fired plants, and retrofitting existing plants with amine-based CO₂ capture systems.

1. New Integrated Gasification Combined Cycle

(For a 600 MW plant, @ 90% Capture)

- CO₂ Capture “Parasitic Load” **decreases net efficiency by 3 - 8%**
- Increases cost of electricity **4 -5 times** existing average pulverized coal fleet cost.

2. New Pulverized Coal

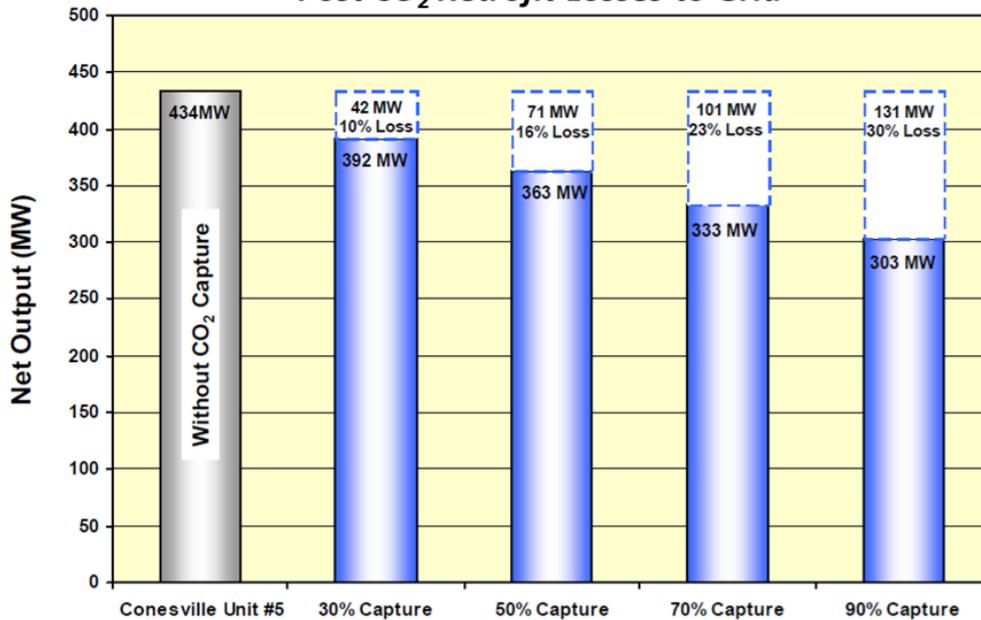
(For a 600 MW plant, @ 90% Capture)

- Current state of the art technology is amine-based scrubbing (Economize, KS-1)
- CO₂ Capture “Parasitic Load” **decreases net efficiency by 4 - 12%**
- Increases cost of electricity **4 -5 times** existing average pulverized coal fleet cost.

3. Existing Pulverized Coal

- National Energy Technology Laboratory (NETL) Existing Pulverized Coal Study concluded that no major technical barriers exist by retrofitting with amine-based CO₂ capture from 30% to 90% removal.
- CO₂ Capture “Parasitic Load” **decreases net efficiency by 3 -11%**
- Existing pulverized coal plant will lose **30% output to grid (~130 MW)**

Pulverized Coal Base Load Output Impact
Post CO₂ Retrofit Losses to Grid

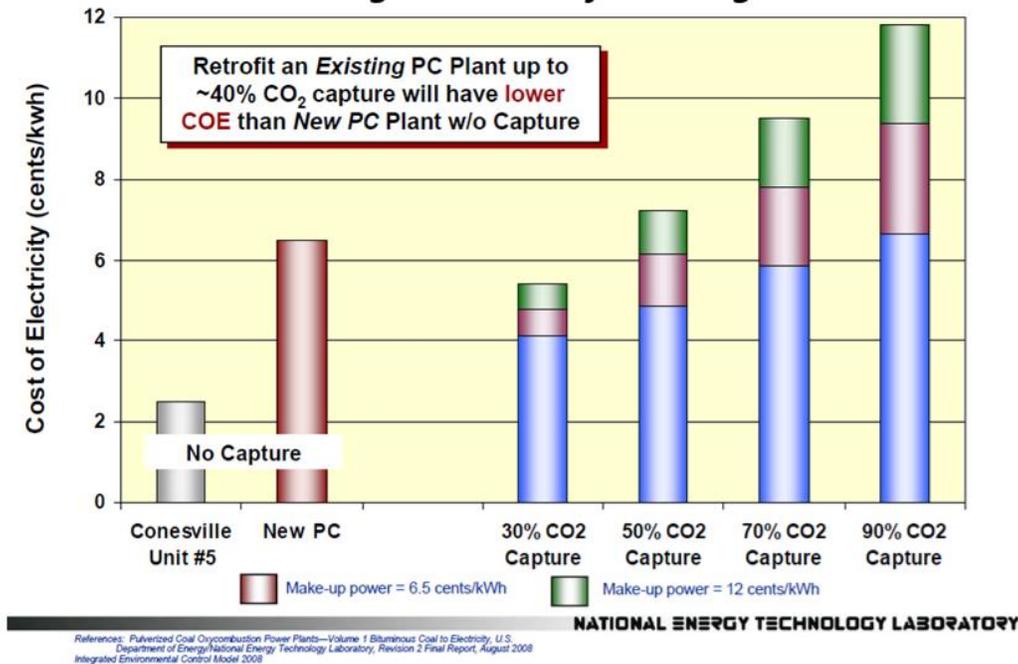


Reference: CO₂ Capture From Existing Coal-Fired Power Plants, U.S. Department of Energy/National Energy Technology Laboratory, Revised Final Report, Nov 2007.

4.9 Indirect Competitive Factors

As stated above, natural gas-fired power generation and new coal plants with costly amine scrubbers and a host of other costly carbon controls are the only viable option to meet Clean Air standards. However, the capital cost to build new plants and retrofit existing plants in addition to increased fuel cost and a significant decrease in plant efficiency puts the Clean Air Turbine™ system in a class of its own.

Cost of Electricity for Pulverized Coal Existing Fleet Retrofit Average



4.10 Sustainable Competitive Advantage

The Clean Air Turbine™ system is an innovative new technology that will be first to penetrate the market effectively capturing market share and name recognition. CAT Corp plans to sustain its competitive advantage by continuing to develop, test and deliver new processes and devices to remain responsive to emerging industry requirements and stay on the cutting edge of technology.

4.11 Market Size, Market Share, Market Penetration

By targeting the growing global coal-fired power generation sector, CAT Corp stands to corner the market for transforming coal to a clean energy source.

Worldwide there are in excess of 50,000 coal-fired power plants accounting for 41% of global power generation and responsible for one-quarter of total emissions of carbon dioxide. Additionally, China will build 500 new coal-fired power plants in the next decade at the rate of nearly one per week; and India is in close pursuit to China in stepping up its construction of coal-fired power plants with a population expected to surpass China's by 2030.

CAT Corp's Master Franchise strategy will capitalize on the need for clean coal-fired power generation both internationally and domestically allowing the company to penetrate the global market in the first year and setting the conditions for rapid expansion as production capability increases.

4.12 Barriers to Entry

- The Clean Air Turbine™ system currently consists of components protected by seven patents or provisional patents. To replicate the Clean Air Turbine™ system, a competitor would have to break all seven patented processes/devices. While it is possible a competitor might break one or even two of the patented devices, it is extremely unlikely all seven patents could be broken. Additionally, collocated with its fabrication facility, CAT Corp will have a research and development lab under the direction of Mr. Paul, the inventor, applying new innovation to the existing design in progressive spiral upgrades.
- The Pulsar™, which generates on-demand hydrogen at an extremely low power current, is a unique innovation developed by Mr. Paul that has eluded researchers in industry and universities for over two decades.
- High capital cost for development. Testing, evaluation, and initial production will exceed \$20 million.

4.13 SWOT Analysis

Strengths (Internal)

CAT Corp's greatest strength resides in its inventor, Mr. Buddy Paul, who conceived and designed the Pulsar™ and Clean Air Turbine™. Mr. Paul will assume the position of Chief Technical Officer and oversee the research and development laboratory to continue to innovate and improve the Clean Air Turbine™ system and spin-off products. Additionally, the Clean Air Turbine™ system stands alone in its performance and cost compared to other clean energy technologies.

Challenges (Internal)

CAT Corp is in the process of searching for qualified middle management, engineers, technicians and sales personnel to build the nucleus of the Company. Because of the nature of the product, strong technical understanding and industry knowledge is a prerequisite for middle management and sales, in addition to their normal skill sets. This will require focused training for all personnel for both the CAT™ system and industry alternatives.

Opportunities (External)

The Clean Air Act in the U.S. along with the provisions of the Kyoto Protocol will force power generation companies to act quickly to meet new regulatory standards. CAT Corp is poised to capitalize on this untapped niche market by providing an economically viable solution to meet and exceed these environmental regulations preventing the closure of thousands of coal-fired power generation units and making coal a "green" energy source.

Threats (External)

The expected success and demand for the CAT™ system will undermine an array of renewable energy initiatives. This puts billions of dollars invested or obligated by international energy conglomerations at risk and creates the possibility of political and/or regulatory interference due to loss of market share if power generation companies change the current course toward building new, natural gas-fired power plants back to coal as the most cost efficient source of fuel.

4.14 Product Placement, Promotion & Price

Product

The Clean Air Turbine™ system consists of five interconnected component systems designed to remove all air pollutants in five stages from the exhaust of coal-fired power plants and when configured properly can generate large amounts of electrical power and reduce the total amount of fuel consumed per watt. The CAT™ system will eliminate the need for carbon controls and increase the efficiency of the plant by 30 to 40% over those equipped with scrubbers.

Placement

CAT Corp's corporate office and fabrication facility will be strategically located within 20 minutes of Palm Beach International Airport, allowing prospective clients easy access to CAT Corp corporate offices and research and development facility. The building projects a good corporate image and is well-suited for hosting customers with adequate parking, large conference room, and adequate space for an operating prototype.

Promotion

In line with CAT Corp's marketing strategy, the print advertising campaign will target industry executives and management with focused, high quality informational advertisements in leading trade publications designed to stimulate interest in the Clean Air Turbine™. Specific trade publications will be selected based on their respective demographic readership, frequency of publication, and cost. The print advertisements will direct readers to the Company's website for more information on the Clean Air Turbine™ and the Company. Individuals accessing the CAT Corp website will be directed to a registration page, which will be used by the sales staff to follow-up on inquiries. Some of the leading energy trade publications being reviewed to determine biggest "bang for the buck" to meet marketing objectives include:

- ***Argus Coal Daily*** - complete US coal market coverage and provides understanding of the interaction of coal prices with emissions allowance prices for SO₂ and NO_x.
- ***Cogeneration & On-Site Power Production*** - promotes the case for modern, clean and efficient localized power production.
- ***E&P (Hart's E&P)*** - world's leading exploration and production publication.
- ***Electric Light & Power*** - authoritative source of electric & gas industry business news for electric and gas utility executives and management.

- [**Energybiz**](#) - business magazine for a new generation of power industry leaders.
- [**Hydrocarbon Engineering**](#) - leading source of technical and analytical information for the downstream oil and gas processing sector
- [**Hydrocarbon Processing**](#) - premier magazine providing job-help information to technical and management personnel in petroleum refining, gas processing, petrochemical and engineer/constructor companies throughout the world.
- [**McCloskey's Coal Report**](#) - premier information service for the international coal industry, providing invaluable comprehensive news, analysis, and research for today's fast-paced global industry.
- [**Platts Coal Outlook**](#) - provides in-depth strategic market intelligence that keeps industry executives up to date on industry ins and outs-who is buying, who's selling, contract terms, pricing, origin, and delivery.
- [**POWER**](#) - covers business and technology for the global generation industry.
- [**Power Engineering**](#) - comprehensive voice of the power generation industry that provides readers with the critical information needed to remain efficient and competitive in today's market.
- [**Power in Motion**](#) - new, international magazine for decision makers looking for solutions in Power Transmission and Motion Control.
- [**POWERGRID International**](#) - follows industry trends, remaining cutting edge and now covering equipment from inside the power plant control room to devices inside the home.
- [**Renewable Energy Focus**](#) - reports on various major topical developments in renewable energy from around the world
- [**Renewable Energy World**](#) - promotes all aspects of renewable energy technology in the worldwide marketplace.
- [**SNL Energy Coal Report**](#) - for coal insiders providing the best coverage of production, contracts, companies, financials, permitting, coal-fueled generation, emissions regulation, new mines, transportation, haul rates and more.
- [**Today's Energy Solutions**](#) - serves small and large energy companies, manufacturers/designers of materials and components for alternative energy resources, and a select group of government offices.
- [**Turbomachinery International**](#) - covers industries engaged in all forms of energy, including power generation, electric utilities and cogeneration, oil & gas refining, gas processing, compression, drilling and exploration.
- [**Worldwide Independent Power**](#) - global publication providing all relevant information on the independent power and cogeneration markets.

Banner “push” advertisements associated with industry e-newsletters offer an extremely cost effective and powerful means to deliver the Clean Air Turbine™ marketing message

right to the desktops of a defined industry audience. Some of the leading e-publications under review include:

- **Coal Power Direct** - bi-monthly e-newsletter carrying the latest news and technology about the coal-fired power market to more than 25,000 opt-in subscribers around the world.
- **Managing Power Direct** - bi-monthly e-newsletter that delivers business related content for the power generation market to more than 20,000 industry managers.
- **POWER news** - weekly e-newsletter that delivers key developments in the global electric power industry to more than 35,000 desktops.

Finally, tradeshow offers incredibly effective promotion and sales opportunities provided the right shows are identified and attended, focusing on a very specific customer base. Initially, CAT Corp's promotional plans include having a booth at three domestic tradeshow and two international tradeshow. Due to the unique application of hydrogen on-demand technology, the Clean Air Turbine™ is expected to stand-out among the dozens of products, creating the desired industry "buzz" and providing good return on investment.

Price

CAT Corp's major sources of revenue reside in the sale and distribution of the Clean Air Turbine™ system directly and through Master Franchises. The pricing strategy for the Clean Air Turbine™ and its components will include a 200% profit margin for direct sale of the system.

Until licensing agreements and manufacturing capacity is built in overseas locations, Master Franchises will purchase the Clean Air Turbine™ system from CAT Corp receiving a 33% discount over the suggested retail price effectively splitting the profit margin between CAT Corp and the Master Franchise. This pricing model offers a tremendous return on investment for each of the 30 Master Franchises ensuring their viability and success.

Additionally, CAT Corp will sell 30 Master Franchises at the rate of \$1 million per gigawatt of electrical consumption derived from coal or coal products providing a total revenue of \$1.31 billion. CAT Corp will retain ownership rights in the United States for direct sales to domestic power generation companies.

4.15 Web site

The worldwide web is an important resource in opening new business markets and conveying the Company's strategic message to those inside and outside the Company. CAT Corp's website will provide a multimedia portal into CAT Corp as an extension of its business development and marketing strategy. To ensure the Company's web presence projects a polished image of CAT Corp, a professional web designer will be commissioned to shape the content and structure of the site.

The website will consist of a publicly accessible site promoting the Clean Air Turbine™ and its positive environmental impact, company highlights and successes, industry trends, and public interest stories. The website is intended to be the natural extension of the printed marketing efforts by providing a greater depth of information on the Company, its strategic direction, and product information. Additionally, the publicly accessible site will enhance the recruitment of a quality workforce.

Linked to the public website will be a secure portal for use by Company employees designed to pass and post “proprietary” and “confidential” information. This site will employ commercial encryption protocols to limit and control access to the material in this forum. As part of the secure portal, a company webmail system will be established to provide a mechanism to dynamically communicate via email with an enhanced level of security for “need to know” company business.

4.16 Advertising Budget

CAT Corp realizes the importance of a well-developed marketing and advertising campaign. The Company will hire a professional graphic artist to develop high quality advertisements for trade publications and Company brochures and literature. Additionally, CAT Corp will allocate one percent (1%) of revenues, up to \$250,000 annually, towards these efforts.

Clean Air Turbine Corporation, Inc			
3-YEAR ADVERTISEMENT FORECAST			
PROJECTIONS CREATED 07/01/2011			
	Year 1	Year 2	Year 3
Website Expense	\$ 6,000	\$ 6,000	\$ 6,000
Industry/Trade Publications	\$ 120,000	\$ 150,000	\$ 160,000
Industry Trade Shows	\$ 30,000	\$ 60,000	\$ 60,000
Brochures/Literature	\$ 10,000	\$ 15,000	\$ 15,000
Total	\$ 166,000	\$ 231,000	\$ 241,000

**** Includes 1% of projected annual revenue**

4.17 Branding/Graphic Imagery



4.18 Customer Retention Management

CAT Corp together with its Master Franchise owners will be closely tied to its customers by the nature of the product. From the time of the initial site survey and the customized design of the Clean Air Turbine System™ for each intended plant to the actual installation and support, CAT Corp will be working closely with utility senior management and site engineers. Once the CAT system is operational, CAT Corp via its Master Franchises will provide service and support to the unique components of the system. Customer responsiveness is a crucial element for success in the energy industry. Once the Clean Air Turbine™ system is fielded, CAT Corp will establish a 24/7 support center and have a rapid reaction team available to provide worldwide on-site technical and engineering assistance within 72 hours.

4.19 Implementation & Control

The Company will utilize print and news as part of their regular advertising and marketing. CAT Corp has projected annual expenses of \$50,000 for these ongoing activities with an additional 1% of revenue up to \$250,000 allocated to marketing and business development. In addition, CAT Corp is developing a comprehensive marketing strategy and campaign. They will utilize in-house marketing employees and outside marketing consultants in these efforts. The campaign will begin once the Company is in operations. The importance of an effective and focused marketing campaign cannot be overstated.

**Carbon Capture Plans
Threaten Shutdown of All UK
Coal-Fired Power Stations**
the guardian

4.20 Timing

With EPA regulations taking full effect by 2014, utility companies in the U.S. are actively seeking options for retrofitting existing plants, building new plants and/or shutting down older plants where the costs to bring them up to the new standards are prohibitive. On the international scene, similar Kyoto Protocol standards are already being implemented in 37 industrialized countries and the European Community to meet binding targets for reducing greenhouse gas emissions.

The timing for bringing the Clean Air Turbine™ system to market could not be better, since the great majority of the worldwide coal-fired power plants fall short of new standards. While development of the Clean Air Turbine™ system has been close hold to date, word of this innovation has leaked via investment channels. The CAT Corp has already been approached by developers building new power plants overseas with a request to be the first to employ the Clean Air Turbine™ system in their new power plants. The major push in CAT Corp's marketing campaign will begin once the Company is in operation and the prototype Clean Air Turbine™ system is complete and ready to demonstrate its capabilities.

4.21 Contingency Planning

The marketing and advertising plan being developed by the Company will contain a contingency plan for changing the focus on their marketing strategy.

SECTION 5 FINANCIAL PLAN

5.1 Overview of the Financial Plan

CAT Corp will be a manufacturing franchise with exclusive rights to the Pulsar™ on-demand hydrogen and oxygen generation system for use in the Clean Air Turbine™. The CAT Corp will offer 30 international “Master Franchises” for exclusive use and indigenous production of the Clean Air Turbine™ in defined geographic areas for negotiated production runs. Franchise territories will be determined by current and projected economic industrialization and power demand, population distribution, and national and cultural divisions.

CAT Corp will determine the value of individual franchises based on energy consumption in terms of coal or coal products consumed. This approach will establish baseline regional or national market potential for each franchise and provide an objective standard for pricing individual franchises. Because of unique political, economic and social characteristics associated with different franchise territories, the CAT Corp has the option to offer discounts or charge premiums for individual franchises in the best interests of the Company.

Energy Consumption: Coal and Coal Products (2005)							
	Country	ktoe	MWh	Coal Capacity (MW)	* Power Production (MW)	\$M per GW	Franchise Cost (\$M)
1	China	1,087,624.00	12,649,067,120	1,443,957	635,341	635.34	\$600M
2	United States	558,462.00	6,494,913,060	741,428	326,229	326.23	\$325M
3	India	207,979.00	2,418,795,770	276,118	121,492	121.49	\$125M
4	Japan	111,036.00	1,291,348,680	147,414	64,862	64.86	\$65M
5	Russian Federation	103,388.00	1,202,402,440	137,261	60,395	60.39	\$60M
6	South Africa	91,936.00	1,069,215,680	122,057	53,705	53.70	\$54M
7	Germany/Austria	85,702.00	996,714,260	113,780	50,063	50.06	\$50M
8	Australia/N. Zealand	55,179.00	641,731,770	73,257	32,233	32.23	\$32M
9	Poland	54,611.00	635,125,930	72,503	31,901	31.90	\$32M
10	Korea	49,471.00	575,347,730	65,679	28,899	28.90	\$30M
11	Taiwan	38,797.00	451,209,110	51,508	22,663	22.66	\$23M
12	United Kingdom	37,938.00	441,218,940	50,367	22,162	22.16	\$22M
13	E. Europe (<i>Romania, Bulgaria, Hungary, Slovakia, Balkans</i>)	37,830.00	439,962,900	50,224	22,099	22.10	\$22M
14	Ukraine	37,289.00	433,671,070	49,506	21,783	21.78	\$22M
15	Turkey, Israel, Lebanon	30,559.00	355,401,170	40,571	17,851	17.85	\$18M
16	Canada	30,034.00	349,295,420	39,874	17,545	17.54	\$18M
17	Kazakhstan	27,589.00	320,860,070	36,628	16,116	16.12	\$15M

	Country	ktoe	MWh	Coal Capacity (MW)	* Power Production (MW)	\$M per GW	Franchise Cost (\$M)
18	Indonesia	25,402.00	295,425,260	33,724	14,839	14.84	\$15M
19	SE Asia (Thailand, Vietnam, Malaysia)	25,218.00	293,285,340	33,480	14,731	14.73	\$15M
20	Spain/Portugal	23,838.00	277,235,940	31,648	13,925	13.93	\$15M
21	S. America (Brazil, Chile, Argentina, Colombia, Peru, Venezuela, Uruguay)	22,350.00	259,930,500	29,672	13,056	13.06	\$13M
22	Czech Rep	20,236.00	235,344,680	26,866	11,821	11.82	\$12M
23	Italy	16,469.00	191,534,470	21,865	9,620	9.62	\$10M
24	France	14,303.00	166,343,890	18,989	8,355	8.36	\$8M
25	Nordic (Denmark, Finland, Sweden, Norway, Lithuania, Latvia, Estonia, Iceland)	13,483.00	156,807,290	17,900	7,876	7.88	\$8M
26	Netherlands/Belgium	13,217.00	153,713,710	17,547	7,721	7.72	\$8M
27	Mexico/ C. America	9,292.00	108,065,960	12,336	5,428	5.43	\$5M
28	Greece/Cyprus	8,991.00	104,565,330	11,937	5,252	5.25	\$5M
29	Hong Kong	6,657.00	77,420,910	8,838	3,889	3.89	\$4M
30	Philippines	6,087.00	70,791,810	8,081	3,556	3.56	\$4M
						1665.41	\$1,630M

* 42% Efficiency

Converting energy units from thousand tons of oil equivalent (ktoe) to kilowatt hour

1 ktoe = 11630000 kWh

MW = MWh/8760 hrs

Source:

http://earthtrends.wri.org/searchable_db/index.php?theme=6&variable_ID=515&action=select_countries

CAT Corp will receive production royalties per unit for the manufacture of the Clean Air Turbine™ and associated components under license. Additionally, the Company will levy royalty fees from the power generation customer based on the plant efficiencies achieved with the Clean Air Turbine™ system (compared to baseline efficiency results prior to CAT™ installation). CAT Corp will in-turn return 1.5% of the 4% royalty to the respective franchise owner. The Company will use these fees to sustain technological research and development and spiral upgrades.

5.2 Financial Model

CAT Corp's revenue source will be based on the following:

- Sale of 30 Master Franchises
- Manufacturing, sales and distribution of Clean Air Turbine™ systems worldwide
- Franchise royalties

CAT Corp will sell 30 Master Franchises at the rate of \$1 million per gigawatt of electrical consumption provided by coal and coal products generating total revenue of \$1.31 billion. CAT Corp will retain ownership rights in the United States, which represents the largest coal-fired power generation at 335 GW behind China. CAT Corp will price Clean Air Turbine™ production units with a 200% profit margin.

CAT Corp has negotiated an agreement with *Prime Core Tech, LLC* for exclusive rights to manufacture the patented Pulsar™ and Clean Air Turbine™ system in this field of use for international sale.

- *Prime Corp Tech, LLC* retains sole ownership and control of patents for the Pulsar™ and Clean Air Turbine™. CAT Corp has a negotiated agreement with *Prime Core Tech, LLC* for exclusive rights to the Clean Air Turbine™ system to manufacture and sell internationally.
- CAT Corp will pay royalties to *Prime Corp Tech, LLC* in the amount of \$0.30 for each Pulsar™ cell (or similar capacity) produced and 3.0% on the retail cost of each Clean Air Turbine™ unit produced, which will be rolled into the retail cost of Clean Air Turbine™ units.

5.3 12-Month Profit and Loss Performance Projection

Clean Air Turbine Corporation, Inc			
3-YEAR FORECAST			
PROJECTIONS CREATED 07/12/2011			
	1st Year	2nd Year	3rd Year
REVENUE			
Total Revenue	204,000,000	2,611,000,000	5,927,000,000
EXPENSES			
Fixed Expenses	17,198,388	1,003,388	1,003,388
Variable Expenses	5,300,000	49,350,000	100,950,000
Payroll Expenses	2,932,600	3,489,360	3,489,360
CAT Manufacturing Cost	53,000,000	954,000,000	2,566,000,000
Investor Returns Paid Out	-	-	-
TOTAL EXPENSES	78,430,988	1,007,842,748	2,671,442,748
EBITDA	125,569,012	1,603,157,252	3,255,557,252

EBITDA - Earnings Before Interest, Taxes, Depreciation and Amortization

4.3 3-Year Profit & Loss Forecast

1st Year Profit/Lose Forecast

Clean Air Turbine Corporation, Inc																																	
PROFIT/LOSS FORECAST - YEAR 1																																	
PROJECTIONS CREATED 07/12/2011																																	
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total																				
REVENUE																																	
TOTAL REVENUE	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,000,000	\$ 15,000,000	\$ 174,000,000	\$ 204,000,000																				
EXPENSES																																	
Fixed Expenses	1,362,616	1,948,116	4,305,616	391,116	1,590,616	86,116	105,616	2,576,116	4,577,616	102,616	77,616	74,616	17,198,388																				
Variable Expenses	-	-	-	-	-	10,000	10,000	10,000	10,000	355,000	340,000	4,565,000	5,300,000																				
Payroll Expenses	244,383	244,383	244,383	244,383	244,383	244,383	244,383	244,383	244,383	244,383	244,383	244,383	2,932,600																				
CAT Manufacturing Expense	-	-	-	-	-	-	-	-	-	-	-	53,000,000	53,000,000																				
Investor Returns Paid Out	-	-	-	-	-	-	-	-	-	-	-	-	-																				
TOTAL EXPENSES	\$ 1,596,543	\$ 2,192,499	\$ 4,549,999	\$ 635,499	\$ 1,834,999	\$ 340,499	\$ 359,999	\$ 2,830,499	\$ 4,831,999	\$ 701,999	\$ 661,999	\$ 57,883,999	\$ 78,430,988																				
EBITDA	\$ (1,596,543)	\$ (2,192,499)	\$ (4,549,999)	\$ (635,499)	\$ (1,834,999)	\$ (340,499)	\$ (359,999)	\$ (2,830,499)	\$ (4,831,999)	\$ 14,298,001	\$ 14,338,001	\$ 116,116,001	\$ 125,569,012																				
<table border="1"> <thead> <tr> <th></th> <th>Number</th> <th>Total</th> <th></th> </tr> </thead> <tbody> <tr> <td>Franchise Sale:</td> <td>3</td> <td>\$45,000,000</td> <td>(Average \$15M)</td> </tr> <tr> <td>CAT™ System - Direct</td> <td>1</td> <td>\$106,000,000</td> <td>(Average \$106M)</td> </tr> <tr> <td>CAT™ System - Franchise</td> <td>0</td> <td>\$0</td> <td>(Average \$53M)</td> </tr> <tr> <td>Total Profit</td> <td></td> <td>\$151,000,000</td> <td></td> </tr> </tbody> </table>															Number	Total		Franchise Sale:	3	\$45,000,000	(Average \$15M)	CAT™ System - Direct	1	\$106,000,000	(Average \$106M)	CAT™ System - Franchise	0	\$0	(Average \$53M)	Total Profit		\$151,000,000	
	Number	Total																															
Franchise Sale:	3	\$45,000,000	(Average \$15M)																														
CAT™ System - Direct	1	\$106,000,000	(Average \$106M)																														
CAT™ System - Franchise	0	\$0	(Average \$53M)																														
Total Profit		\$151,000,000																															

2nd Year Profit/Lose Forecast

Clean Air Turbine Corporation, Inc
PROFIT/LOSS FORECAST - YEAR 2

PROJECTIONS CREATED 07/12/2011

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total
REVENUE													
TOTAL REVENUE	\$ 174,000,000	\$ 174,000,000	\$ 121,000,000	\$ 265,000,000	\$ 121,000,000	\$ 280,000,000	\$ 106,000,000	\$ 280,000,000	\$ 265,000,000	\$ 280,000,000	\$ 265,000,000	\$ 280,000,000	\$ 2,611,000,000
EXPENSES													
Fixed Expenses	83,616	83,616	83,616	83,616	83,616	83,616	83,616	83,616	83,616	83,616	83,616	83,616	1,003,388
Variable Expenses	2,428,333	4,578,333	1,398,333	5,308,333	1,398,333	5,638,333	1,068,333	5,638,333	5,308,333	5,638,333	5,308,333	5,638,333	49,350,000
Payroll Expenses	290,780	290,780	290,780	290,780	290,780	290,780	290,780	290,780	290,780	290,780	290,780	290,780	3,489,360
CAT Manufacturing Expense	-	53,000,000	53,000,000	106,000,000	53,000,000	106,000,000	53,000,000	106,000,000	106,000,000	106,000,000	106,000,000	106,000,000	954,000,000
Investor Returns Paid Out	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENSES	\$ 2,802,729	\$ 57,952,729	\$ 54,772,729	\$ 111,682,729	\$ 54,772,729	\$ 112,012,729	\$ 54,442,729	\$ 112,012,729	\$ 111,682,729	\$ 112,012,729	\$ 111,682,729	\$ 112,012,729	\$ 1,007,842,748
EBITDA	\$ 171,197,271	\$ 116,047,271	\$ 66,227,271	\$ 153,317,271	\$ 66,227,271	\$ 167,987,271	\$ 51,557,271	\$ 167,987,271	\$ 153,317,271	\$ 167,987,271	\$ 153,317,271	\$ 167,987,271	\$ 1,603,157,252

	Number	Total	
Franchise Sale:	8	\$120,000,000	(Average \$15M)
CAT™ System - Direct	8	\$948,000,000	(Average \$106M)
CAT™ System - Franchise	10	\$530,000,000	(Average \$53M)
Total Profit		\$1,488,000,000	

3rd Year Profit/Lose Forecast

Clean Air Turbine Corporation, Inc
PROFIT/LOSS FORECAST - YEAR 3

PROJECTIONS CREATED 07/12/2011

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total
REVENUE													
TOTAL REVENUE	\$ 386,000,000	\$ 333,000,000	\$ 386,000,000	\$ 492,000,000	\$ 492,000,000	\$ 651,000,000	\$ 386,000,000	\$ 651,000,000	\$ 492,000,000	\$ 651,000,000	\$ 371,000,000	\$ 636,000,000	\$ 5,927,000,000
EXPENSES													
Fixed Expenses	83,616	83,616	83,616	83,616	83,616	83,616	83,616	83,616	83,616	83,616	83,616	83,616	1,003,388
Variable Expenses	6,698,333	3,518,333	6,698,333	7,758,333	7,758,333	11,998,333	6,698,333	11,998,333	7,758,333	11,998,333	6,368,333	11,698,333	100,950,000
Payroll Expenses	290,780	290,780	290,780	290,780	290,780	290,780	290,780	290,780	290,780	290,780	290,780	290,780	3,489,360
CAT Manufacturing Expense	159,000,000	159,000,000	159,000,000	212,000,000	212,000,000	340,000,000	159,000,000	265,000,000	212,000,000	265,000,000	159,000,000	265,000,000	2,566,000,000
Investor Returns Paid Out	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENSES	\$ 166,072,729	\$ 162,892,729	\$ 166,072,729	\$ 220,132,729	\$ 220,132,729	\$ 352,372,729	\$ 166,072,729	\$ 277,372,729	\$ 220,132,729	\$ 277,372,729	\$ 165,742,729	\$ 277,072,729	\$ 2,671,442,748
EBITDA	\$ 219,927,271	\$ 170,107,271	\$ 219,927,271	\$ 271,867,271	\$ 271,867,271	\$ 298,627,271	\$ 219,927,271	\$ 373,627,271	\$ 271,867,271	\$ 373,627,271	\$ 205,257,271	\$ 358,927,271	\$ 3,255,557,252

	Number	Total	
Franchise Sale:	10	\$150,000,000	(Average \$15M)
CAT™ System - Direct	15	\$1,290,000,000	(Average \$106M)
CAT™ System - Franchise	32	\$1,686,000,000	(Average \$53M)
Total Profit		\$3,436,000,000	

3-Year Expense Forecast (1st Year)

The Company has projected their monthly fixed and variable expenses over the next 3 years. Variable expenses are determined by the revenues earned. Fixed expenses are projected to increase each year in line with the average inflation rate.

Clean Air Turbine Corporation, Inc													
12-MONTH EXPENSE WORKSHEET - YEAR 1													
PROJECTIONS CREATED 07/12/2011													
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total
FIXED EXPENSES													
CAT Mold Dev & Casting	\$ -	\$ 1,000,000			\$ 1,500,000	\$ -	\$ -	\$ 2,500,000	\$ -	\$ -	\$ -	\$ -	\$ 5,000,000
Production Start Up Costs	-	-	4,000,000	-	-	-	-	-	4,500,000	-	-	-	8,500,000
Lab & Fabrication Shop	1,100,000	200,000	200,000	300,000	-	-	-	-	-	-	-	-	1,800,000
Relocation	100,000	-	-	-	-	-	-	-	-	-	-	-	100,000
Building Purchase		660,000	-	-	-	-	-	-	-	-	-	-	660,000
Office Lease	24,199	24,199	24,199	24,199	24,199	24,199	24,199	24,199	24,199	24,199	24,199	24,199	290,388
Utilities	3,917	3,917	3,917	3,917	3,917	3,917	\$3,916.67	3,917	3,917	3,917	3,917	3,917	47,000
Legal Expenses	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	150,000
CPA	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	90,000
Travel	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	200,000
Tech Set-Up & Maint	30,000	-	-	15,000	-	-	15,000	-	-	15,000	-	-	75,000
Office Furniture	60,000	-	30,000	-	15,000	-	15,000	-	-	-	-	-	120,000
Technology Expansion	-	-	-	-	-	8,000	-	-	-	12,000	-	-	20,000
Insurance	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000
Licensing	-	500	-	500	-	500	-	500	-	-	-	-	2,000
Marketing		15,000	3,000	3,000	3,000	5,000	3,000	3,000	5,000	3,000	5,000	2,000	50,000
Auto Expenses	2,833	2,833	2,833	2,833	2,833	2,833	2,833	2,833	2,833	2,833	2,833	2,833	34,000
TOTAL FIXED EXPENSES	\$ 1,362,616	\$ 1,948,116	\$ 4,305,616	\$ 391,116	\$ 1,590,616	\$ 86,116	\$ 105,616	\$ 2,576,116	\$ 4,577,616	\$ 102,616	\$ 77,616	\$ 74,616	\$ 17,198,388
VARIABLE EXPENSES													
Sales Commission (2%)	-	-	-	-	-	-	-	-	-	30,000	30,000	2,120,000	2,180,000
Advertising (1%)	-	-	-	-	-	10,000	10,000	10,000	10,000	25,000	10,000	25,000	100,000
Executive Bonuses (2%)	-	-	-	-	-	-	-	-	-	300,000	300,000	2,420,000	3,020,000
TOTAL VARIABLE EXPENSE:	\$0	\$0	\$0	\$0	\$0	\$10,000	\$10,000	\$10,000	\$10,000	\$355,000	\$340,000	\$4,565,000	\$5,300,000

Sales Commission based on Franchise & Direct Sales Profits

Executive Bonuses based on Total Revenue

3-Year Expense Forecast (2nd Year)

Clean Air Turbine Corporation, Inc													
12-MONTH EXPENSE WORKSHEET - YEAR 2													
PROJECTIONS CREATED 07/12/2011													
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total
FIXED EXPENSES													
Lab & Fabrication Shop	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 60,000
Office Lease	24,199	24,199	24,199	24,199	24,199	24,199	24,199	24,199	24,199	24,199	24,199	24,199	290,388
Utilities	3,917	3,917	3,917	3,917	3,917	3,917	3,917	3,917	3,917	3,917	3,917	3,917	47,000
Legal Expenses	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	150,000
CPA	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	90,000
Travel	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	200,000
Technology Expansion	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	20,000
Insurance	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$60,000.00
Licensing	167	167	167	167	167	167	167	167	167	167	167	167	2,000
Marketing	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	50,000
Auto Expenses	2,833	2,833	2,833	2,833	2,833	2,833	2,833	2,833	2,833	2,833	2,833	2,833	34,000
TOTAL FIXED EXPENSES	\$ 83,616	\$ 1,003,388											
VARIABLE EXPENSES													
Sales Commission (2%)	-	2,150,000	30,000	2,120,000	30,000	2,150,000	-	2,150,000	2,120,000	2,150,000	2,120,000	2,150,000	17,170,000
Advertising (1%)	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	100,000
Executive Bonuses (2%)	2,420,000	2,420,000	1,360,000	3,180,000	1,360,000	3,480,000	1,060,000	3,480,000	3,180,000	3,480,000	3,180,000	3,480,000	32,080,000
TOTAL VARIABLE EXPENSE	\$ 2,428,333	\$ 4,578,333	\$ 1,398,333	\$ 5,308,333	\$ 1,398,333	\$ 5,638,333	\$ 1,068,333	\$ 5,638,333	\$ 5,308,333	\$ 5,638,333	\$ 5,308,333	\$ 5,638,333	\$ 49,350,000

Sales Commission based on Franchise & Direct Sales Profits

Executive Bonuses based on Total Revenue

3-Year Expense Forecast (3rd Year)

Clean Air Turbine Corporation, Inc													
12-MONTH EXPENSE WORKSHEET - YEAR 3													
PROJECTIONS CREATED 07/12/2011													
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total
FIXED EXPENSES													
Lab & Fabrication Shop	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 60,000
Office Lease	24,199	24,199	24,199	24,199	24,199	24,199	24,199	24,199	24,199	24,199	24,199	24,199	290,388
Utilities	3,917	3,917	3,917	3,917	3,917	3,917	3,917	3,917	3,917	3,917	3,917	3,917	47,000
Legal Expenses	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	150,000
CPA	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	90,000
Travel	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	200,000
Technology Expansion	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	1,667	20,000
Insurance	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$60,000.00
Licensing	167	167	167	167	167	167	167	167	167	167	167	167	2,000
Marketing	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	50,000
Auto Expenses	2,833	2,833	2,833	2,833	2,833	2,833	2,833	2,833	2,833	2,833	2,833	2,833	34,000
TOTAL FIXED EXPENSES	\$ 83,616	\$ 83,616	\$ 83,616	\$ 83,616	\$ 83,616	\$ 83,616	\$ 83,616	\$ 1,003,388					
VARIABLE EXPENSES													
Sales Commission (2%)	2,150,000	30,000	2,150,000	2,150,000	2,150,000	4,270,000	2,150,000	4,270,000	2,150,000	4,270,000	2,120,000	4,270,000	32,130,000
Advertising (1%)	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	100,000
Executive Bonuses (2%)	4,540,000	3,480,000	4,540,000	5,600,000	5,600,000	7,720,000	4,540,000	7,720,000	5,600,000	7,720,000	4,240,000	7,420,000	68,720,000
TOTAL VARIABLE EXPENSE	\$6,698,333	\$3,518,333	\$6,698,333	\$7,758,333	\$7,758,333	\$11,998,333	\$6,698,333	\$11,998,333	\$7,758,333	\$11,998,333	\$6,368,333	\$11,698,333	\$100,950,000

Sales Commission based on Franchise & Direct Sales Profits

Executive Bonuses based on Total Revenue

12 Month Expense Worksheet

Clean Air Turbine Corporation, Inc 12-MONTH EXPENSE WORKSHEET PROJECTIONS CREATED 07/12/2011 	
FIXED EXPENSES	
CAT Mold Dev & Casting	Cost to cast production molds of CAT is projected at \$5,000,000.
Production Start Up Costs	Production start-up costs are projected to be \$8,500,000.
Lab & Fabrication Shop	Cost to build fabrication shop and R &D laboratory is projected at \$1,800,000.
Relocation	Relocation from Slidell, LA to Florida is project to be \$100,000.
Building Purchase	20 percent down payment on \$3.3M building is projected at \$660,000.
Office Lease	Office space, R&D laboratory & fabrication shop is projected at \$290,000 annually.
Utilities	Utility costs are projected at \$47,000 annually.
Legal Expenses	Legal fees are projected at \$150,000 annually.
CPA	CPA fees are projected at \$90,000 annually.
Travel	Travel expenses are projected at \$200,000 annually.
Tech Set-Up & Maint	Corporate technology set-up and maintance is projected at \$75,000.
Office Furniture	Cost for office furniture is projected to be \$120,000.
Technology Expansion	Cost for technology expansion and maintenance is projected at \$20,000 annually.
Insurance	Insurance is projected at \$60,000 annually.
Licensing	Licensing costs are projected at \$2,000 annually.
Marketing	Marketing Cost are projected at \$50,000 annually.
Auto Expenses	Auto expensed for milage reimbursement are projected at \$34,000 annually.
TOTAL FIXED EXPENSES	\$17,198,388.00
VARIABLE EXPENSES	
Sales Commision	Sales comissions are projected to be 2% of the revenues from industrial sales
Advertising	Advertising and Marketing will be allocated 1% of revenues from industrial sales.
Executive Bonus	Bonuses are projected to be 2% of total profits.
TOTAL VARIABLE EXPENSES	\$9,900,000

Payroll Forecast (1st Year)

Clean Air Turbine Corporation, Inc													
12-MONTH PAYROLL WORKSHEET - YEAR 1													
PROJECTIONS CREATED 07/12/2011													
PAYROLL	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total
Chief Executive Officer	\$ 16,667	\$ 16,667	\$ 16,667	\$ 16,667	\$ 16,667	\$ 16,667	\$ 16,667	\$ 16,667	\$ 16,667	\$ 16,667	\$ 16,667	\$ 16,667	\$ 200,000
Chief Operations Officer	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	200,000
Chief Technology Officer	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	200,000
Chief Financial Officer	13,333	13,333	13,333	13,333	13,333	13,333	13,333	13,333	13,333	13,333	13,333	13,333	160,000
Chief Marketing/Business Dev Officer	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	200,000
Office Manager	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	55,000
Executive Assistant	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	50,000
Engineer (3)	21,250	21,250	21,250	21,250	21,250	21,250	21,250	21,250	21,250	21,250	21,250	21,250	255,000
Engineering Technicians (4)	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	240,000
Sales Representative (4)	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	300,000
Accountant	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	65,000
Support Staff (2)	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	90,000
Professional Consultation	29,167	29,167	29,167	29,167	29,167	29,167	29,167	29,167	29,167	29,167	29,167	29,167	350,000
Bonuses	-	-	-	-	-	-	-	-	-	-	-	-	-
GROSS WAGES	\$ 197,083	\$ 2,365,000											
PAYROLL EXPENSES													
Worker's Compensation Insurance	\$ 5,913	\$ 5,913	\$ 5,913	\$ 5,913	\$ 5,913	\$ 5,913	\$ 5,913	\$ 5,913	\$ 5,913	\$ 5,913	\$ 5,913	\$ 5,913	\$ 70,950
Benefits & Administrative Expenses	19,708	19,708	19,708	19,708	19,708	19,708	19,708	19,708	19,708	19,708	19,708	19,708	236,500
Payroll Taxes	21,679	21,679	21,679	21,679	21,679	21,679	21,679	21,679	21,679	21,679	21,679	21,679	260,150
Total Payroll Expenses	\$ 47,300	\$ 567,600											
TOTAL PAYROLL	\$ 244,383	\$ 2,932,600											

Payroll Forecast (2nd Year)

Clean Air Turbine Corporation, Inc
12-MONTH PAYROLL WORKSHEET - YEAR 2
PROJECTIONS CREATED 07/12/2011

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total
PAYROLL													
Chief Executive Officer	\$ 16,667	\$ 16,667	\$ 16,667	\$ 16,667	\$ 16,667	\$ 16,667	\$ 16,667	\$ 16,667	\$ 16,667	\$ 16,667	\$ 16,667	\$ 16,667	\$ 200,000
Chief Operations Officer	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	200,000
Chief Technology Officer	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	200,000
Chief Financial Officer	13,333	13,333	13,333	13,333	13,333	13,333	13,333	13,333	13,333	13,333	13,333	13,333	160,000
Chief Marketing/Business Dev Officer	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	200,000
Office Manager	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	55,000
Executive Assistant	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	50,000
Chief Engineer	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	110,000
Engineer (4)	28,333	28,333	28,333	28,333	28,333	28,333	28,333	28,333	28,333	28,333	28,333	28,333	340,000
Engineering Technicians (6)	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	360,000
Sales Representative (4)	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	300,000
Accountant	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	65,000
Support Staff (2)	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	90,000
Professional Consultation	29,167	29,167	29,167	29,167	29,167	29,167	29,167	29,167	29,167	29,167	29,167	29,167	350,000
Bonuses	11,167	11,167	11,167	11,167	11,167	11,167	11,167	11,167	11,167	11,167	11,167	11,167	134,000
GROSS WAGES	\$ 234,500	\$ 2,814,000											
PAYROLL EXPENSES													
Worker's Compensation Insurance	\$ 7,035	\$ 7,035	\$ 7,035	\$ 7,035	\$ 7,035	\$ 7,035	\$ 7,035	\$ 7,035	\$ 7,035	\$ 7,035	\$ 7,035	\$ 7,035	\$ 84,420
Benefits & Administrative Expenses	23,450	23,450	23,450	23,450	23,450	23,450	23,450	23,450	23,450	23,450	23,450	23,450	281,400
Payroll Taxes	25,795	25,795	25,795	25,795	25,795	25,795	25,795	25,795	25,795	25,795	25,795	25,795	309,540
Total Payroll Expenses	\$ 56,280	\$ 675,360											
TOTAL PAYROLL	\$ 290,780	\$ 3,489,360											

3-Year Payroll Forecast (3rd Year)

Clean Air Turbine Corporation, Inc														
12-MONTH PAYROLL WORKSHEET - YEAR 3														
PROJECTIONS CREATED 07/01/2011														
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total	
PAYROLL														
Chief Executive Officer	\$ 16,667	\$ 16,667	\$ 16,667	\$ 16,667	\$ 16,667	\$ 16,667	\$ 16,667	\$ 16,667	\$ 16,667	\$ 16,667	\$ 16,667	\$ 16,667	\$ 16,667	\$ 200,000
Chief Operations Officer	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	200,000
Chief Technology Officer	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	200,000
Chief Financial Officer	13,333	13,333	13,333	13,333	13,333	13,333	13,333	13,333	13,333	13,333	13,333	13,333	13,333	160,000
Chief Marketing/Business Dev Officer	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	200,000
Office Manager	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	55,000
Executive Assistant	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	50,000
Chief Engineer	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	9,167	110,000
Engineer (4)	28,333	28,333	28,333	28,333	28,333	28,333	28,333	28,333	28,333	28,333	28,333	28,333	28,333	340,000
Engineering Technicians (6)	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	360,000
Sales Representative (4)	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	300,000
Accountant	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	5,417	65,000
Support Staff (2)	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	90,000
Professional Consultation	29,167	29,167	29,167	29,167	29,167	29,167	29,167	29,167	29,167	29,167	29,167	29,167	29,167	350,000
Bonuses	11,167	11,167	11,167	11,167	11,167	11,167	11,167	11,167	11,167	11,167	11,167	11,167	11,167	134,000
GROSS WAGES	\$ 234,500	\$ 2,814,000												
PAYROLL EXPENSES														
Worker's Compensation Insurance	7,035	\$ 7,035	\$ 7,035	\$ 7,035	\$ 7,035	\$ 7,035	\$ 7,035	\$ 7,035	\$ 7,035	\$ 7,035	\$ 7,035	\$ 7,035	\$ 7,035	\$ 84,420
Benefits & Administrative Expenses	23,450	23,450	23,450	23,450	23,450	23,450	23,450	23,450	23,450	23,450	23,450	23,450	23,450	281,400
Payroll Taxes	25,795	25,795	25,795	25,795	25,795	25,795	25,795	25,795	25,795	25,795	25,795	25,795	25,795	309,540
Total Payroll Expenses	\$ 56,280	\$ 675,360												
TOTAL PAYROLL	\$ 290,780	\$ 3,489,360												

Payroll Assumptions

Clean Air Turbine Corporation, Inc	
MODEL 1st YEAR PAYROLL ASSUMPTIONS	
PROJECTIONS CREATED 07/12/2011	
PAYROLL	
Chief Executive Officer	CEO salary projected to start at \$200,000 annually.
Chief Operations Officer	COO salary projected to start at \$200,000 annually.
Chief Technology Officer	CTO salary projected to start at \$200,000 annually.
Chief Financial Officer	CFO salary projected to start at \$160,000 annually.
Chief Business Development Officer	CDO salary projected to start at \$200,000 annually.
Office Manager	Office manager salary projected to start at \$55,000 annually.
Executive Assistant	Executive assistant salary projected to start at \$50,000 annually.
Engineer (3)	3 engineer positions projected to start at \$85,000 annually.
Engineering Technicians (4)	4 engineering technician positions to start at \$60,000 annually.
International Sales Representative (5)	5 international sales positions to start at \$60,000 annually. <i>(with commission compensation at 2% of sales)</i>
Accountant	Accountant salary projected to start at \$65,000
Support Staff (2)	2 support staff positions projected to start at \$45,000 annually.
Professional Consultation	Non-fulltime expert consultation projected at \$350,000 annually.
Bonuses	Bonuses are calculated at 5% of base compensation.
GROSS WAGES	\$2,365,000
PAYROLL EXPENSES	
Worker's Compensation Insurance	Workers compensation is projected at 1% of gross payroll.
Benefits & Administrative Expenses	Benefits and admin expenses are projected at 10% of gross payroll.
Payroll Taxes	Payroll taxes are expected at 11% of gross payroll.
TOTAL PAYROLL EXPENSES	\$567,600.00
TOTAL PAYROLL	\$2,932,600.00

5.5 Cash Flow Forecast (1st Year)

CASHFLOW FORECAST - YEAR 1												
PROJECTIONS CREATED 07/12/2011												
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
CASH IN												
Starting Balance	\$ -	\$ 18,393,001	\$ 16,200,502	\$ 11,650,503	\$ 11,015,004	\$ 9,180,005	\$ 8,839,506	\$ 8,479,507	\$ 5,649,008	\$ 817,009	\$ 15,115,010	\$ 29,453,011
Cash In From Revenues	0	-	-	-	-	-	-	-	-	15,000,000	15,000,000	174,000,000
Cash In From Investors	20,000,000	-	-	-	-	-	-	-	-	-	-	-
Cash In From Others	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL CASH IN	\$ 20,000,000	\$ 18,393,001	\$ 16,200,502	\$ 11,650,503	\$ 11,015,004	\$ 9,180,005	\$ 8,839,506	\$ 8,479,507	\$ 5,649,008	\$ 15,817,009	\$ 30,115,010	\$ 203,453,011
CASH OUT												
Fixed Expenses	\$ 1,362,616	\$ 1,948,116	\$ 4,305,616	\$ 391,116	\$ 1,590,616	\$ 86,116	\$ 105,616	\$ 2,576,116	\$ 4,577,616	\$ 102,616	\$ 77,616	\$ 74,616
Variable Expenses	-	-	-	-	-	10,000	10,000	10,000	10,000	355,000	340,000	4,565,000
Payroll Expenses	244,383	244,383	244,383	244,383	244,383	244,383	244,383	244,383	244,383	244,383	244,383	244,383
CAT Manufacturing Expense	-	-	-	-	-	-	-	-	-	-	-	53,000,000
TOTAL CASH OUT	\$ 1,606,999	\$ 2,192,499	\$ 4,549,999	\$ 635,499	\$ 1,834,999	\$ 340,499	\$ 359,999	\$ 2,830,499	\$ 4,831,999	\$ 701,999	\$ 661,999	\$ 57,883,999
CASH BALANCE	\$ 18,393,001	\$ 16,200,502	\$ 11,650,503	\$ 11,015,004	\$ 9,180,005	\$ 8,839,506	\$ 8,479,507	\$ 5,649,008	\$ 817,009	\$ 15,115,010	\$ 29,453,011	\$ 145,569,012

Cash Flow Forecast (2nd Year)

Clean Air Turbine Corporation, Inc
CASH FLOW FORECAST - YEAR 2

PROJECTIONS CREATED 07/12/2011

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
CASH IN												
Starting Balance	\$ 145,569,012	\$ 157,771,283	\$ 318,823,554	\$ 415,055,825	\$ 643,378,096	\$ 739,610,367	\$ 982,602,638	\$ 1,064,164,909	\$ 1,307,157,180	\$ 1,535,479,451	\$ 1,778,471,722	\$ 2,006,793,993
Cash In From Revenues	15,000,000	219,000,000	151,000,000	340,000,000	151,000,000	355,000,000	136,000,000	355,000,000	340,000,000	355,000,000	340,000,000	355,000,000
Cash In From Investors	-	-	-	-	-	-	-	-	-	-	-	-
Cash In From Others	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL CASH IN	\$ 160,569,012	\$ 376,771,283	\$ 469,823,554	\$ 755,055,825	\$ 794,378,096	\$1,094,610,367	\$1,118,602,638	\$1,419,164,909	\$1,647,157,180	\$1,890,479,451	\$2,118,471,722	\$2,361,793,994
CASH OUT												
Fixed Expenses	\$ 78,616	\$ 78,616	\$ 78,616	\$ 78,616	\$ 78,616	\$ 78,616	\$ 78,616	\$ 78,616	\$ 78,616	\$ 78,616	\$ 78,616	\$ 78,616
Variable Expenses	\$2,428,333	\$4,578,333	\$1,398,333	\$5,308,333	\$1,398,333	\$5,638,333	\$1,068,333	\$5,638,333	\$5,308,333	\$5,638,333	\$5,308,333	\$5,638,333
Payroll Expenses	290,780	290,780	290,780	290,780	290,780	290,780	290,780	290,780	290,780	290,780	290,780	290,780
CAT Manufacturing Expense	-	53,000,000	53,000,000	106,000,000	53,000,000	106,000,000	53,000,000	106,000,000	106,000,000	106,000,000	106,000,000	106,000,000
TOTAL CASH OUT	\$ 2,797,729	\$ 57,947,729	\$ 54,767,729	\$ 111,677,729	\$ 54,767,729	\$ 112,007,729	\$ 54,437,729	\$ 112,007,729	\$ 111,677,729	\$ 112,007,729	\$ 111,677,729	\$ 112,007,729
CASH BALANCE	\$ 157,771,283	\$ 318,823,554	\$ 415,055,825	\$ 643,378,096	\$ 739,610,367	\$ 982,602,638	\$ 1,064,164,909	\$ 1,307,157,180	\$ 1,535,479,451	\$ 1,778,471,722	\$ 2,006,793,993	\$ 2,249,786,265

Cash Flow Forecast (3rd Year)

Clean Air Turbine Corporation, Inc												
CASH FLOW FORECAST - YEAR 3												
PROJECTIONS CREATED 07/12/2011												
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
CASH IN												
Starting Balance	\$ 2,249,786,265	2,574,718,536	2,834,830,807	3,159,763,078	3,566,635,349	3,973,507,620	4,452,139,891	4,777,072,162	5,330,704,433	5,737,576,704	6,291,208,975	6,601,471,246
Cash In From Revenues	491,000,000	423,000,000	491,000,000	627,000,000	627,000,000	831,000,000	491,000,000	831,000,000	627,000,000	831,000,000	476,000,000	816,000,000
Cash In From Investors	-	-	-	-	-	-	-	-	-	-	-	-
Cash In From Others	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL CASH IN	\$2,740,786,265	\$2,997,718,536	\$3,325,830,807	\$3,786,763,078	\$4,193,635,349	\$4,804,507,620	\$4,943,139,891	\$5,608,072,162	\$5,957,704,433	\$6,568,576,704	\$6,767,208,975	\$7,417,471,246
CASH OUT												
Fixed Expenses	\$ 78,616	\$ 78,616	\$ 78,616	\$ 78,616	\$ 78,616	\$ 78,616	\$ 78,616	\$ 78,616	\$ 78,616	\$ 78,616	\$ 78,616	\$ 78,616
Variable Expenses	6,698,333	3,518,333	6,698,333	7,758,333	7,758,333	11,998,333	6,698,333	11,998,333	7,758,333	11,998,333	6,368,333	11,698,333
Payroll Expenses	290,780	290,780	290,780	290,780	290,780	290,780	290,780	290,780	290,780	290,780	290,780	290,780
CAT Manufacturing Expense	159,000,000	159,000,000	159,000,000	212,000,000	212,000,000	340,000,000	159,000,000	265,000,000	212,000,000	265,000,000	159,000,000	265,000,000
TOTAL CASH OUT	\$ 166,067,729	\$ 162,887,729	\$ 166,067,729	\$ 220,127,729	\$ 220,127,729	\$ 352,367,729	\$ 166,067,729	\$ 277,367,729	\$ 220,127,729	\$ 277,367,729	\$ 165,737,729	\$ 277,067,729
CASH BALANCE	\$ 2,574,718,536	\$ 2,834,830,807	\$ 3,159,763,078	\$ 3,566,635,349	\$ 3,973,507,620	\$ 4,452,139,891	\$ 4,777,072,162	\$ 5,330,704,433	\$ 5,737,576,704	\$ 6,291,208,975	\$ 6,601,471,246	\$ 7,140,403,517

5.6 Financial Model (Break-even Calculation) – 1st Year

Clean Air Turbine Corporation, Inc												
INCOME WORKSHEET - YEAR 1												
PROJECTIONS CREATED 07/12/2011												
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
UNITS												
Master Franchise (average price)	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000
Clean Air Turbines (CAT™)	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000
AGES™	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000
Cryogenic Air Pump (CAP™)	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000
Particle Acquisition Tower (PAT™)	\$ 21,000,000	\$ 21,000,000	\$ 21,000,000	\$ 21,000,000	\$ 21,000,000	\$ 21,000,000	\$ 21,000,000	\$ 21,000,000	\$ 21,000,000	\$ 21,000,000	\$ 21,000,000	\$ 21,000,000
Pulsar™ (per MW)	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000
Franchise Royalties (4%)	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%
UNITS EARNING FEES												
Master Franchise (average price)	-	-	-	-	-	-	-	-	-	1.0	1.0	1.0
Clean Air Turbines (CAT™)	-	-	-	-	-	-	-	-	-	-	-	3.0
AGES™	-	-	-	-	-	-	-	-	-	-	-	2.0
Cryogenic Air Pump (CAP™)	-	-	-	-	-	-	-	-	-	-	-	1.0
Particle Acquisition Tower (PAT™)	-	-	-	-	-	-	-	-	-	-	-	3.0
Pulsar™	-	-	-	-	-	-	-	-	-	-	-	600.0
Franchise Royalties (4%)	-	-	-	-	-	-	-	-	-	1.0	2.0	3.0
MODEL REVENUE												
Master Franchise (average price)	-	-	-	-	-	-	-	-	-	15,000,000	15,000,000	15,000,000
Clean Air Turbines (CAT™)	-	-	-	-	-	-	-	-	-	-	-	36,000,000
AGES™	-	-	-	-	-	-	-	-	-	-	-	24,000,000
Cryogenic Air Pump (CAP™)	-	-	-	-	-	-	-	-	-	-	-	9,000,000
Particle Acquisition Tower (PAT™)	-	-	-	-	-	-	-	-	-	-	-	63,000,000
Pulsar™	-	-	-	-	-	-	-	-	-	-	-	27,000,000
Franchise Royalties (4%)	-	-	-	-	-	-	-	-	-	-	-	-
GROSS REVENUE	\$ 0	\$ -	\$ 15,000,000	\$ 15,000,000	\$ 174,000,000							

Financial Model (Break-even Calculation) – 2nd Year

Clean Air Turbine Corporation, Inc												
INCOME WORKSHEET - YEAR 2												
PROJECTIONS CREATED 07/12/2011												
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
UNITS												
Master Franchise (average price)	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000
Clean Air Turbines (CAT™)	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000
AGES™	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000
Cryogenic Air Pump (CAP™)	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000
Particle Acquisition Tower (PAT™)	\$ 21,000,000	\$ 21,000,000	\$ 21,000,000	\$ 21,000,000	\$ 21,000,000	\$ 21,000,000	\$ 21,000,000	\$ 21,000,000	\$ 21,000,000	\$ 21,000,000	\$ 21,000,000	\$ 21,000,000
Pulsar™ (per MW)	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000
Franchise Royalties (4%)	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%
UNITS EARNING FEES												
Master Franchise (average price)	1.0	1.0	1.0	-	1.0	1.0	-	1.0	-	1.0	-	1.0
Clean Air Turbines (CAT™)	3.0	3.0	2.0	5.0	2.0	5.0	2.0	5.0	5.0	5.0	5.0	5.0
AGES™	2.0	2.0	1.3	3.3	1.3	3.3	1.3	3.3	3.3	3.3	3.3	3.3
Cryogenic Air Pump (CAP™)	1.0	1.0	0.7	1.7	0.7	1.7	0.7	1.7	1.7	1.7	1.7	1.7
Particle Acquisition Tower (PAT™)	3.0	3.0	2.0	5.0	2.0	5.0	2.0	5.0	5.0	5.0	5.0	5.0
Pulsar™	600.0	600.0	400.0	1,000.0	400.0	1,000.0	400.0	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0
Franchise Royalties (4%)	4	5	6	6	7	8	8	9	9	10	10	11
MODEL REVENUE												
Master Franchise (average price)	15,000,000.0	15,000,000.0	15,000,000.0	-	15,000,000.0	15,000,000.0	-	15,000,000.0	-	15,000,000.0	-	15,000,000.0
Clean Air Turbines (CAT™)	36,000,000.0	36,000,000.0	24,000,000.0	60,000,000.0	24,000,000.0	60,000,000.0	24,000,000.0	60,000,000.0	60,000,000.0	60,000,000.0	60,000,000.0	60,000,000.0
AGES™	24,000,000.0	24,000,000.0	16,000,000.0	40,000,000.0	16,000,000.0	40,000,000.0	16,000,000.0	40,000,000.0	40,000,000.0	40,000,000.0	40,000,000.0	40,000,000.0
Cryogenic Air Pump (CAP™)	9,000,000.0	9,000,000.0	6,000,000.0	15,000,000.0	6,000,000.0	15,000,000.0	6,000,000.0	15,000,000.0	15,000,000.0	15,000,000.0	15,000,000.0	15,000,000.0
Particle Acquisition Tower (PAT™)	63,000,000.0	63,000,000.0	42,000,000.0	105,000,000.0	42,000,000.0	105,000,000.0	42,000,000.0	105,000,000.0	105,000,000.0	105,000,000.0	105,000,000.0	105,000,000.0
Pulsar™	27,000,000.0	27,000,000.0	18,000,000.0	45,000,000.0	18,000,000.0	45,000,000.0	18,000,000.0	45,000,000.0	45,000,000.0	45,000,000.0	45,000,000.0	45,000,000.0
Franchise Royalties (4%)	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%
GROSS REVENUE	\$ 174,000,000	\$ 174,000,000	\$ 121,000,000	\$ 265,000,000	\$ 121,000,000	\$ 280,000,000	\$ 106,000,000	\$ 280,000,000	\$ 265,000,000	\$ 280,000,000	\$ 265,000,000	\$ 280,000,000

Financial Model (Break-even Calculation) – 3rd Year

Clean Air Turbine Corporation, Inc												
INCOME WORKSHEET - YEAR 3												
PROJECTIONS CREATED 07/12/2011												
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
UNITS												
Master Franchise (average price)	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000
Clean Air Turbines (CAT™)	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000
AGES™	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000
Cryogenic Air Pump (CAP™)	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000
Particle Acquisition Tower (PAT™)	\$ 21,000,000	\$ 21,000,000	\$ 21,000,000	\$ 21,000,000	\$ 21,000,000	\$ 21,000,000	\$ 21,000,000	\$ 21,000,000	\$ 21,000,000	\$ 21,000,000	\$ 21,000,000	\$ 21,000,000
Pulsar™ (per MW)	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000
Franchise Royalties (4%)	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%
UNITS EARNING FEES												
Master Franchise (average price)	1	1	1	1	1	1	1	1	1	1	-	-
Clean Air Turbines (CAT™)	7.0	6.0	7.0	9.0	9.0	12.0	7.0	12.0	9.0	12.0	7.0	12.0
AGES™	4.7	4.0	4.7	6.0	6.0	8.0	4.7	8.0	6.0	8.0	4.7	8.0
Cryogenic Air Pump (CAP™)	2.3	2.0	2.3	3.0	3.0	4.0	2.3	4.0	3.0	4.0	2.3	4.0
Particle Acquisition Tower (PAT™)	7.0	6.0	7.0	9.0	9.0	12.0	7.0	12.0	9.0	12.0	7.0	12.0
Pulsar™	1,400.0	1,200.0	1,400.0	1,800.0	1,800.0	2,400.0	1,400.0	2,400.0	1,800.0	2,400.0	1,400.0	2,400.0
Franchise Royalties (4%)	12	13	14	15	16	17	18	19	20	21	21	21
MODEL REVENUE												
Master Franchise (average price)	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	-	-
Clean Air Turbines (CAT™)	84,000,000	72,000,000	84,000,000	108,000,000	108,000,000	144,000,000	84,000,000	144,000,000	108,000,000	144,000,000	84,000,000	144,000,000
AGES™	56,000,000	48,000,000	56,000,000	72,000,000	72,000,000	96,000,000	56,000,000	96,000,000	72,000,000	96,000,000	56,000,000	96,000,000
Cryogenic Air Pump (CAP™)	21,000,000	18,000,000	21,000,000	27,000,000	27,000,000	36,000,000	21,000,000	36,000,000	27,000,000	36,000,000	21,000,000	36,000,000
Particle Acquisition Tower (PAT™)	147,000,000	126,000,000	147,000,000	189,000,000	189,000,000	252,000,000	147,000,000	252,000,000	189,000,000	252,000,000	147,000,000	252,000,000
Pulsar™	63,000,000	54,000,000	63,000,000	81,000,000	81,000,000	108,000,000	63,000,000	108,000,000	81,000,000	108,000,000	63,000,000	108,000,000
Franchise Royalties (4%)	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%
GROSS REVENUE	\$ 386,000,000	\$ 333,000,000	\$ 386,000,000	\$ 492,000,000	\$ 492,000,000	\$ 651,000,000	\$ 386,000,000	\$ 651,000,000	\$ 492,000,000	\$ 651,000,000	\$ 371,000,000	\$ 636,000,000

5.7 Assumptions

Clean Air Turbine Corporation, Inc	
INCOME WORKSHEET ASSUMPTIONS	
PROJECTIONS CREATED 07/12/2011	
UNITS	
Master Franchise	30 total Master Franchises.
Clean Air Turbines (CAT™)	3 CAT™ units required based on 600-megawatt plant.
AGES™	2 AGES™ units required based on 600-megawatt plant.
Cryogenic Air Pump (CAP™)	1 CAP™ unit required based on 600-megawatt plant.
Particle Acquisition Tower (PAT™)	3 PAT™ units required based on 600-megawatt plant.
Pulsar™	Based on \$45,000 per megawatt.
Franchise Royalties (4%)	Master Franchises will pay a 4% royalty to CAT Corp.
UNITS EARNING FEES	
Master Franchise	Number of Master Franchises sold during the month.
Clean Air Turbines (CAT™)	Number of CAT™ units required <i>(0.5 values represent revenue from franchise sales).</i>
AGES™	Number of AGES™ units required <i>(0.5 values represent revenue from franchise sales).</i>
Cryogenic Air Pump (CAP™)	Number of CAP™ units required <i>(0.5 values represent revenue from franchise sales).</i>
Particle Acquisition Tower (PAT™)	Number of PAT™ units required <i>(0.5 values represent revenue from franchise sales).</i>
Pulsar™	Number of 1-megawatt Pulsars™ required based on 600-megawatt plant.
Franchise Royalties (4%)	Number of Master Franchise.
MODEL REVENUE	
Master Franchise	Average price for Master Franchise <i>(prices vary based on value of franchise).</i>
Clean Air Turbines (CAT™)	
AGES™	
Cryogenic Air Pump (CAP™)	
Particle Acquisition Tower (PAT™)	
Pulsar™	
Franchise Royalties (4%)	Franchise royalty revenue will vary based on individual franchise performance.

5.8 Capital Requirements

Clean Air Turbine Corporation, Inc	
USE OF CAPITAL	
PROJECTIONS CREATED 07/12/2011	
<u>Non-Recurring Capital Expenditures</u>	
Prototype CAT™ (24")	\$ 1,000,000
Production CAT™ (96") Mold Development & Casting	\$ 4,000,000
Production Start Up Costs (<i>deposits to outsourced manufacturers</i>)	\$ 8,500,000
R&D Lab & Fabrication Shop	\$ 1,800,000
Relocate Business from Louisiana to Florida	\$ 100,000
Building Purchase (<i>20% down payment on \$3.3M facility</i>)	\$ 660,000
Tech Set-Up (<i>computers, phones, copier, video teleconf suite, etc.</i>)	\$ 75,000
Office Furniture	\$ 120,000
Salary (<i>First year</i>)	\$ 2,932,600
Sub-Total	\$ 19,187,600
Contingency Capital	\$ 300,000
Grand Total (Minimum Funds Raised)	\$ 19,487,600

SECTION 6 MANAGEMENT & OPERATIONS

6.1 Ownership

CAT Corp consists of 500,000,000 shares of preferred and common stock ownership.

- 70% Prime Core Tech, LLC
- 20% Investor (*single investor or divided among multiple investors*)
- 10% Buddy Paul (Invention Bonus)

6.2 Board of Directors

CAT Corp’s Board of Directors will consist of seven positions consisting of a Chairman and six Board Members. Board Members will have overall responsibility for the activities of the Corporation. The Board acts on behalf of the shareholders to make overall policy decisions based on the corporate mission and vision, and will exercise an oversight function, reviewing the actions of corporate officers and executives.

Clean Air Turbine Corporation, Inc  Board of Directors	
Chairman	Robert McGee
Board Member	Buddy Paul
Board Member	Baker Beard
Board Member	Patrick Matrisciana
Board Member	Tom Johan
Board Member	<i>Open [selected by investor(s)]</i>
Board Member	<i>Open [selected by investor(s)]</i>

Board Members will have a fiduciary responsibility to care for the finances and legal requirements of the Corporation. Board Members must act in good faith and with a reasonable degree of care and must not have any conflicts of interest. That is, the interests of the Company must take precedence over personal interests of individual board members.

Board Members are responsible for setting the mission of the company and assuring that all actions are related to and adhere to that mission. The board can change the mission, but only after careful deliberation.

Specific duties of the Board of Directors and of individual board members, committees and officers are set by the corporate bylaws.

During the annual meeting of the Corporation, the CAT Corp’s Board of Directors will announce the annual dividend, oversee election of corporate board members, elect or appoint officers and key executives, and amend the bylaws, if necessary.

6.3 Management Team

ROBERT MCGEE - Chief Executive Officer (CEO)

The CEO is the officer who has ultimate management responsibility for an organization. The CEO reports directly to the Board of Directors and appoints other managers to assist in carrying out the responsibilities of the organization.

Primary Responsibilities:

- Implements the strategic goals and objectives of the organization.
- Provides direction and leadership toward the achievement of the organization's philosophy, mission, strategy, and its annual goals and objectives.
- Manages the Company's strategic planning process.
- Formulates policies and planning recommendations to the Board of Directors.
- Recommends yearly budget for Board approval and prudently manages organization's resources within those budget guidelines according to current laws and regulations.

Dr. Robert S. McGee graduated from Oklahoma University and Oklahoma State University. Between these universities he was trained as a helicopter pilot where he became a decorated combat pilot in Vietnam. In 1982, he wrote *The Search for Significance* selling over 2 million copies. The information from this book proved so extremely effective that in 1986, Dr. McGee founded *Rapha*, a nationally recognized health care organization that provided in-hospital care with a Christ-centered perspective for adults and adolescents suffering with psychiatric and substance abuse problems.

Over the next 10 years, Dr. McGee established over 35 in-hospital treatment centers treating over 40,000 patients. While authoring over 25 books, he directed a staff of over 200 medical doctors and PhDs who implemented his program. During this period, *Rapha* grossed over \$500 million in billings. In the difficult hospital environment, *Rapha* was considered by both hospitals and licensing agencies as running programs that were excellent in every area. *Rapha* established direct ties to over 30,000 churches and other organizations, and was the first such program to advertise nationally, on programs such as the *Rush Limbaugh Show*. In addition, he created psychiatric units with individuals such as Pat Boone and Tom Landry. No one before or after has been able to replicate the number of patients and creativity exhibited by *Rapha*.

For the last 2 years, Dr. McGee has served as Director and CEO of Prime Core Tech, LLC developing hydrogen on-demand solutions.

BAKER B. BEARD – President

The President is responsible for the entire operations of the Company and reports directly to the Chairman and Board of Directors. The President will implement Board decisions and initiatives and maintain the smooth operation of the Company, with the assistance of senior management.

The President is responsible for:

- Providing leadership to the Company, the Board, and staff.
- Ensuring company's strategies are acted upon and successfully carried out.
- Ensuring sufficient human, financial, technological, informational, and material resources are available to effectively meet corporate goals and objectives.
- Representing the Company in a variety of industry and professional forums.
- Establishing and maintaining necessary business relationships and organizational structures.
- Planning and chairing Board and general meetings, including meeting agenda preparation in consultation with the Chairman of the Board.
- Enforcing adherence to the Company By-laws and assuring the integrity of the Board process.
- Reviewing financial reports submitted by the Chief Financial Officer and/or accounting firm and advising the Board of these reports and any necessary actions by the Board.
- Exercising the governing authority of the Board of Directors when advised to do so by the Board.

Lt Col Beard has spent the last five months developing the corporate framework for the Clean Air Turbine Company conducting extensive market research, developing the strategic plan, and authoring the business plan. In early-July 2011, the CAT Corp Board of Directors appointed him to the office of President.

PATRICK MATRISCIANA - Chief Operating Officer (COO)

The COO will oversee the day-to-day business operations of Clean Air Turbine Corporation, Inc. He will be responsible for all Company program planning, organizing, operating, and staffing.

Primary Responsibilities:

- Responsible for ensuring that the CAT Corp follows all federal, state, municipal regulations, certifications, and licensing requirements.
- Provide effective and inspiring leadership by being actively involved in all programs and services.
- Implement and lead a continuous quality improvement process throughout the Company focusing on systems/process improvement. Promote regular and ongoing opportunities for all staff to give feedback on program operations.
- Partner with the CEO to represent CAT Corp with industry, trade organization, political representatives, governmental, and private organizations.
- Prepare and submit an annual operational budget to the CEO and CFO for review and approval, manage effectively within this budget, and report accurately on progress made and challenges encountered.

Mr. Pat Matrisciana is founder and president of *Jeremiah Films* celebrating over 30 years in the field of video communication - producing hard hitting, life changing motion pictures. With its cutting-edge investigations of the political world and social arena, *Jeremiah Films* has successfully filled the void created by the national media. His videos such as the “Clinton Chronicles” have received international prominence with reviews appearing in major publications around the world, making him a much sought-after radio and television talk show guest. As a standard-bearer for traditional values, patriotism and the Biblical worldview of our founding fathers, Mr. Matrisciana stands as a leading voice among conservative grassroots organizations.

Graduating from the University of Washington, Mr. Matrisciana served as director with *Campus Crusade for Christ* and co-founder of *Athletes in Action*. In 1969, he formed a highly visible multi-purpose ministry, *Christian World Liberation Front*, presenting a powerful Christian message primarily to those in the sub-culture, establishing rehab centers, half-way houses, medical services, a school, a publishing arm, and a research institute.

In 1973, Mr. Matrisciana went into the world of publishing, finance, television, and filmmaking. He has since produced or distributed over 200 films, documentaries, and television specials. He has served on the Board of Directors of seven non-profit organizations holding the position of President/CEO of four of these organizations. In addition, he served as President/CEO of eight for-profit corporations. In the past five years, he has been concentrating his efforts in the high-tech industry, which includes satellite imaging and clean energy. Currently, Mr. Matrisciana is the Director and CEO of Hydrogen Resources, LLC developing on-demand hydrogen solutions.

BUDDY PAUL – Chief Technology Officer (CTO)

Primary Responsibilities:

- Stay current and engaged in engineering and technology applicable to CAT Corp such as industry trends and competition.
- Provide oversight and direct CAT Corp research and development efforts.
- Ensure a program for quality improvement and upgrades is in place and drive spiral development in product lines.
- Responsible for ensuring a qualified staff of engineers equipped with the proper tools and systems (Recruiting, interviewing, and hiring engineers and technicians will be delegated to Chief Engineer)
- Oversight for technical site assessment and approval for final installation plans (can be delegated to Chief Engineer)
- Provide CEO with technical and engineering vision for strategic planning.



Mr. Buddy Paul is an accomplished engineer with nearly 40 years of experience in the space and aerospace industry. Serving as a Senior Engineer with some of the industry's top defense contractors, he has been a leader in technical innovation with over 10 classified and unclassified industry patents crucial to the success of the U.S. space program and missile defense system. Buddy was recipient of Lockheed Martin's coveted "Inventor of the Year Award" in 2003 for his development of a ground-breaking, patented design for blow-out valves fused in advanced rocket systems. Since his retirement from Lockheed Martin, Buddy has focused his efforts on advancing on-demand hydrogen technology; developing a multitude of innovative devices to generate and apply hydrogen technology. Buddy has over seven patents or provisional patents related to hydrogen and is the sole inventor of the Pulsar™ and Clean Air Turbine™. Buddy is currently leading the engineering effort for fielding the Clean Air Turbine™ system, as well as research and development for new designs.

VACANT – Chief Financial Officer (CFO)

The Chief Financial Officer (CFO) provides both operational and programmatic support to the CAT Corp. He oversees all financial matters and is the chief financial spokesperson for the Company. The CFO reports directly to the Chief Executive Officer (CEO) and directly assists the Chief Operating Officer (COO) on all strategic and operational matters as they relate to budget management, cost benefit analysis, forecasting needs and the securing of new funding.

Primary Responsibilities:

- Provide the COO with an operating budget.
- Work with the COO to ensure programmatic success through cost analysis support, and compliance with all contractual and programmatic requirements.
- Oversee the management and coordination of all fiscal reporting activities for the organization including organizational revenue/expense and balance sheet reports; reports to funding partners; development and monitoring of organizational contract budgets.
- Develop and maintain systems of internal control to safeguard the financial assets of the Company.
- Ensure adequate cash flow to meet the Company's needs.

ROBERT BEARD - Chief Development Officer (CDO)

The CDO works closely with the CEO and Board of Directors to set a strategic direction for CAT Corp for international growth. He provides insight, vision and leadership that enables the Company to lead and respond to opportunities within the Sector. He also builds and manages strategic relationships with corporations, foundations, and high net worth individuals. He actively participates in identifying new opportunities and generating revenue for the Company.

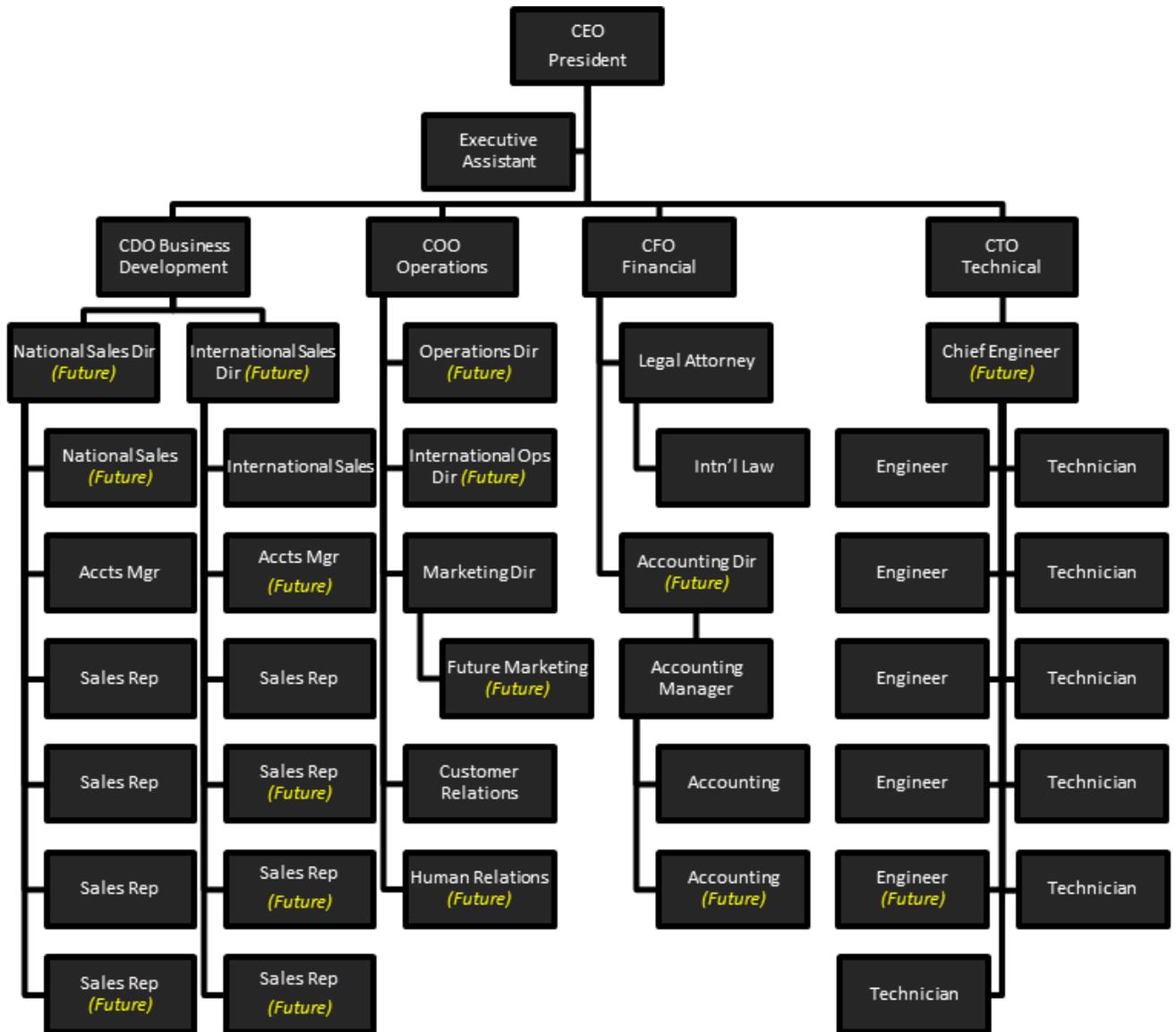
Primary Responsibilities:

- Investigate the economic conditions surrounding the CAT Corp such as industry trends and competition.
- Secure sufficient financial resources for future development or expansion.
- Develop a situation analysis of the Company including its strengths, weaknesses, opportunities and threats to assist in the development of a strategic plan for the future of the business.

Robert Beard is a born entrepreneur, a graduate of the University of Memphis. Over the past 35 years, he has owned and served as CEO and COO of some seven furniture/gift accessory stores, two children's clothing shops, and several family style, sit down restaurants. During that time, he served two terms as vice-president of the Galleria Mall Merchants Association and served terms as Sec-Treasurer, and Vice-President of the Town and Country Village Merchants Association. Both these retail malls are located in Houston, Texas. In addition, he also owned and operated 17 gas/oil leases with over 100 pumping wells. Mr. Beard has most recently been active with manufacturing and importing clothing from South America. Today he finds himself busy serving an international ministry and traveling to countries in the Middle East and Asia.

6.4 Organization & Staffing

CAT Corp Organization Chart



Staff: CAT Corp will be led by a management team that has a track record of proven success in motivating and managing all levels of employees. In addition to the management, the Company will initially employ experienced individuals in the following positions:

- Engineers (4).
- Technicians (6).
- Sales Representatives (4).
- Managers (3).

- Office Manager.
- Executive Assistant.
- Support Staff (3).

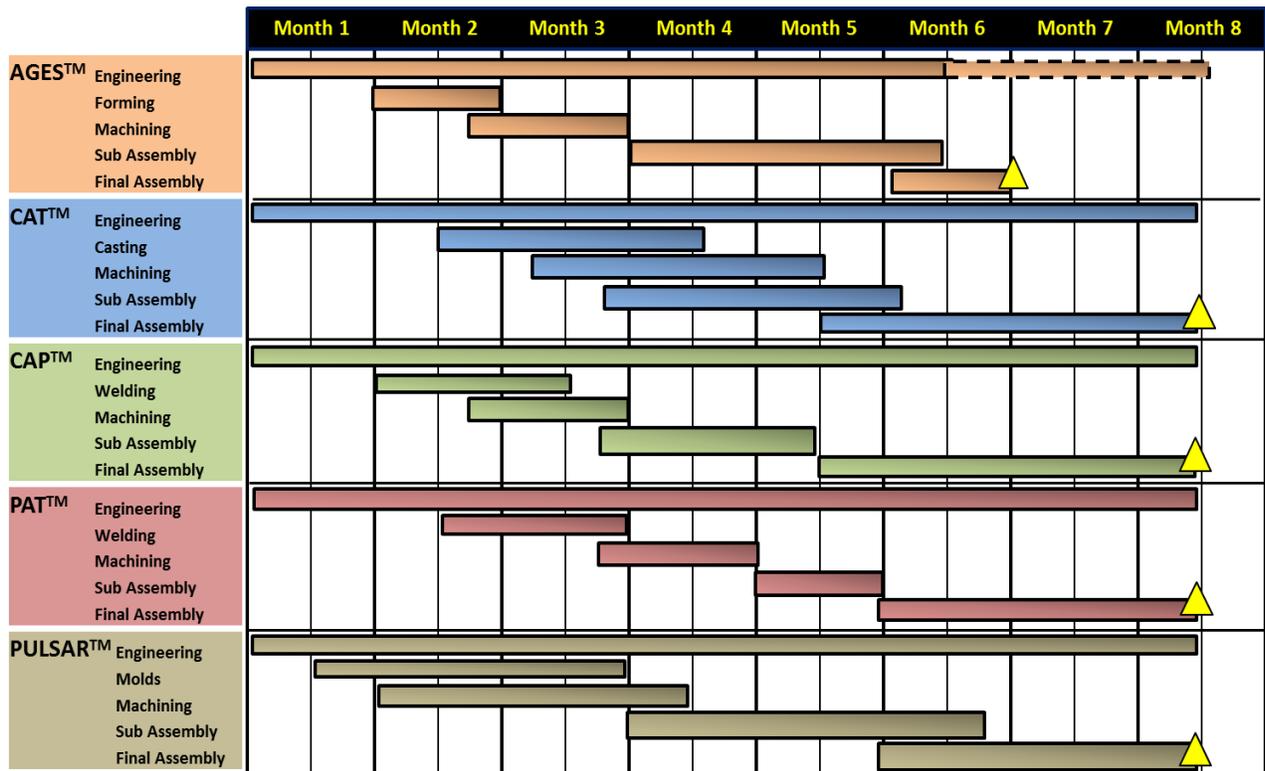
As the Company grows, responsibilities will be broken-out into functional areas and positions will be added as needed.

6.5 The Production Process

CAT Corp plans to out-source the manufacturing of the Clean Air Turbine™ under careful oversight to ensure manufacturing tolerances are met and overall quality control. However, to preserve proprietary “trade secret,” the Pulsar™ will be manufactured by CAT Corp under license at the Company’s fabrication shop in West Palm Beach, FL.

Below is the projected timeline for the manufacturing of the sub-components of the Clean Air Turbine™ system. All components will be production ready validation prototype configurations. System integration and testing are included in the final assembly.

Power plant integration will be driven by completed site survey to tailor the Clean Air Turbine™ system to the requirements and constraints unique to each plant. The base design will integrate with each sub-unit and all power plant specifications.



Clean Air Turbine™ System Concurrent Engineering & Manufacturing Timeline

CAT Corp's engineering team has identified the following manufacturing companies to have the proper specialization and experience in related technologies to manufacture the CAT™ and its components:

- **EBTEC Corp.** has more than 45 years of experience executing precision high energy beam processes, including Electron Beam Welding, Laser Welding, Laser Cutting, Laser Drilling, EDM, Vacuum Heat Treating, and Abrasive Waterjet Cutting, as well as traditional fabrication solutions to meet a clients' specific challenges. Utilizing the most advanced technologies and processes, EBTEC provides cost-effective services to some of the largest companies in the Power Generation, Medical, Aerospace, Defense and Industrial industries. EBTEC's extensive array of equipment, coupled with its engineering, metallurgy, quality assurance, program management and in-house finishing capabilities, allows EBTEC to handle virtually any size and scale of program, with high energy beam services and comprehensive precision fabrication. Focused on precision, innovation, and on-time delivery, EBTEC provides complete solutions to meet CAT Corp market challenges.

EBTEC Corp.

120 Shoemaker Lane

Agawam, MA 01001

<http://www.ebteccorp.com>

Phone: 413-786-0393

Fax: 413-789-2851

- **General Tool Co. (GTC)** is an industry leader in precision fabrication for aerospace, aeronautical, medical and power generation systems. GTC utilizes today's most sophisticated fabrication tools in forming, shearing, plasma cutting, rolling, welding and shot blasting. It has been manufacturing gas turbine power systems on a continuous basis since the mid 1980's and has developed an expertise at providing complex gas turbine driven systems.

General Tool Co. (GTC)

101 Landy Lane

Cincinnati, OH 45215-3441

<http://www.gentool.com>

Phone: 513-733-5500

Fax: 513-733-5604

- **MetalTek International Co.** is an industry leader in centrifugal, sand, and continuous casting technologies. CAT Corp would benefit from MetalTek's concurrent engineering capabilities and deep metallurgical experience with hundreds of heat, wear and corrosion resistant alloys. MetalTek will work with CAT Corp engineers to recommend the optimal casting and manufacturing method to deliver the performance needs of its customers. Broad in-house machining capabilities, fabrication facilities, rigorous quality systems, advanced testing and certifications assure the job is done right.

Metaltek International Co.

905 E. St. Paul Ave.

Waukesha, WI 53188-3804

<http://www.metaltek.com/>

Phone: 262-544-7700, 800-292-5208 (toll free)

Fax: 262-544-7843

- **TURBOCAM, Inc.** is a leading supplier for bladed production parts for many of the world's leading manufacturers of turbomachinery. TURBOCAM develops over 500 new designs a year, some for test, some for early market penetration, and some are destined to be made in the thousands or millions. The development skills honed over hundreds of prototypes have helped produce competitive cycle times and machining techniques to coax points of efficiency out of a design. TURBOCAM operates an automated production system running 24/7 with the capacity to turn out over 400,000 impellers annually. Its plant in Barrington, NH, has numerous robots and machine tools, producing centrifugal impellers and monitoring the process continuously to assure that quality is never compromised. Close tolerances and surface finishes that are needed for high performance turbomachinery applications are statistically measured and recorded. The plant is now manufacturing machined-from-solid aluminum, stainless steel, and titanium compressor impellers. As a result of the high-speed, continuous process, TURBOCAM has been able to provide significant cost savings to customers, in addition to shortening lead times and improving product quality.

TURBOCAM, Inc.

607 Calef Hwy.

P.O. Box 830

Barrington, NH 03825-0830

<http://www.turbocam.com>

Phone: 603-905-0200, 800-791-0133 (toll free)

Fax: 603-905-0211

6.6 Supply Chain Management

CAT Corp will work closely with the manufacturer(s) to monitor material and manufacturing progress. The manufacturer will be responsible for raw material acquisition as it relates to manufacturing timelines. The Company will provide oversight of materials, information, and finances as they move in the process from manufacturer to consumer.

CAT Corp will utilize advanced production and inventory control practices to maximize efficiency, reduce inventories, and reduced costs. The Company will work with the manufacturer(s) to synchronize manufacturing timelines to coincide with site preparations at destination plants and allow for direct delivery from the manufacturer to the customer. If this cannot be achieved, the newly manufactured Clean Air Turbine™ will be shipped to the CAT Corp fabrication and warehouse facility for temporary storage until the plant is ready for the equipment.

Shipping of the Clean Air Turbine™ and the associated components will be accomplished through local trucking companies within the U.S. and a global logistics firm for overseas shipping to determine the most economic mode of transportation based on urgency of delivery and cost. Shipping cost will be rolled into the cost of the Clean Air Turbine™ system.

6.7 Location/Facilities

2700 Quantum Drive, Boynton Beach, FL 33426



- Total Space: 33,000 *SF*
- Lot Size: 3.20 AC
- Features: Electricity/Power
- 100% Air-Conditioned
- Class-A Building
- Finished Office Spaces
- 2 Docks and 1 Drive-In
- 23ft Clear Ceilings
- 100 Parking Spaces

Description: Free-standing, 33,000 sq ft, Class "A" warehouse/light manufacturing facility in Boynton Beach. Tilt wall, 100% A/C with street front main entrance and first-class finishes in showroom & offices.

The property offers ideal office, warehouse, and land use space for CAT Corp's needs. It is in an attractive, desirable area east of Congress Avenue, north of Gateway Boulevard, west of I-95 in Boynton Beach, Florida. The facility is approximately 12 miles from Palm Beach International Airport, allowing prospective clients easy access to CAT Corp corporate offices and research and development.

Price: **\$3,300,000**

Building Size: 33,080 SF

Price/SF: \$99.76

Property Type: Industrial

Property Sub-type: Industrial-Business Park

Property Use Type: Vacant/Owner-User

Commission Split: 3%

No. Stories: 1

Year Built: 2000

Clear Ceiling Height: 23 ft.

No. Dock-High Doors/Loading: 2

No. Drive In / Grade-Level Doors: 1

Lot Size: 3.20 AC

Features: Trailer Parking

Electricity - FPL 3Phase-1600 amps

Sprinklers



CAT Corp plans to make an offer on the facility paying 20% down (\$660,000) with a conventional 30-year mortgage at a 7.0% interest rate.

Mortgage (P +I): \$17,564

Tax (T): \$ 4,835

Insurance (I): \$ 1,800 (estimated)

Total Monthly Payment (*PITI): **\$24,199**

* PITI = Principal + Interest + Taxes + Insurance

Real Estate Comparables				
2700 Quantum Drive Boynton Beach, FL 33426				
Address	Price	Sq. feet	Price/Sqft	Acreage
2700 Quantum	\$3,300,000	33,080	\$99.75	3.22
1500 SW 30 th	\$1,560,000	19,540	\$79.84	1.4
3210 SW 14 th	\$1,300,000	17,250	\$75.36	0.95
7700 High Ridge	\$3,400,000	38,915	\$87.37	3.58
4020 Thor	\$2,900,000	26,235	\$110.54	4.42
505-507 Industrial	\$3,250,000	50,000	\$65.00	4.04

6.8 Hours of Operation

CAT Corp will conduct business during normal business hours Monday – Friday from 8:30 AM to 5:00 PM (EST). As the international market grows, hours of operation will be extended to ensure availability and adequate support for international operations.

6.9 Legal Issues

CAT Corp has obtained license to the Clean Air Turbine™ patent from *Prime Core Tech, LLC*, and the right to purchase the Pulsar™ in connection therewith from *Hydrogen Resources, LLC*.

CAT Corp will have the exclusive right to purchase the Pulsar™ for this field of use with the cost determined by the number of cells and the associated amount of hydrogen produced per cubic foot.

- **Business Entity:** C corp, organized in Nevada and qualified in Florida.
- **Licensing:** CAT Corp is not a professional corporation. When business is ready to commence, CAT Corp will get city and/or city business license in Greater Fort Lauderdale. Company has Federal EIN (45-1773896). No state sales tax or DOL license required.
- **Bonding:** CAT Corp is a startup, not likely to get bonding, unless on specific contract, in which case performance bond is negotiated with terms of the deal. No governmental licensing required; does have license for the right to practice the patent obtained from *Prime Core Tech, LLC*.
- **Permits:** N/A
- **Environmental regulations:** CAT Corp will adhere to all international, federal and state codes and standards as they pertain to the safe production and handling of hydrogen. The Clean Air Turbine™ system has been designed to meet American Society of Mechanical Engineers (ASME) standards.
- **Zoning or Building codes:** N/A

- **Insurance Coverage:** CAT Corp will obtain Directors and Officers Liability Insurance to provide financial protection for the directors and officers of CAT Corp in the event they are sued in conjunction with the performance of their duties as they relate to the Company. Included in the Directors & Officers Liability Insurance policy will be Employment Practices Liability and Fiduciary Liability.

6.10 Inventory

The manufacturing of the Clean Air Turbine TM will be outsourced in limited production runs customized to customer requirements; therefore, CAT Corp will maintain an inventory of Clean Air Turbines TM and associated components.

6.11 Executive Advisory Board

CAT Corp's Executive Advisory Board will include nine positions consisting of a Chairman and eight Board Members. Executive Advisory Board members will have overall responsibility for providing the Board of Directors direct input, guidance, advice on issues regarding the CAT Corp mission and goals, strategic planning, global operations, capital investment, organization and contemplated courses of action.

Executive Advisory Board members will have no fiduciary or legal responsibility pertaining to the Corporation. Members must act in good faith and with a reasonable degree of care and must not have any conflicts of interest.

Term of appointment will be for three years, with additional terms for reappointment at the discretion of the Board of Directors. The Chair of the Executive Advisory Committee will be appointed by the Board of Directors. Members are requested to attend the annual meeting of the Corporation. Compensation will include all expenses incurred to attend meetings and an annual payment based on profits as determined by the Board of Directors.

Executive Advisory Board members include:

John M. Ambielli

Mr. Ambielli is currently Executive Vice President, co-founder, and major owner of Custom Alloy Corporation (CAC), a manufacturer headquartered in High Bridge, NJ, employing over 200 people. CAC also has sales offices in Houston, Chicago, Carson City, Singapore, England, and Belgium. For 43 years, under the leadership of Mr. Ambielli and his brother Adam, CAC has been a provider of time-critical weld-fittings to the global petrochemical and energy marketplace. In 2005, led by Mr. Ambielli, CAC launched a specialty near-net shape forging division, allowing the company to serve a wider market, including defense, electronics, mining, drilling, and most recently hydraulic fracturing pump components. Mr. Ambielli has been described as a walking encyclopedia of information related to metal forming, machining, heat treatment, quality control and logistics. Since the founding of CAC, he has also co-launched eight start-up companies in the fields of plastics, oil exploration, methane gas reclamation, hydrocarbon fuel treatment, and electric transformer technology.

His leadership experience goes beyond manufacturing. He served in the US Army/National Guard from 1960-66, was Chairman of the Board of The Friendship Pregnancy Center, and currently serves on the boards of LIFE Ministries and Amazon Outreach Ministries. He is an elder pastor at First Christian Assembly in Plainfield, NJ, a position in which he has served since 2002.



Ron Booth

Mr. Booth's interests have spanned television, motion pictures, sustainability, and entrepreneurship for more than 20 years. He is renowned in the United States for his extraordinary ability to match finance and expertise with a diversity of viable entertainment and other business concepts and overseeing their successful completion. As a creator, developer, producer, executive producer and silent partner. Mr. Booth's entertainment projects have reached millions of people worldwide generating a combined revenue of over \$100 million in box office receipts, DVD sales and ancillary licensing.

Mr. Booth founded Mont Blanc Productions in 1991 with world-renowned extreme sports director/cinematographer, Didier LaFond. Mont Blanc introduced *Extreme Sports* to the U.S. market and excelled in the genre of action-adventure film and TV production. In 1991, Ron sold the idea and co-created and produced Reebok *Sky surfer* which won "Best Commercial" at The New York Film Festival, as well as numerous other international awards. Debuting on Monday Night Football, *Sky surfer* started the *Extreme Sports* craze in America. In addition to their successful commercial ventures with Mountain Dew, Coke and Nike, he created numerous sports-related syndicated TV series. Mr. Booth achieved landmark success creating the first ever one-hour dramatic series for Universal/ABC entitled *EXTREME*, starring James Brolin. Also, his syndicated TV series *The Extremist's* had a five-year successful run. In addition, he partnered with award winning filmmaker Rob Bruce, Andrew Wainrib and LaFond to form an action/extreme sports Production Company called AXTV INC. that produced an event film for RED BULL for ABC television for the fall of 2002. The film formed the cornerstone of RED BULL's marketing strategy.



Senator Fred Dyson

Senator Dyson is currently a Republican member of the Alaska State Senate, elected in 2002. In that time, he has served as the chair of the Health, Education & Social Service committee and the Children's Caucus and served on the Resources and Finance Committees and the Armed Services and Legislative Council Joint Committees. Prior to serving in the senate, Dyson was a member of the Alaska House of Representatives from 1997-2002 where he served on a Special Committee on Oil & Gas, Joint Committee on Electric in Utility Restructuring, and U.S. Energy Council Executive Board.

A graduate of the University of Washington, Senator Dyson earned a bachelor's degree in mechanical engineering with graduate studies in Arctic Engineering & Management. For nearly 15 years, he pursued a successful career in the energy sector as Senior Maintenance Engineer for British Petroleum before being elected to the Anchorage Municipal Assembly, which represented the beginning of his current 25-year career in local and state government.

Additionally, Senator Dyson is a long-time commercial fisherman and current owner of a Marine Charter Service and is owner and technical writer for Masterwork Tech-Marine Science Technical Writing. He has a regular boating column in the *Anchorage Times* and *Anchorage Daily News*, as well as being a contributing editor for *Alaska Boating Magazine*. Senator Dyson is a strong proponent for Right to Life and Second Amendment gun ownership rights where he is a current Board Member for Alaska Right to Life and a National Rifle Association Life Member.

Anthony Gabrielle

Mr. Gabrielle has enjoyed a career in the electric power industry since graduating from Massachusetts Institute of Technology with Bachelor of Science and Master of Science degrees in Electrical Engineering, as well as a Master of Business Administration.

Mr. Gabrielle was first employed at American Electric Power (AEP) Company where he had a 20-year engineering and managerial career in planning future power system transmission and generation requirements, as well as being responsible for its operation. He then was a Vice President responsible for AEP's computer applications during the 10-year period of 1970-1980. Mr. Gabrielle subsequently was Vice President of Corporate Computer Systems at Gulf States Utilities with the responsibility of integrating computer systems with corporate processes until his retirement in 1992. Prior to moving to Ponte Vedra, Florida in 1993, he was the Director of Cooperative Education for Engineering at Lamar University in Beaumont, Texas. Additionally, Mr. Gabrielle taught at Columbia University, served on advisory councils in the electrical engineering departments of Texas A&M and Lamar Universities, served as an arbitrator for the Better Business Bureau, and participated on the Steering Committee for Business for Better Education in Beaumont, Texas.

James A. Hillery

Mr. Hillery has spent the vast majority of his working career in construction related occupations. After becoming an attorney in 1970, he was a partner in a law firm for approximately six years that dealt primarily with construction law. In 1976, he started focusing on surety law, working on surety bond claims. For almost twenty years, Mr. Hillery headed the Claims and Legal Departments for Amwest Surety Insurance Company, a nationwide company that specialized in bonds for emerging and smaller contractors.

It was at Amwest that Mr. Hillery first became involved with funds administration. He set up a fund's administration division that, over a three year period, disbursed in excess of \$6 billion of contract funds.

After Amwest, he headed an independent funds administration company that represented various sureties, banks and private lenders. He was also instrumental in creating a new surety company and heading their funds administration and claims operations.

Currently, Mr. Hillery is working as an independent consultant for surety companies, banks and private lenders, offering his services for funds administration and claims handling.



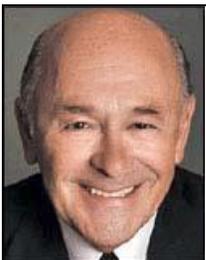
Chuck Missler, Ph.D.

Dr. Missler received a Congressional appointment to the United States Naval Academy and upon graduating with honors; he was commissioned in the U.S. Air Force where he led the Department of Guided Missiles at Lowry Air Force Base, Colorado.

Dr. Missler completed a master's degree in engineering at UCLA with additional post-graduate studies in applied mathematics, advanced statistics and information sciences. He earned a Ph.D. from Louisiana Baptist University in Biblical Studies in 1999.

His civilian career began as a systems engineer at TRW Aeronautical Systems, followed by a Senior Analyst position in a "think tank" serving both the intelligence community and the Department of Defense. Recruited by the Ford Motor Company into a Senior Management position, Dr. Missler established the first international industrial computer network. Leaving Ford to start his own company, he founded a computer networking organization later acquired by Automatic Data Processing (NYSE) to become its Network Services Division. Dr. Missler subsequently served as a consultant to the Board of Directors of Rockwell International for corporate acquisitions (which included Collins Radio, American Data Systems, and others); and has participated in over 100 business ventures as a principal, strategic advisor, or turnaround specialist. During the past 30 years, Dr. Missler has served on the Board of Directors of over a dozen public companies and was Chairman and Chief Executive Officer of six of them.

Additionally, Dr. Missler is a founder of the *Koinonia House Ministry*, which produces the 66/40 radio broadcast both in the U.S. and overseas and has distributed over six million of his teaching tapes and CDs worldwide. Dr. Missler is author to over sixty publications including: *The Kingdom, Power & Glory*, *Learn the Bible in 24 Hours*, *Cosmic Codes - Hidden Messages From the Edge of Eternity*, *Prophecy 20/20*, and *Alien Encounters*.



Frank Yablans

Mr. Yablans is Co-managing Executive and Co-Founder of Promenade Pictures LLC. He is considered one of the most highly regarded executives in the film entertainment industry, where he has a unique understanding of how to develop, produce, market and distribute exceptional feature films under fiscally responsible budgetary constraints. Throughout his distinguished career, Mr. Yablans has been actively

engaged in every arena of the film industry both in the United States and Europe. Currently, Mr. Yablans concentrates his independent filmmaking efforts on producing high quality inspirational feature films with moral value, such as the *Ten Commandments*, *Noah's Ark: The New Beginning* (currently in production), the heartwarming *A Dog of Flanders*, and the crowd-pleasing *Baby Geniuses*.

Mr. Yablans previously served as a producer on such notable feature films as *Silver Streak*, *North Dallas Forty*, *Mommy Dearest*, *The Other Side of Midnight*, and *The Fury*; as well as co-authoring the screenplays for both *North Dallas Forty* and *Mommy Dearest*. During this period, Mr. Yablans was recruited to head MGM/UA Studios. Under his guidance, MGM produced and distributed a variety of high-quality feature films including such box office hits as: *War Games*, *Octopussy*, *A Christmas Story*, *Yentl*, *Hot Dog: The Movie*, *Breakin'*, *Red Dawn*, *Teachers*, and *2010*. His last independent feature film, *Congo*, grossed more than \$650 million worldwide.

Formerly, Mr. Yablans served as President of Paramount Pictures and Television Corporation, with his tenure often referred to as "Paramount's Golden Years." During this period, Mr. Yablans oversaw the development, production, and distribution of feature films acclaimed by audiences and critics alike, including *The Godfather*, *Chinatown*, *Paper Moon*, *Serpico*, *Death Wish*, *Lady Sings the Blues*, *Murder on the Orient Express*, and *The Longest Yard*. Moreover, Paramount Television, enjoyed extraordinary successes such as: "Star Trek," "The Odd Couple," "Mission Impossible," "Love American Style," and the pilot "Happy Days."

6.12 Professional/Advisory Team

Corporate Attorney:

Ronald Johannes Doeve, Attorney
Doeve Law Firm. LLC
912 Killian Hill Road, Lilburn, GA 30047
Email: SpectraTec.RJD@gmail.com, RDoeve@Doevelaw.com
TEL: (770) 923-2223

Insurance Broker:

Tom Johan
Johan Insurance Broker
9921 Carmel Mtn. Rd. #116 San Diego, CA 92129
Email: tjohan@cox.net
TEL: (760) 440-9621
FAX: 760-440-9620

Media Consultant:

Ron Booth
Exec Vice President, Promenade Pictures
1149 3rd Street, Santa Monica, CA 90403
Email: promenadepicture@aol.com
TEL: (310) 709-2814

Information Technology Consultant:

Brian McGee
Lockheed Martin
3617 Nandina Dr
Flower Mound, TX 75022
Email: brian@texasmcgees.com
TEL: (972) 822-9362

SECTION 7 EXIT STRATEGY

To add value to the stock, CAT Corp will focus its efforts on building a global manufacturing and distribution network for the Clean Air Turbine™ system. CAT Corp projects a five-year window to meet the following milestones:

- Sale of all 30 Master Franchises.
- Full-scale production of Clean Air Turbine™ system components.
- Negotiated agreements for the indigenous production of the Clean Air Turbine™ in foreign markets under license and management of the respective Master Franchise owner.
- Value of the Company exceeds \$500 million.

Upon meeting all milestones, the CAT Corp Board of Directors will have the option to entertain buy-out offers or mergers/acquisitions with international energy companies. Until these milestones are met, CAT Corp will distribute earnings in the form of dividends for continuing operations in its industry applications.

The investor(s) will have several exit opportunities. CAT Corp management believes that the most likely exit will come from a buy back of the outstanding shares using cash on the Company's balance sheet or through the exchange of the stock with long term capital provided by an institutional lender.

Other possible exit strategies include:

- 1. Initial Public Offering (IPO):** Depending on market conditions and the growth in product lines, an IPO may be feasible in 3 -5 years.
- 2. Be Acquired:** While CAT Corp is pursuing a niche market for applying hydrogen technology to the removal of toxic emissions from industrial plants, the larger hydrogen industry is fragmented making it ripe for consolidation in several years as more and more enterprises strive to incorporate on-demand hydrogen technologies to meet environmental standards. A sample of hydrogen companies that may benefit by acquiring CAT Corp include:
 - Medis Technologies Ltd. ([MDTL](#)) works with Direct Fuel Cell technologies using a fuel processor to convert hydrocarbon fuels into a gas mixture of hydrogen and other gases.
 - Fuel Cell Energy, Inc. ([FCEL](#)) uses pipeline natural gas to set up the hydrogen/oxygen reaction inside the cell.

- Ballard Power Systems, Inc. ([BLDP](#)) produces fuel cells that use hydrogen as a raw fuel.

CAT Corp management projects large international energy corporations will be looking for opportunities to diversify from traditional energy sources and gain market share in the emerging hydrogen energy industry. Potential international energy corporations that could benefit by acquiring CAT Corp include:

Top 50 Energy Companies for 2009			
Company	Symbol	Primary Business	Country
PetroChina	PTR	Integrated NOC	China
ExxonMobil	XOM	Integrated IOC	US
BHP Billiton	BHP	Diversified Minerals	Australia
Petrobras	PBR	Integrated NOC	Brazil
Royal Dutch Shell	RDS.A	Integrated IOC	Netherlands
BP	BP	Integrated IOC	UK
Sinopec	SHI	Integrated NOC	China
Chevron	CVX	Integrated IOC	US
TOTAL	TOT	Integrated IOC	France
Gazprom	OGZPY.PK	Integrated NOC	Russia
Eni	E	Integrated IOC	Italy
GdF Suez	GDFZY.PK	Gas/Utilities	France
Rosneft		Integrated NOC	Russia
E.ON	EONGY.PK	Gas/Utilities	Germany
Statoil	STO	Integrated NOC	Norway
Schlumberger	SLB	Oilfield Services	France
Reliance		R&M	India
ConocoPhillips	COP	Integrated IOC	US
CNOOC	CEO	Integrated NOC	Hong Kong
Occidental	OXY	E&P	US
BG		Integrated IOC	UK
Suncor	SU	Integrated IOC	Canada
RWE	RWEQY.PK	Gas/Utilities	Germany
ONGC		Integrated NOC	India
Ecopetrol	ECO	Integrated NOC	Colombia
LUKOIL	LUKOY.PK	Integrated IOC	Russia
Canadian Natural	CNQ	E&P	Canada

Company	Symbol	Primary Business	Country
Apache	APA	E&P	US
Imperial Oil	IMO	Integrated IOC	Canada
Repsol YPF	REP	Integrated IOC	Spain
Devon	DVN	E&P	US
Surgutneftegaz		Integrated IOC	Russia
OGX		E&P	Brazil
Woodside		E&P	Australia
Anadarko	APC	E&P	US
TNK-BP	TNKBF	Integrated IOC	Russia
Halliburton	HAL	Oilfield Services	US
XTO		E&P	US
Transocean	RIG	Drilling & Seismic	Switzerland
Gazprom Neft		Integrated NOC	Russia
Sasol	SSL	Integrated IOC	South Africa
Tenaris	TS	Equipment & EPCI	Luxembourg
EOG Resources		E&P	US
Formosa Petrochemical		R&M	Taiwan
EnCana	ECA	E&P	Canada
Husky		Integrated IOC	Canada
Centrica	CPYYY.PK	Gas/Utilities	UK
Marathon	MRO	Integrated IOC	US
PTT		Integrated NOC	Thailand
Iberdrola Renovables	IBDRY.PK	Alternatives	Spain

Note:

IOC - Integrated Oil Company
E&P - Exploration and Production
R&M - Refining and Marketing

3. **Stay Private:** Based on market conditions, CAT Corp could continue to operate as a profitable private entity, distributing dividends to shareholders until liquidity opportunities become available.

While there are no initial plans to take the Company public, when the CAT Corp's value is determined to be \$500 million and the management team is equipped with experienced executives able to successfully take the Company public, the Board of Directors can vote for an

Initial Public Offering. Currently, there is no stock buyout or buyback plan, but there is a warrant allowing purchase of common stocks at a locked-in price (\$1/share) for holders of Preferred stock.

The unique value of the CAT Corp resides in the application of revolutionary hydrogen on-demand technology to remove exhaust containments from industrial hydrocarbon plants rather than pursue hydrogen as a sole fuel source. The proprietary technology integrated into the Clean Air Turbine™ is secured in patents for which CAT Corp has exclusive rights for this field of use. Death, disability, divorce or departure by owners or executives will not impact the viability of the Company.

The CAT Corp management team will hire and train staff to oversee operations to include research and development, product improvement, sales, service, engineering support and oversight of outsourced production and quality control.

SECTION 8 SUPPORTING DOCUMENTS

General Supporting Documents

- Patent Information for Clean Air Turbine™ System Components
- New Ecological Way Migration System (NEW MS) or CAT II Overview
- Artificial Gravity Enhanced Separator (AGES™) Technical Description
- Cryogenic Air Pump (CAP™) Technical Description
- Particle Acquisition Tower (PAT™) Technical Description
- Pulsar™ Technical Diagrams
- Technical and Marketing Assessment, William J. Karszes, Ph.D.
- Letter of Affirmation for Pulsar™; *Fred Major, former General Dynamics Program Director & Chief Engineer of New Technology*
- UHP Grade Hydrogen(H₂) Analysis Report, Airborne Labs International, Inc
- UHP Grade Oxygen (O₂) Analysis Report, Airborne Labs International, Inc
- Engineering and Manufacturing Cost Breakdown for Sub-Components
- Itemized Costs for Fabrication Shop
- Incentives/Policies for Renewables & Efficiency
 - U.S. Department of Treasury - Renewable Energy Grants
 - Renewable Electricity Production Tax Credit (PTC)
 - Qualifying Advanced Energy Manufacturing Investment Tax Credit
 - U.S. Department of Energy - Loan Guarantee Program

Patent Information for Clean Air Turbine™ System Components

Title of Invention: Clean Air Turbine

- Provisional Patent Application Number: **61/440,078**
- Electronic Filing System ID: **9388375**
- Application Number: **61440078**
- Confirmation Number: **5896**
- First Named Inventor/Applicant Name: **Buddy Ray Paul**

Title of Invention: Electrolysis Apparatus and Related Devices and Methods (Pulsar)

- USPTO Patent Application: **20110100328 (international); PTC/US2010/053764**
- Provisional Patent Application Number: **application claims priority to and is based upon U.S. provisional application No. 61/256,129, filed Oct. 29, 2009; U.S. provisional application No. 61/258,102, filed Nov. 4, 2009; U.S. provisional application No. 61/258,103, filed Nov. 4, 2009; U.S. provisional application No. 61/320,380, filed Apr. 2, 2010; and U.S. provisional application No. 61/321,165, filed Apr. 6, 2010**
- First Named Inventor/Applicant Name: **Buddy Ray Paul**

Title of Invention: Artificial Gravity Enhance Separator (AGES)

- Provisional Patent Application Number: **61/497365**
- First Named Inventor/Applicant Name: **Buddy Ray Paul**

Title of Invention: Cryogenic Air Pump (CAP)

- Provisional Patent Application Number: **61/497365**
- First Named Inventor/Applicant Name: **Buddy Ray Paul**

Title of Invention: Particle Acquisition Tower (PAT)

- Provisional Patent Application Number: **61/497618**
- First Named Inventor/Applicant Name: **Buddy Ray Paul**

Title of Invention: New Ecological Way Mitigating System

- Provisional Patent Application Number: **61/497361**
- First Named Inventor/Applicant Name: **Buddy Ray Paul**

Title of Invention: Carbon Compound Rod

- Provisional Patent Application Number: **61/320,380**

First Named Inventor/Applicant Name: Buddy Ray Paul

Natural Ecological Way Mitigating System

FIELD OF THE INVENTION

The present invention relates generally to an apparatus for removing containments from the exhaust from industrial hydrocarbon power plants. More specifically, the present invention is a complete mitigating system that removes air pollutants and in so doing generates electrical power and reduces the total amount of fuel consumed per watt.

BACKGROUND OF THE INVENTION

Hydrocarbon power plants are a commonly used form of electrical energy production. However, the environmental impacts of these plants have been questioned repeatedly. It is also known that an adequate supply of oxygen in the air is essential for survival. It is the object of the present invention to provide an apparatus which can simultaneously reduce the amount of hydrocarbon per watt, improve the air quality while generating electrical power.

BRIEF DESCRIPTION OF THE DRAWINGS

FIG.1 is an isometric view of the flu gas inlet, floor inter connection disseminating gas and water connection system, AGES device, CAP device, particle acquisition tower, CAT device, and pulsar device.

FIG.2 is an isometric view of land and lifting towers.

FIG.3 is an alternative isometric view of the flu gas inlet, floor inter connection disseminating gas and water connection system, AGES device, CAP device, particle acquisition tower, CAT device, and pulsar device.

FIG.4 is an alternative isometric view of land and lifting towers.

DETAIL DESCRIPTIONS OF THE INVENTION

In accordance with the disclosure flu gas entering the mitigation system is transformed into useful environmental products. The present invention is a device that may be used by coal, natural gas or any hydro-carbon power plant.

Reference will now be made in detail to exemplary embodiment, example of which is illustrated in the accompanying drawings.

FIG. 1 illustrates a unit 100 isometric view orientations. Unit 100 includes the flu gas inlet 101, floor inter connection disseminating gas and water connection system 102, Artificial Gravity Enhance Separator (AGES) 103, Cryogenic Air Pump Carbon Dioxide Precipitator (CAP) 104, Particle Acquisition Tower (PAT) 105, Clean Air Turbine (CAT) 106, and Electrolysis Apparatus Array (Pulsar) 107. The flu gas 120 is received from the power plant with imbedded pollutants. The gas 120 is deposited into PAT 105 and the partials are separated from the gas 120. The gas continues via 102 to the CAP 104 where carbon dioxide is removed with cryogenics and solid carbon dioxide 121 is ejected. Gas 120 continues via 102 to CAT 106 where the remaining pollutants are incinerated with a mixture of oxygen and hydrogen from the Pulsar 107. Gas 120 now with the additional particles and carbon dioxide repeat their journey via 102 through PAT 105 and CAP 104. The gas 120 now consisting of nitrogen is released into the atmosphere or sold.

The water in the PAT 105 now contains particles and the water is recycled through AGES 103 via 102. AGES 103 separates the heavy particles 122 and ejects them. The same occurs for the lightweight particles 123. The water is then returned to PAT via 102.

FIG. 2 illustrates a unit 200 isometric view orientations. Unit 200 includes land 202 and Lifting Towers 201. The solid carbon dioxide 121 is dispensed into the Towers 201 and returns to a gas state. Sun light and algae floral break down the gas 121 into oxygen. The oxygen is released into the atmosphere or sold. The algae are farmed for biofuel or food source. The towers 201 rotating lift buckets produce additional electrical energy. One can now relies on the doubling of the original power plant electrical production by harvesting the additional electrical current produced from the CAT 106 and Towers 201. The flu gas released back into the atmosphere is now useful as nitrogen and oxygen.

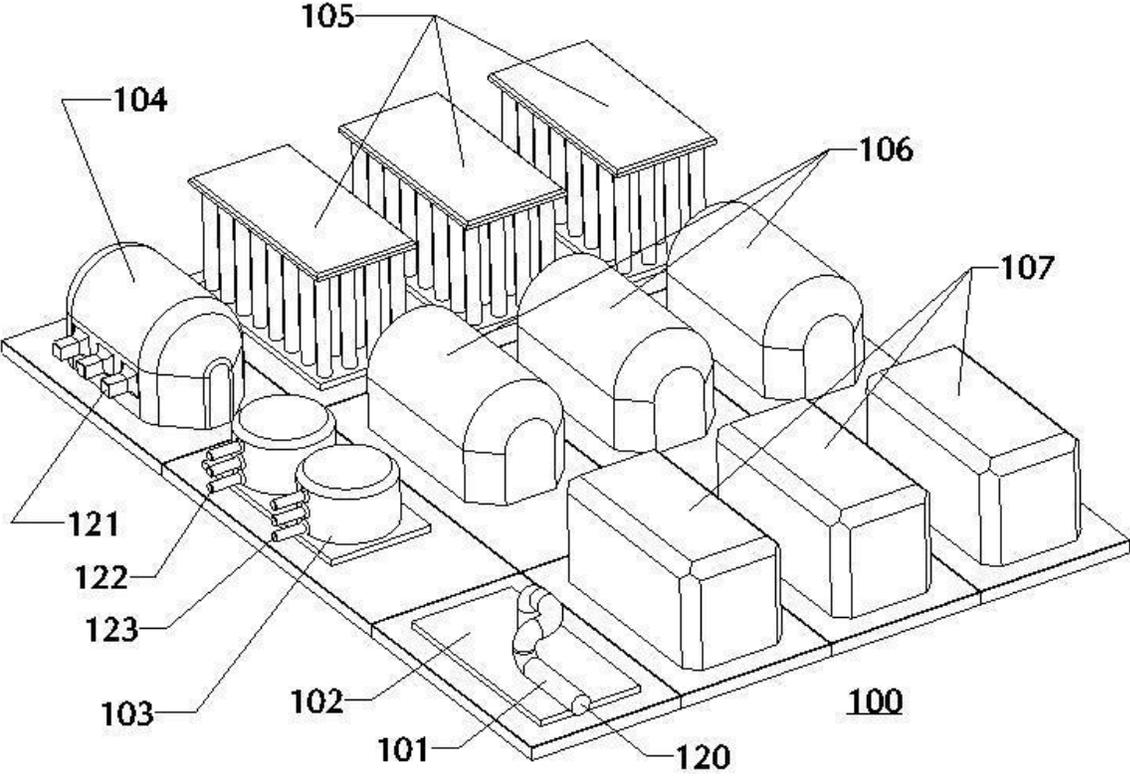


FIG.1

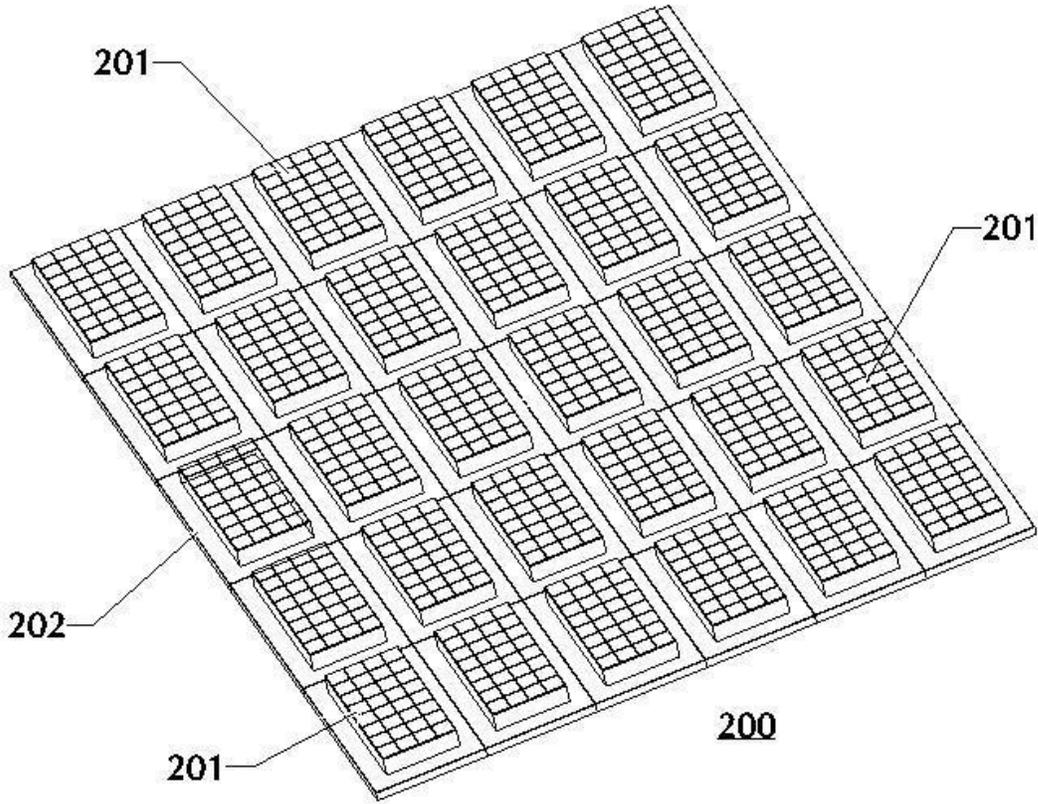
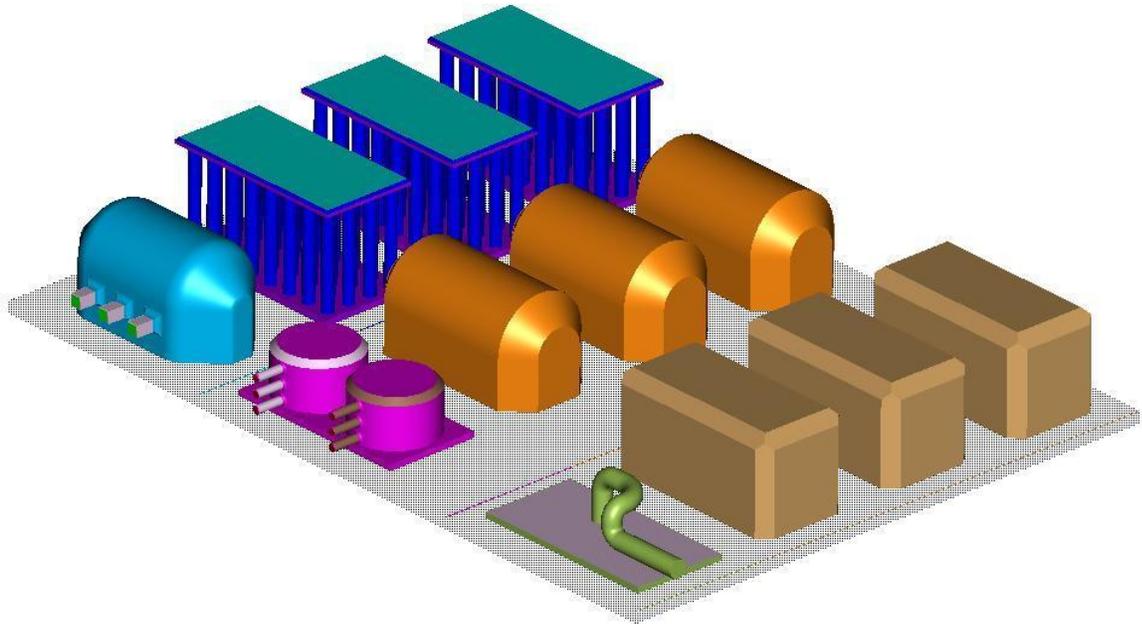
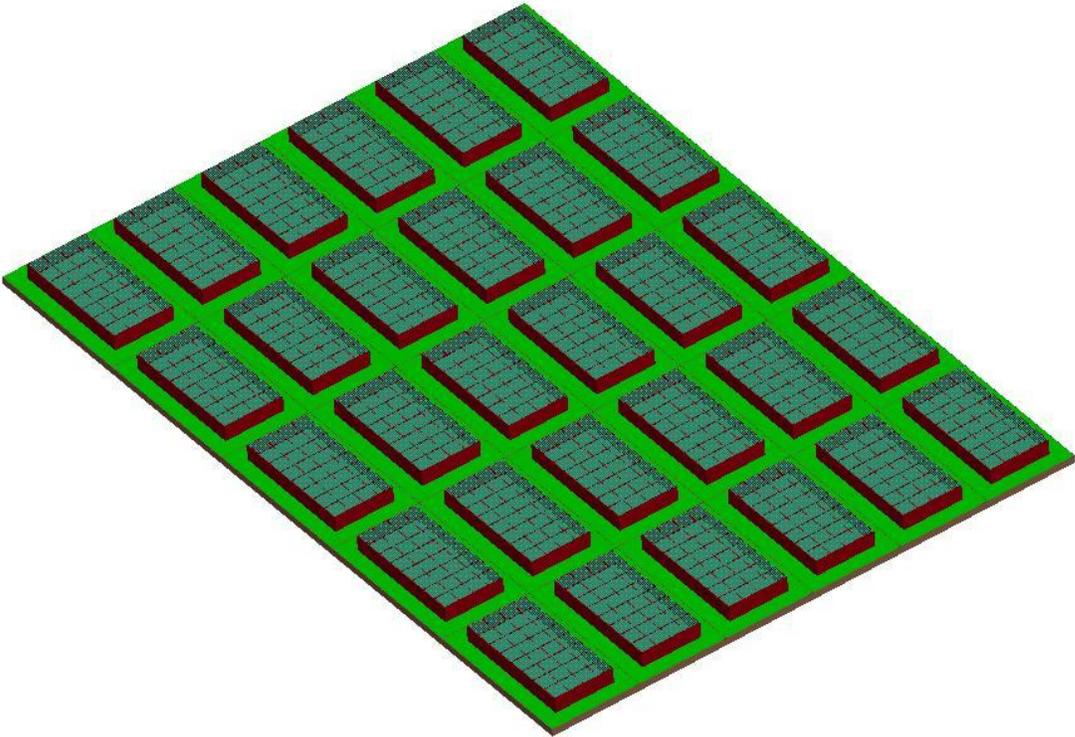


FIG.2





Artificial Gravity Enhance Separator

FIELD OF INVENTION

This application relates to the need to separate the particles in a solution and discharge accordingly.

SUMMARY OF THE INVENTION

In accordance with the disclosure a volume of suspended mixed particles in fluid solution is placed into the rotating chamber. The chamber's rotation creates centrifugal force separating the particles according to weight. After a time of rotation, then opening the chambers valve will expel heaviest particles first and then the lighter particles will follow next.

BRIEF DESCRIPTION OF THE DRAWINGS

FIG.1 is an exploded isometric view of the present invention.
FIG.2A and 2B is an isometric view of the present invention.
FIG.3 is an isometric view of an alternative angle of the present invention.

DETAIL DESCRIPTION OF THE DRAWINGS

Reference will now be made in detail to exemplary embodiment, example of which is illustrated in the accompanying drawings.

FIG. 1 illustrates a unit 100 exploded isometric view orientations. Unit 100 includes the holding chamber 101, electronic valves 102, and valve receptacles 103 in chamber 101, discharge slot 104 in collector 105. Discharge duct 106 will receive the separated fluid from collector 105 and discharge it appropriately through orifice 107. Drive shaft 108 is attached to chamber 101 and provides the rotational motive force. The motor and support stand 109 provides a fixed anchor for collector 105.

FIG. 2A illustrates a unit 110 isometric view orientations. Unit 110 reflects a mixed particle solution 111 and 112 being added to chamber 101. With mixed solution 111 and 112 rotating in chamber 101 for a period of time the heavier particles 111 collect next to the valves 102. The lighter particles 112 collect more toward the center of rotation. With the activation of valves 102 the heavy particles are not forced through slot 104 and collect in the collector 105 for

discharge accordingly through orifice 107. Valves 102 momentary close to allow the complete discharge of the heavy particles 111.

FIG.2B illustrates unit 110 after the momentary closure of valve 102 and the re-opening of valve 102. The discharge of the light particles 112 from chamber 101, follow the same path as did the particles 111. The expelled light particles 112 through the orifice 107 will be distributed accordingly.

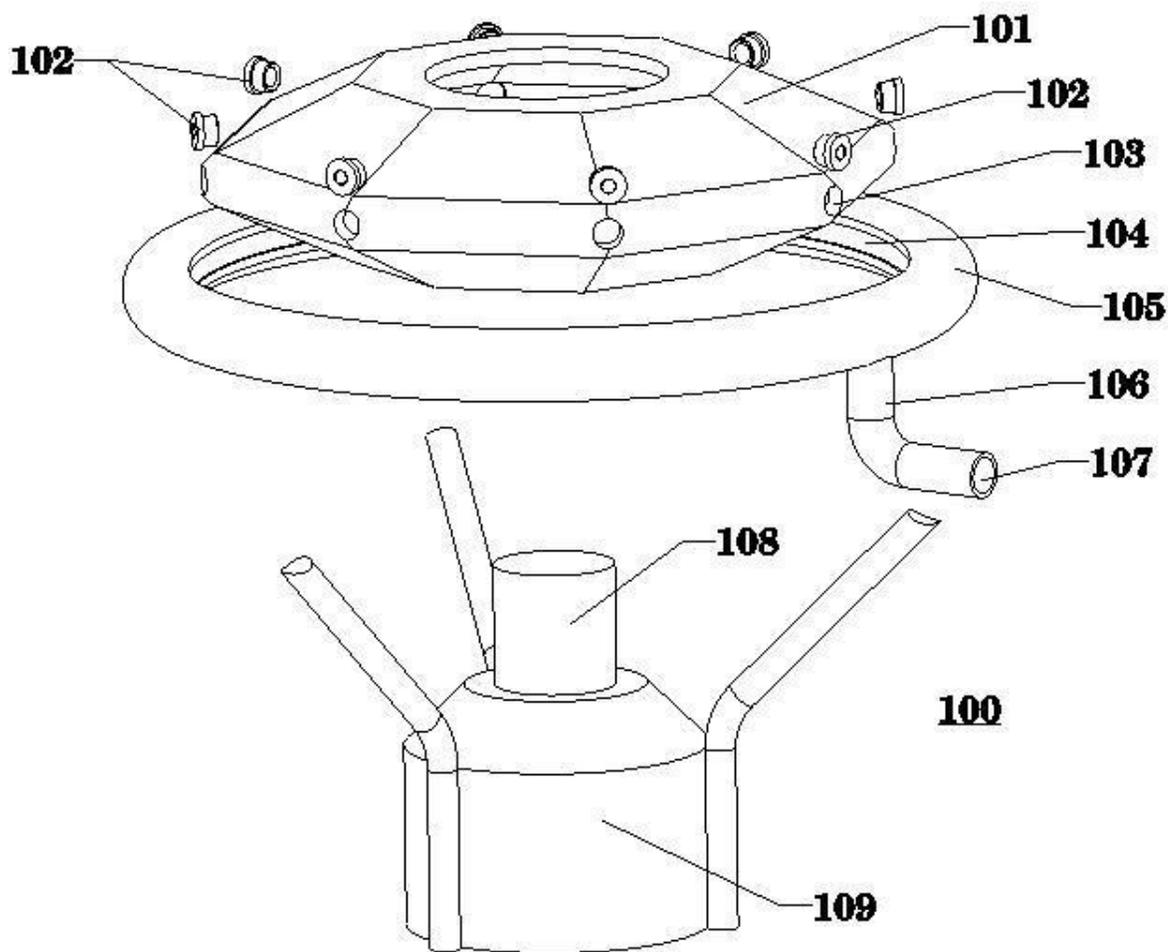
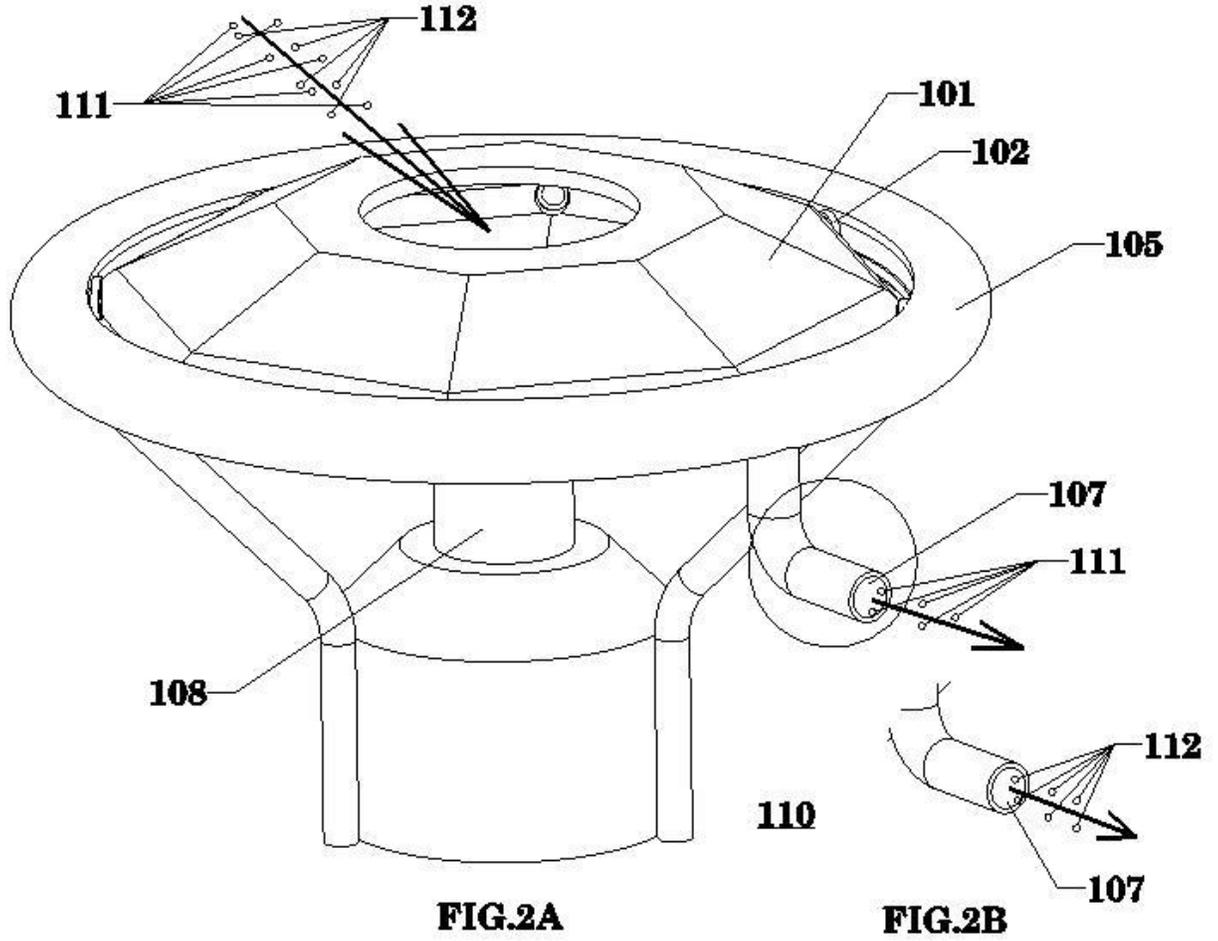


FIG.1



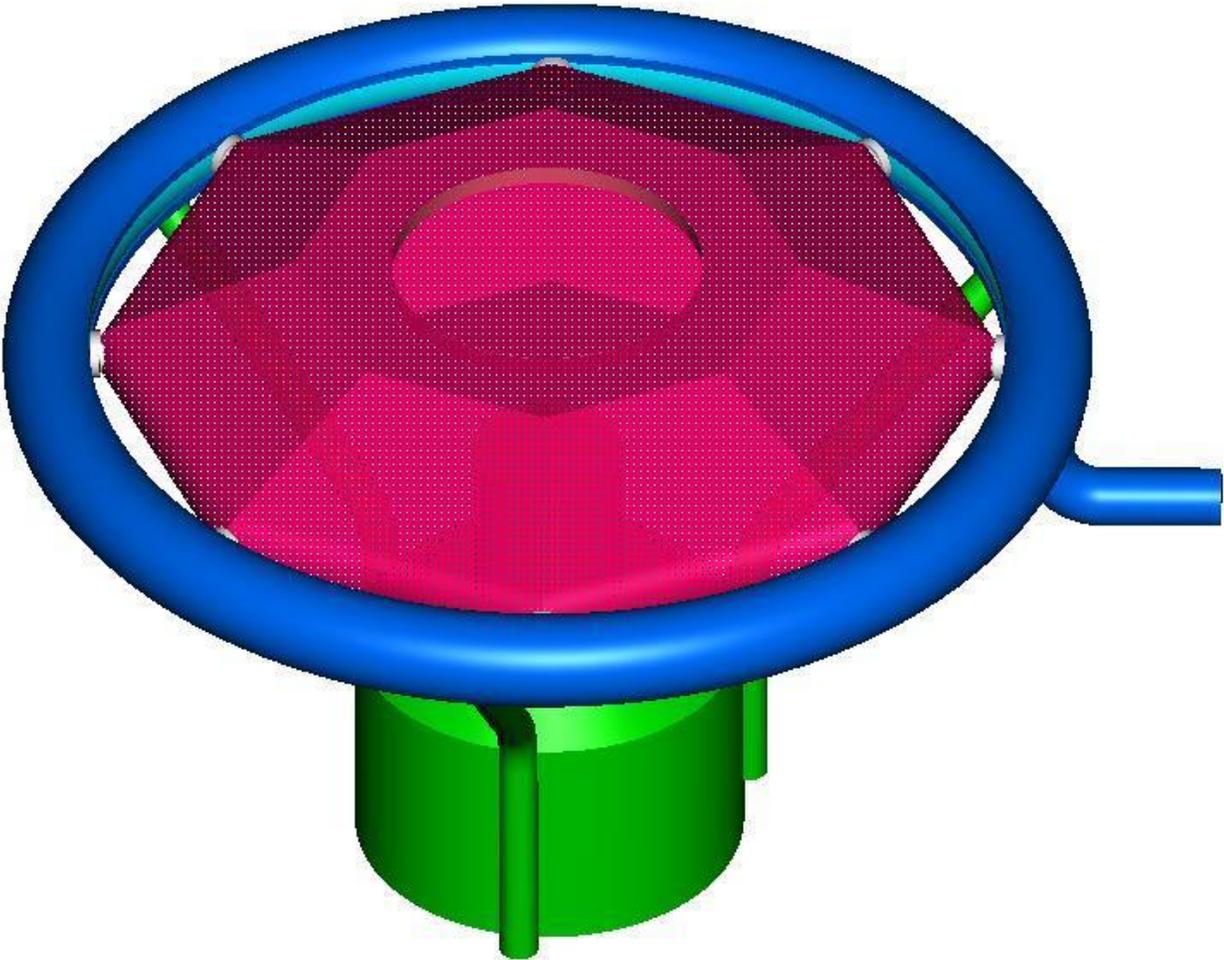


FIG.3

Cryogenic Air Pump

FIELD OF INVENTION

This application relates to the need to separate different elements or compounds from a gas mixture.

SUMMARY OF THE INVENTION

In accordance with the disclosure cold gas flowing into a closed chamber will surrender different elements or compound with the correct pressure and temperature. More specifically in this illustration separating carbon dioxide from other elements present in the sample gas. The carbon dioxide turns into a liquid and the remaining gas stays in a gas form. With different pressure and temperature this apparatus can separate and segregate many different elements and compounds.

BRIEF DESCRIPTION OF THE DRAWINGS

FIG.1 is a cutaway isometric view of the present invention.

DETAIL DESCRIPTION OF THE DRAWINGS

Reference will now be made in detail to exemplary embodiment, example of which is illustrated in the accompanying drawings.

Fig. 1 Unit 100 in a cutaway isometric orientation of vessel 101 depicts the flow of cold gas mixture 105 mixed with carbon dioxide gas 106 through orifice 102 into the vessel chamber 101. As more gas 105 and 106 is pumped into the chamber of vessel 101 the internal pressure increases. At the liquidation pressure for carbon dioxide 106, orifice 102 closes and carbon dioxide 106 becomes liquid and is ejected through orifice 103. The remaining gas 105 is then ejected through orifice 104 and the internal pressure of vessel 101 is lowered. Vessel 101 is now ready to receive the next cycle of mix gas input for separation.

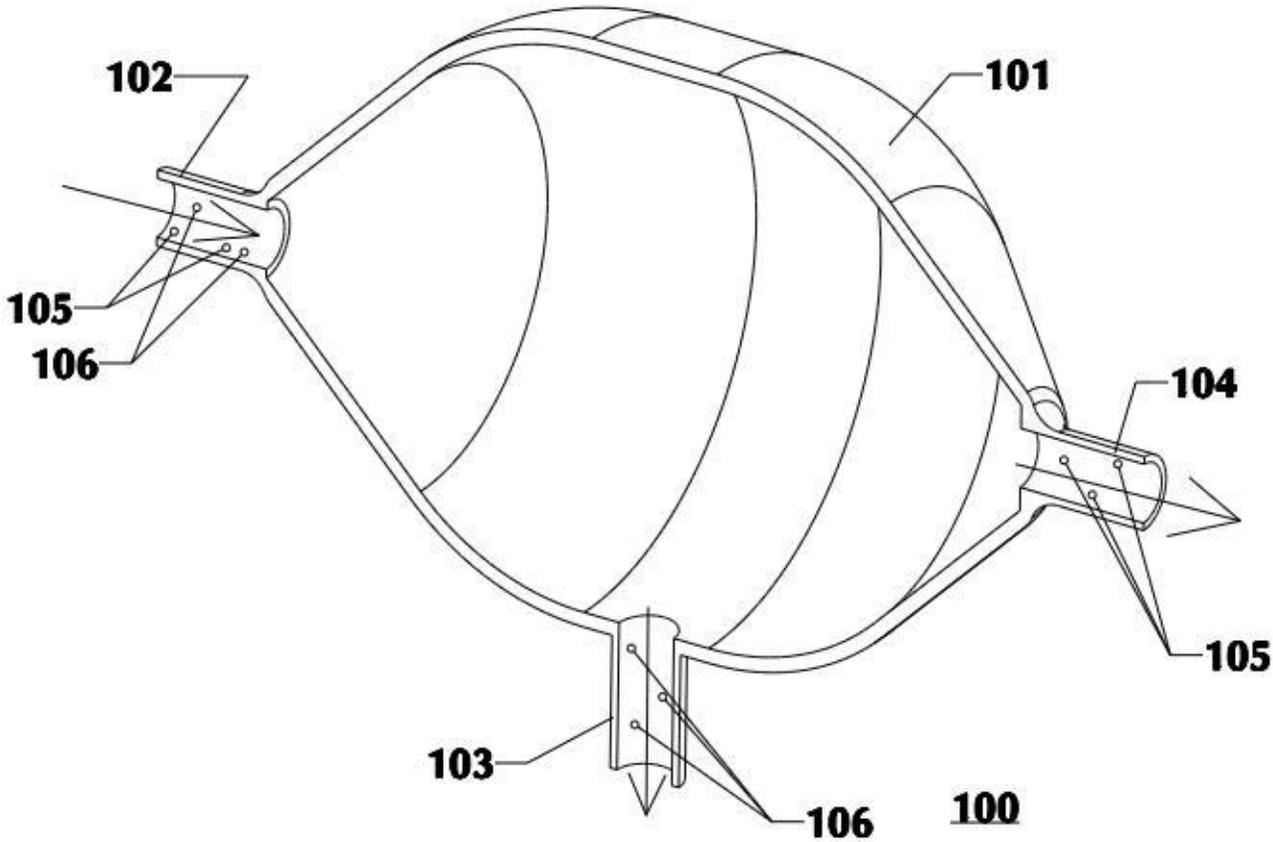


FIG.1

Particle Acquisition Tower

FIELD OF INVENTION

This application relates to the need to remove particles from gas and in doing so reduce the temperature of the gas.

SUMMARY OF THE INVENTION

In accordance with the disclosure gas entering the chamber and mixing with fluids lowers the gas temperature. As the gas continues its ascent the particles adhere to the fluid. The gas without particles will exit the top of the chamber. Light weight partials will flow out with the fluid at the upper location. Heavy particles will flow out with the fluid at the bottom of the vessel.

BRIEF DESCRIPTION OF THE DRAWINGS

FIG.1 is an exploded isometric view of the present invention.

FIG.2 is a cutaway isometric view of the present invention.

FIG.3 is an isometric view of an alternative angle of the internal components of the present invention.

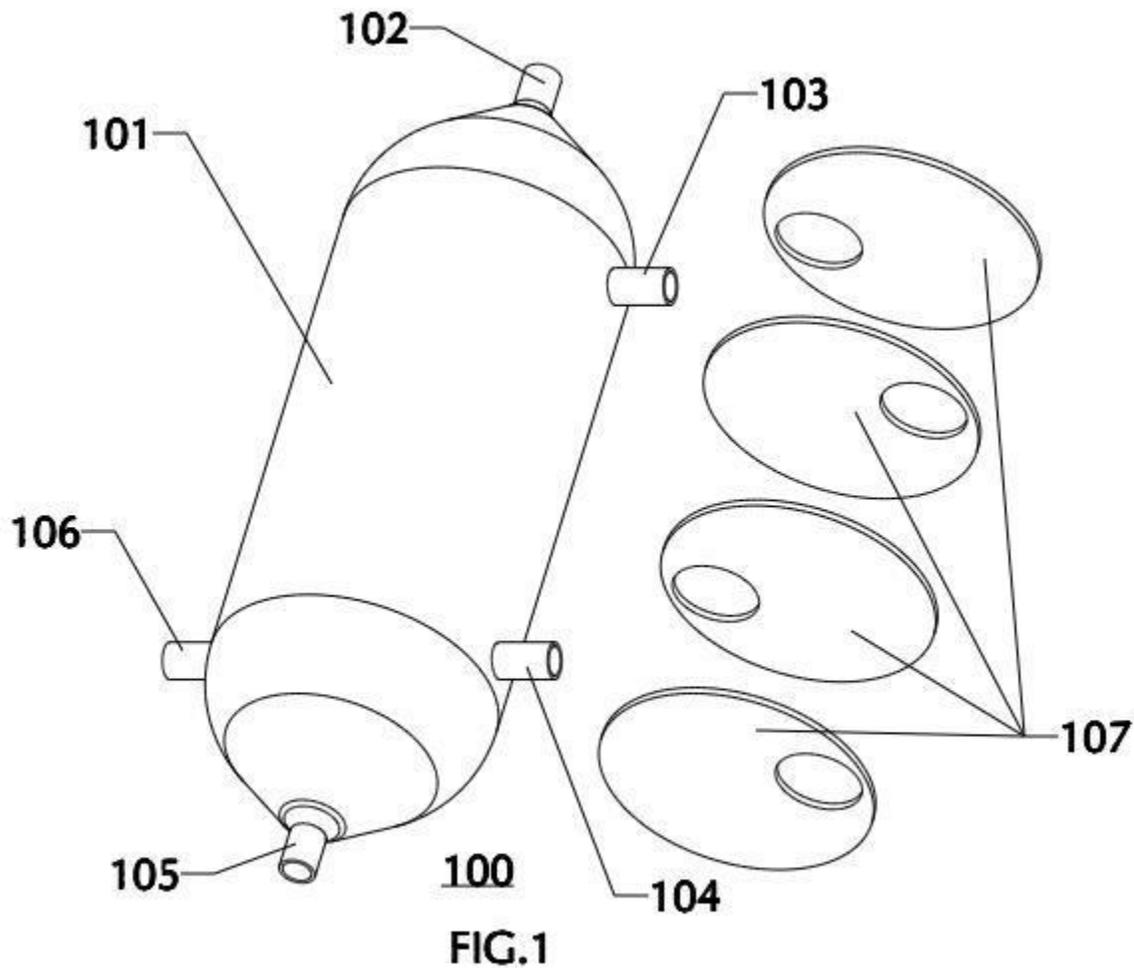
DETAIL DESCRIPTION OF THE DRAWINGS

Reference will now be made in detail to exemplary embodiment, example of which is illustrated in the accompanying drawings.

Fig. 1 illustrates a unit 100 exploded isometric view orientations. Unit 100 includes the vessel 101, gas outlet 102, light particle outlet 103, fluid inlet 104, heavy particle outlet 105, gas inlet 106 and flow control baffles 107.

Fig. 2 Unit 120 in a cutaway vessel 101 isometric orientation depicts the inflow of hot gas 121 with particles 122 and 123 through orifice 106 into the lower chamber of vessel 101. Fluid 124 flows into this chamber of the vessel 101 through orifice 104. The gas 121 is cooled and light particles 122 begins their travel with fluid 124 through baffles 107 to the top of the vessel 101 and the heavy partials 123 adhere with fluid 124 to exit through

lower orifice 105. At the top of the vessel 101 the light particles 122 and fluid 124 exit through orifice 103. The cool particle free gas 121 now exits the vessel 101 through orifice 102.



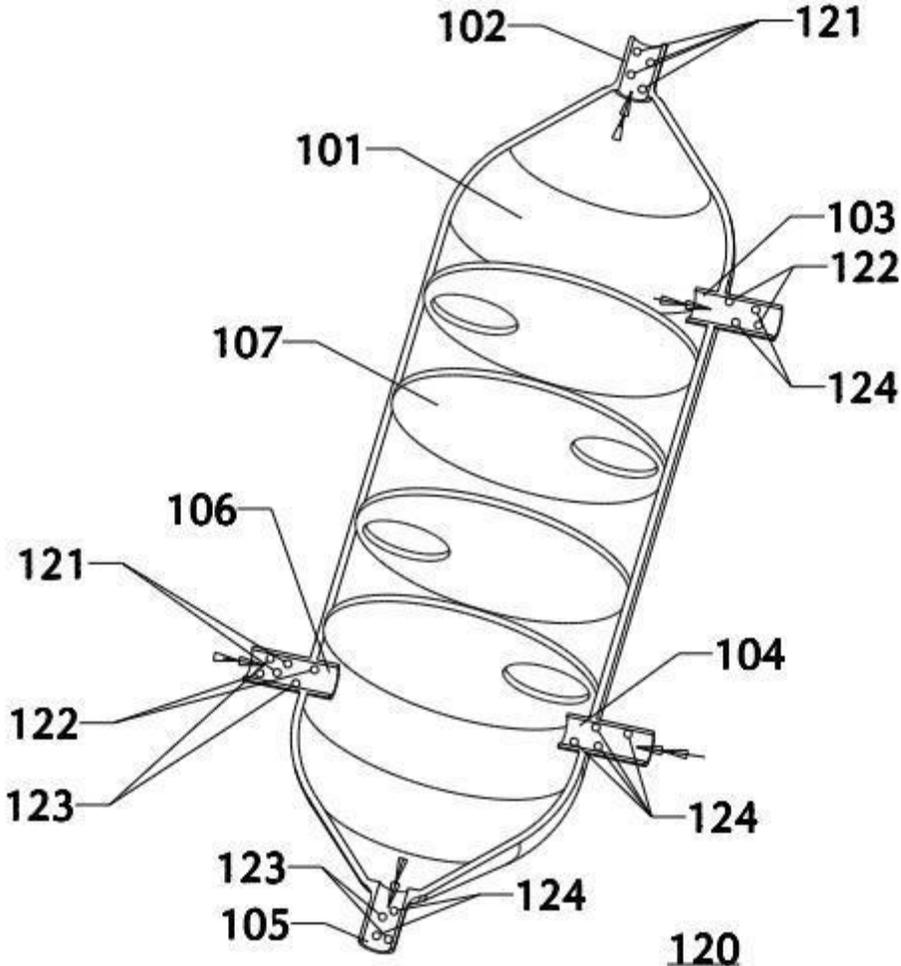


FIG.2

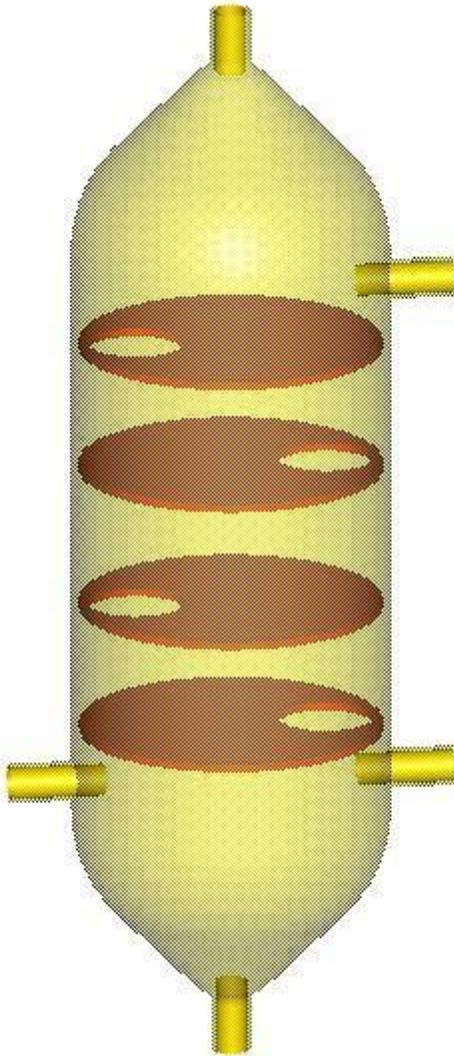


FIG.3

All illustrations are from omnibus non provisional filed patent.

Since 1875, thousands of researchers have attempted to provide an inexpensive source of hydrogen and oxygen through electrolysis and thereby providing an inexpensive inexhaustible source of fuel from water.

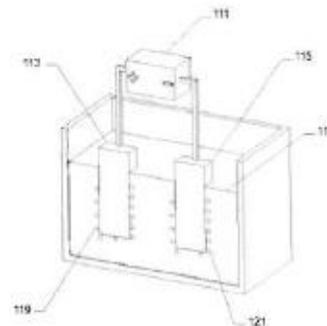


FIG. 1
 Prior Art

Prime Core Tech, LLC

Three Core Areas of Primary Technology

1. Electrolysis Fuel Cell Battery
2. New Internal Combustion Engine - First engine to take full advantage of special characteristics of using hydrogen as fuel.
3. Accelerator Generator, Impact Accelerator and Impact Accelerator Generator - Totally new type of generator and transporter.
4. New electronic circuitry which takes advantage of electricity as never before and by doing so multiply the efficiency of the new devices.

Pulsar - Quasar - Pulsar/Quasar- Quasar/Battery

Objective - Create a Device

1. Simple
2. Long lasting.
3. Easily mass produced.
4. Scalable.
5. Operates inexpensively.
6. Safe
7. Basic design used for multiple purposes.
8. Patentable

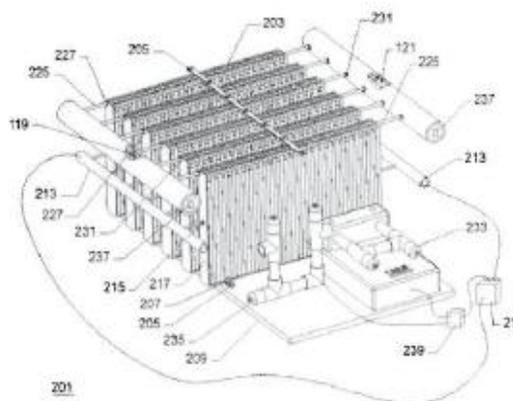


FIG. 2A

Simple

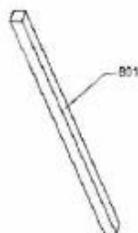


FIG. 8A

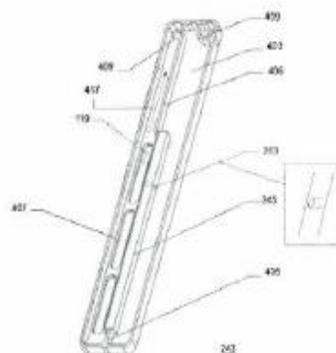


FIG. 4B

The individual cell is made of a non-conductive plastic, a rod whose primary material is carbon with all parts chemically welded together along with the other cells. The plastic piece has been designed for the most efficient use of the electrical current and use of the electrolyte.

There are several types of cells and each has it's own design.

The greatest efficiency occurs when correct configuration and electronic circuitry allows .5 to 2 amps of current to pass through the most number of cells or placing the configuration in line with normally used current.

Almost any type of electrolyte may be used. The front of this unit contains a device to measure the strength of the electrolyte. Water may be added while the unit is functioning.

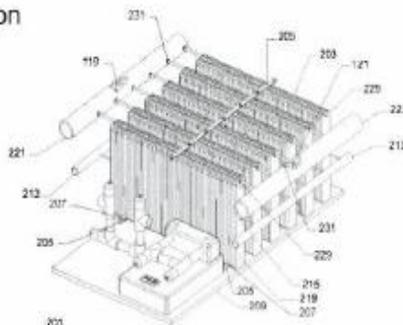


FIG. 2B

Long Lasting

The rod has overcome one of the greatest problems with oxidation of the electrode. If used correctly, the cell should not be higher than 100 degrees and the entire cell should last for 50 years.

Easily Mass Produced

Because the cells are created with the same type of extruded plastic parts, one rod and with the use of an easily available chemical, production should be conducive to mass production. Cells may be created in different sizes as long as the rods and parts of the cells are kept in a particular size relationship.

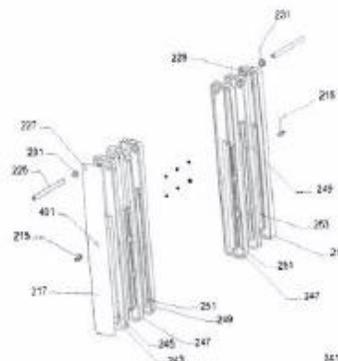


FIG. 3A

Scalable

This technology is scalable in size of cells, electrodes and number of cells. Each cell not only produces hydrogen and oxygen for collection but it also produces between 2 and 3 volts internally as hydrogen and oxygen associated with the rod and electrolyte recombines.

Operates Inexpensively

This means that the voltage that is introduced into the Pulsar must be of great enough magnitude to overcome the internal voltage plus be able to produce .5 to 2 amps. For instance, if we had 100 cells in a series to overcome the internal voltage we would want to use at least 220 volts. Because you are being charged only for the amps used, the Pulsar still operates inexpensively.

Safe

These devices operate at very low pressure and do not combine the gases. They also provide hydrogen and oxygen on demand which eliminates the need to contain or transport the gases.

Multiple Uses of Design

Due to the discovery of the internal volts associated with this design, we are able to use the same basic design as a fuel cell or a battery. The illustration to the right shows the rod design variation that allows for more efficient fuel cell and battery. We have yet to finalize our designs. However, our confidence is high due to the consistent internal volts.

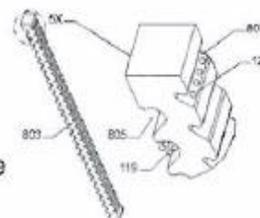


FIG. 8B

PLASTIC ASSOCIATES, INC.

Due Diligence Analysis of Prime Core Technology

Technical and Market Assessment

WILLIAM M. KARSZES, Ph.D.

2011

2720 ROXBURGH DRIVE ROSWELL, GEORGIA 30076

EXECUTIVE SUMMARY:

Hydrogen Technology represents the fuel of the new millennium. Scalable units producing hydrogen will feed fuel cells capable of providing the work for transportation, communications, residential and commercial structures. As such a unit, Pulsar[®] by Prime Core appears to be uniquely positioned. The unit is cost effective, scalable, maintenance free and provides relatively cheap hydrogen.

The use of the Pulsar in the proposed CAT (Clean Air Turbine) is a valid use of the technology to solve pressing environmental issues during the transitional period from fossil fuels to hydrogen fuel. The CAT system is unique but based on sound engineering principles.

The market potential is in the hundreds of millions of dollars in the short and near future. The exact size will depend upon Prime Core's market penetration. Ultimately the hydrogen economy is expected to exceed \$4 trillion. Again, market share is dependent upon the company's ability to market their products.

No major technical flaws were discovered during this initial due-diligence phase. The basis of this analysis is the information provided to Plastic Associates by Prime Core.

William M. Karszes, PhD
President
Plastic Associates, Inc.

Introduction:

The company technology is centered on the Pulsar technology. The “Pulsar” unit is an advanced hydrogen generator. The unit produces hydrogen and oxygen from water and electricity. The Pulsar unit can be produced in a cost-effective manner. The units can be ganged together changing the output of the total unit. Simply turn electricity on/ off to the unit allows the output to be supplied on demand. There are no harmful environmental side streams or catalysis involved with the technology. The unit runs at low temperature and can be used safely in a designed container. The unit is protected by a patent pending application, number dated 10/5/2011 which is has an original date of 10/29/2009.

The second part of the company’s technology is designing cost effect applications for the hydrogen generator. These applications are diverse from supply of hydrogen on demand to sophisticated pollution control for coal fired power generating stations. Hydrogen is a fuel and can be considered a battery. (Hydrogen fuel cells can convert the energy stored in the chemical bonds to work.) It is the basis of the so called “hydrogen economy”. However, there are many short-term applications that can use this technology now. The company is concentrating on Clean Air Turbine (CAT) technology for fossil fuel enhancement and pollution control. Government regulation is driving this technology and industry must respond. Pulsar technology represents a viable solution.

Market potential for this technology is large. The CAT system market potential was defined as follows. Environmental Abatement Technology was a \$290 Billion industry in the US and a \$792.4 Billion industry worldwide.¹ (2008 Data) \$8.8 Billion was spent on coal fired power plants ³. Forecasted market for 2012 is approximately \$10 Billion. This represents the market potential for Prime Core CAT technology for coal fired plants. Each .1% represents \$10,000,000 in sales. Air pollution prevention is forecasted to be a \$75 Billion market in 2012². This includes the diesel engine industry. 60% of all air pollution is from vehicles and 80% in urban areas⁴. Applying 60% to the air pollution market gives a potential of \$45 Billion. The diesel engine market for 2012 is forecasted to be \$160 Billion⁵. (This forecast is for new engines and does not include retrofit.) Thus a .1% market penetration is worth between \$160 million to \$15 million. (1/3 of .001 of air pollution market.) This limited investigation shows that the CAT technology is directed towards a market whose potential is large.

The technology is well designed and has many features that make it attractive to customers.

- Hydrogen on demand
- Scalable to meet application demands.
- Patentable
- Operates with water and electricity (electricity can be generated by vehicle)
- Safe
- Design can be configured into multiple uses.
- Mass produced.

These strengths will allow the technology to grow. Short term market penetration using the CAT applications will allow further development into fossil fuel enhancement and hydrogen car on board supply. There is a myriad of other applications in residential and commercial buildings as well as electric generation in remote areas or climate damaged areas that offer potential.

The long-term horizon is bright. The “hydrogen economy” is looming somewhere in the future. Fossil fuels needs to be minimized and perhaps eliminated in the future. This statement is expounded by most people. The timing remains the question. Properly introduced this technology can grow in current conditions and be poised in a proven manner in the future.

The only technical weakness is that electricity is needed to generate the hydrogen. This weakness is what the detractors of the hydrogen economy cite as the problem. Several points need to be made relative to this situation. First the thrust into using CAT technology mitigates the problem. Second the present policy is to work on green technology which is directed at the sources of electricity other than burning fossil fuels. The third factor is that electricity will always be needed so the problem will be solved. Once it is solved then the main objection to the hydrogen economy will be diluted. The last factor is that technology is moving forward on all fronts so the efficiencies of these units will be improved especially fuel cell efficiency. From a business aspect the only problem is the need for a larger prototype and the associated data generated from such a unit. Although technically a weakness it is not a problem as the engineering and design are based on sound principles. Also, Pulsar prototypes have been built and tested with excellent results. Thus, this weakness is a simple scale up problem not a technical feasibility problem.

The Current Technical Environment:

Hydrogen Economy: Under the Bush administration a major government push was made for the Hydrogen Economy. The government position was to replace fossil fuel with hydrogen technology. Under the current administration they have lessen the emphasis on the hydrogen economy and are focused on green technology to protect the environment with electricity being a major industry sector. The debate in the technical sphere is that we are not ready for the hydrogen economy due to the need for electricity for hydrogen conversion from water. The second part of the argument is that the efficiencies of hydrogen fuel cells are not good enough for commercialization. Thus, the argument is not mutual exclusive rather one of where to allocate the resources. Sustainable or renewable power or clean power solves the electricity problem. While the commercial and academic world continues to work on efficiencies. Thus, the technology developed by Prime Core is needed both in the short term and in the longer-term hydrogen economy. The timeline for the hydrogen economy is shown below.

While the dates may shift further into the future due to the shift in US policy, commercial companies such as Honda and countries such as Japan are pushing forward rigorously. In the mean time the Clean Air Turbine technology is needed as it helps the environment with clean air, mitigating the need for fossil fuels and helps with the future of on-board hydrogen generating vehicles.

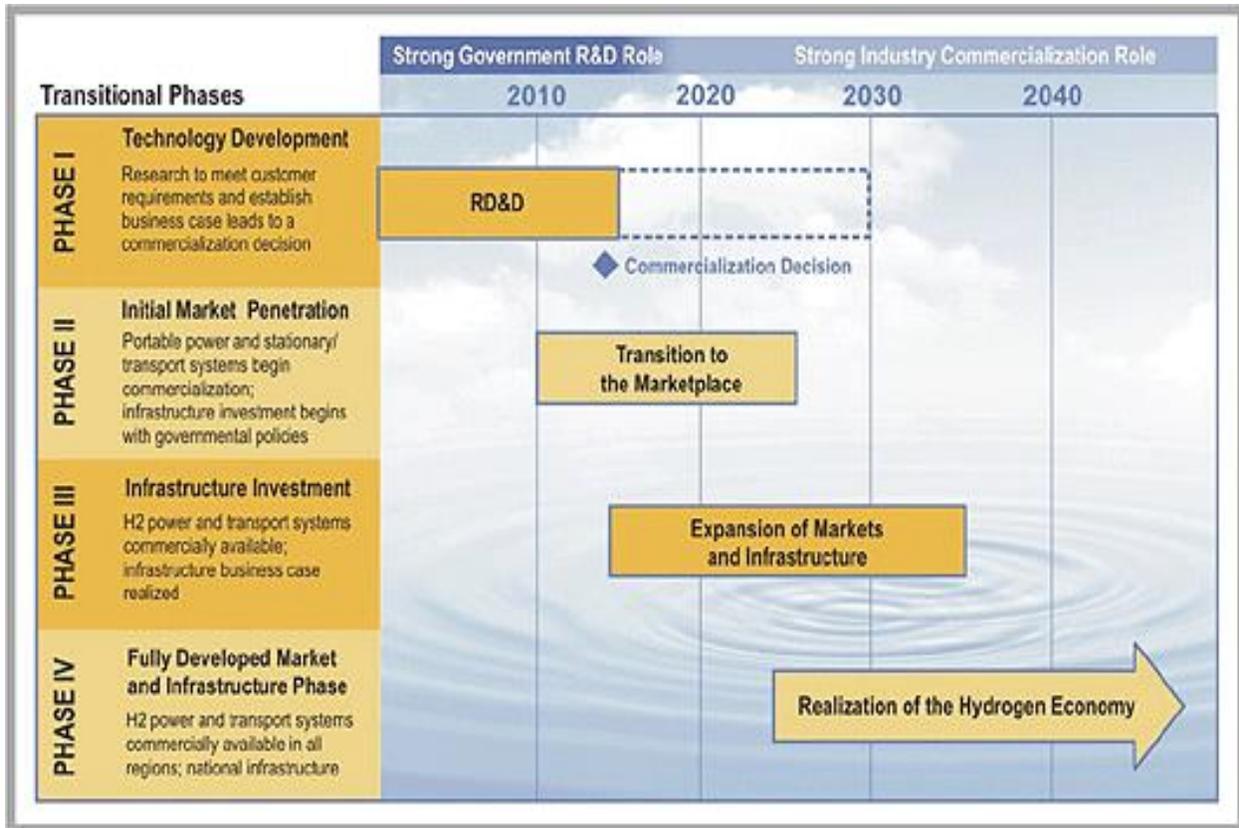


Chart 1: Timeline for Hydrogen Economy

Clean Air Turbine (CAT): The use of hydrogen technology in combination with the turbine technology offers a logical and technical feasible route for Prime Core. To meet clean air standards for coal fired power generation, retrofitted plants or new plants require technology that meets three criteria. Minimum capital investment, low maintenance cost and low operating costs. New turbine materials are available that will lower maintenance costs, using the hydrogen as a fuel additive will lower operating costs. The capital costs appear to be with reason and can be more than offset by the maintenance and operating costs.

The technical reason this technology is important is that the CAT system allows the supercharging of the feed stream. Hydrogen is a fuel and can be burnt to produce power! Prime Core estimates a potential of 20% to 30% savings when operating a facility with their unit. This savings is huge and fits into the “Environmental Technology” that is being pushed by Federal Regulation.

The CAT technology can also be used in diesel engine technology to not only act as a clean air alternative, but also a fuel savings device. When the diesel CAT is combined with a leaner fuel mixture device that exists, then a potential exists for a fuel efficiency increase of 40% to 50%. Thus, with diesel at \$4.00/gal we can get the same per mile cost as if the fuel were between \$2.00 and \$2.60/gal. This lower cost is in of itself impressive, but one needs to consider that the toxic emissions are lower by 70 to 80%.

Considering that a typical freight truck has a 300-gal tank this means a savings of \$420 to \$600 per tank on a per mile basis.

The electricity needed for the CAT can come off the alternator and with a small hydrogen storage unit for start up. This unit would then be self contained and have none of the hydrogen distribution problems facing the hydrogen economy.

Hydrogen Cars: The biggest driving force for the hydrogen economy is the use of hydrogen fuel cells for transportation. The development of these units is continuing with hydrogen fuel stations being built at a rapid pace. Note the high density in the EU, Japan and mid-Atlantic and California in the US.

Chart 2: Hydrogen Filling Stations



Honda is vigorously perusing their mission of a hydrogen vehicle. US auto makers also have prototypes developed.

The Present technology can be used in two meaningful applications. The first is to manufacture the hydrogen at the filling station and the second is to make a hydrogen fuel cell car with its own hydrogen source on board.

The first application is gaining meaning as renewable energy research on solar and wind energy is progressing. Given electricity and water the unit can generate hydrogen at the filling point using

renewable energy sources. Distribution systems and their associated costs and problems would be minimized. While further refinement is required, the basic technology exists within Prime Core.

Discussion about Hydrogen Distribution: (Note highlighted text!)

Central versus Distributed Production

Central, semi-central, and distributed production facilities are expected to play a role in the evolution and long-term use of hydrogen as an energy carrier. The different resources and processes used to produce hydrogen may be suitable to one or more of these scales of production.

Distributed Production

Hydrogen can be produced in small units where it is needed, such as vehicle refueling stations, in a manner known as "distributed production." Distributed production may be the most viable approach for introducing hydrogen in the near term in part because the initial demand for hydrogen will be low. Two distributed hydrogen production technologies that may offer potential for development and commercialization during the transition to a hydrogen economy are 1) reforming natural gas or liquid fuels, including renewable liquids, such as ethanol and bio-oil, and 2) **small-scale water electrolysis.**

Centralized Production

Large central hydrogen production facilities (750,000 kg/day) that take advantage of economies of scale will be needed in the long term to meet the expected large hydrogen demand. Compared with distributed production, centralized production will require more capital investment as well as a substantial hydrogen transport and delivery infrastructure.

Semi-Central Production

Intermediate-size hydrogen production facilities (5,000–50,000 kg/day) located in proximity (25–100 miles) to the point of use may play an important role in the transition to a hydrogen economy and in the long-term use of hydrogen as an energy carrier. These facilities can provide not only a level of economy of scale but also minimize hydrogen transport costs and infrastructure.”

The second application is an on-board hydrogen system requiring no refueling. (A small hydrogen reservoir maybe needed for startup.) This technology is being worked on presently with prototypes available as noted by the following news clip.

“THE CAR THAT MAKES ITS OWN FUEL

Friday, February 03, 2006



Illustration photo - Actual pictures of Engineuity's system are classified at this stage. (Image credit: Ford)

A unique system that can produce Hydrogen inside a car using common metals such as Magnesium and Aluminum was developed by an Israeli company. The system solves all the obstacles associated with the manufacturing, transporting, and storing of hydrogen to be used in cars. When it becomes commercial in a few years time, the system will be incorporated into cars that will cost about the same as existing conventional cars to run and will be completely emission free.”

Although this car uses a different electrolysis system it proves the technology of on-board hydrogen is being worked on.

Another variant of this technology would be to enhance fuel efficiency of regular fossil fuel internal combustion engines. Again, the discussion on the diesel CAT holds here. My understanding is the company is working on an engine concept to use hydrogen as the only fuel thus eliminating the need for a fuel cycle.

Other Applications: If we consider the hydrogen a fuel or battery source then numerous applications can be developed. At this time, we list other applications we have considered, but have not fully worked on other than to prove to ourselves these applications are technically feasible.

1. Commercial buildings for electrical generation
2. Residential buildings for heat and power
3. Remote power (portable) power generation
4. Oxygen and hydrogen for remote (isolated) medical purposes
5. Motorized bicycles
6. Remote electrical charging packs (cell phones, PC's, etc.)
7. Water Pumps for extracting water from deep wells
8. Oil Pumps
9. Given that the scale up is cost effective:
 - a. Hydrocarbon Processing (chemicals and fertilizers)
 - b. Food industry: Hydrogenised oils
 - c. Note: The hydrogen industry is a \$39 Billion industry in US.

Potential for the Technology:

Market potential for this technology is large. The CAT system market potential was defined as follows. Environmental Abatement Technology was a \$290 Billion industry in the US and a \$792.4 Billion industry

worldwide.¹ (2008 Data) \$8.8 Billion was spent on coal fired power plants ³. Forecasted market for 2012 is approximately \$10 Billion. This represents the market potential for Prime Core CAT technology for coal fired plants. Each .1% represents \$10,000,000 in sales. Air pollution prevention is forecasted to be a \$75 Billion market in 2012². This includes the diesel engine industry. 60% of all air pollution is from vehicles and 80% in urban areas⁴. Applying 60% to the air pollution market gives a potential of \$45 Billion. The diesel engine market for 2012 is forecasted to be \$160 Billion⁵. (This forecast is for new engines and does not include retrofit.) Thus a .1% market penetration is worth between \$160 million to \$15 million. (1/3 of .001 of air pollution market.) This limited investigation shows that the CAT technology is directed towards a market whose potential is large.

As this is a technology that can have many applications, we only looked at the CAT market for coal plants and diesel engines. The market potential is large thus a small fraction of market penetration generates large revenues. The other markets also hold large potential. The total market potential means just a peek under the tent can generate large revenues. This is confirmed by the following quote:

"Clean energy, simply put, has all the earmarks of being one of the best investment trends ever. Better yet, it is still very early in the game and the bulk of the money has yet to be made. This book provides investors with a straightforward guide on how to invest in the diverse and fast-moving clean energy sector.

The demand for new and cleaner forms of energy comes not only from climate change and energy security concerns, but also from the sheer amount of new energy generation that will be needed to satisfy the world's fast-growing needs. World energy demand will grow 57% by 2030 and \$4 trillion of new power generation assets are needed by 2030, according to official energy agencies. With this huge target market, the clean energy industry can easily grow at double-digit annual rates for decades."

<http://www.profitfromcleanenergy.com/index.asp>

This report is a technical assessment not a marketing study.

Commercialization of the Technology:

Risk: All technology has competition. The risks are usually analyzed through a session based on the following guidelines.

1. Could newcomers (including breakaways from your own company) create damaging competition?
2. Is there an equally powerful force in the market which could muscle into your territory?
3. Is there a rival technology or other differentiator which could come out on top?
4. Are you weak compared to the competition in a key market segment?
5. Is the market developing in ways that favor competitors more than you?
6. Could your customers take major sources of revenue away?
7. Is there a major area in the market where you lag rather than lead?
8. Does a competitor have a stronger hold on your biggest customers?
9. Is there a growing market where you are being left behind?
10. Are there environmental/regulatory threats?
11. Could unsuspected challenge arrive from outside the existing industry?
12. Is your market too broad for all threats to be safely covered?

The thirteenth question, of course, is whether, if any of the dozen apply to your business, you are doing anything effective to counter the Threat or, better still, to convert Threat into true Opportunity.

<http://www.thinkingmanagers.com/management/strengths-weaknesses.php>

Simply put, the market is so large the business risks only limit market penetration. The upside rewards are high. Not only are the rewards high, but the timing is right to enter this market. The potential for the market if the technology is scalable is huge.

As this is a technical assessment, we will look at competing technologies and rank relative to the given technology.

Appendix C lists the competing methods for production of hydrogen.

TECHNOLOGY RANKING:

Chart 3:

Technology Comparison:								
	State of Technology	Ecological Impact	Scalable	Initial Cost	Maintainance Cost	Operating Cost	Purity of Hydrogen	
Electrolysis								
High-temperature electrolysis	Commercial	Low	yes	low	low	moderate	high	
High pressure electrolysis	Research	Low	yes	high	moderate	Goal is to have Low cost	Good (needs work)	
Kværner-process	Commercial Large scale	Low	yes	Moderate	Moderate	High	High	
Fermentative hydrogen production	Research	Low	questionable	Cell Design for Visible light Distribution	Moderate	Moderate	Poor	
Photoelectrochemical water splitting	Research	Low	Yes	High	moderate	Low	Good, same as Electrolysis	
Biocatalysed electrolysis	Research	Low	questionable					
Concentrating solar thermal	Research	Low	no, large scale	high	low	low	Good	
Photoelectrocatalytic production	Research	Low	questionable needs light	High Gold electrodes	Low	Low needs light	Good	
Thermochemical production	research	low	unknown					
Steam reforming	Commercial	High	No Research	High	Moderate	Variable	Poor	

By looking at all the competing technologies, Prime Core’s Pulsar units appear to hold a technological edge due to their scalability and output purity. The output gas analysis provided by Prime Core from an independent laboratory, details a system that provides very pure hydrogen and oxygen. The initial cost for the Pulsar is low. (Provided by Prime Core literature) The maintenance cost is minimal, thus the operating cost is the electricity cost required for the electrolysis reaction. Here Prime Core has chosen wisely to enter the commercial field with two applications that provide electricity as part of the total

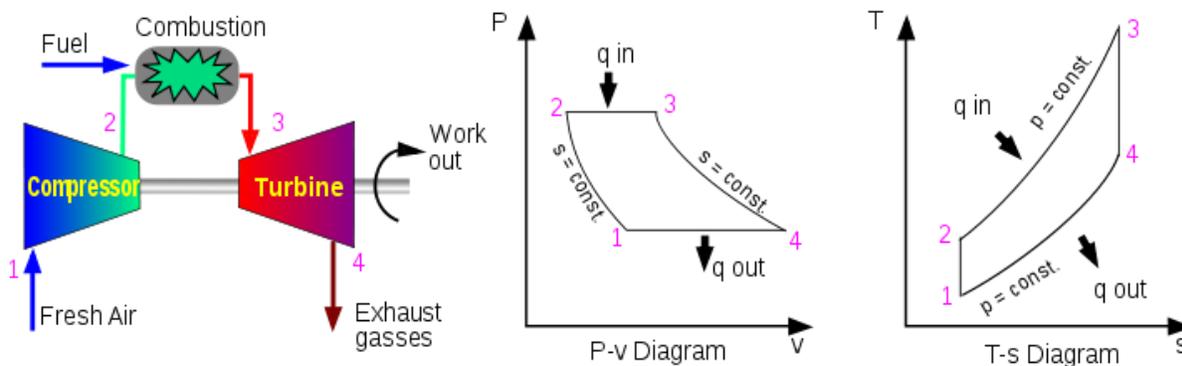
process. Specifically, the applications chosen: The Clean Air Turbine for Diesels and the use of the CAT for coal burning power generation are high visibility and highly required by regulations.

Engineering Principles:

The principles behind the CAT (Clean Air Turbine) systems are based upon sound principles and are not new in the sense it is based on the Brayton Cycle. (See below). The clever uses of this technology along with the Pulsar is unique and simple. The heart of the engineering will be on controlling the cycle and in the engineering details to make the cycle efficient.

Chart 4: Brayton Thermodynamic Cycle

http://en.wikipedia.org/wiki/Brayton_cycle



This principle is used in jet engine technology as well as in power plants. The following article by Denise Lane entitled, Brayton Cycle: The Ideal Cycle for Gas-Turbine Engines in Relationship to Power Plants, discusses various other ways this cycle is being used. (<http://web.me.unr.edu/me372/Spring2001/Brayton%20Cycle.pdf>)

In Chart #4 the fresh air becomes the exhaust air from the fossil fuel fired system. The combustion is a controlled combustion of hydrogen provided by the Pulsar units(s). The steam is added to increase the mass flow rate which will increase power. The above diagram is a simple explanation of the cycle. The description of the system follows the basic scheme. A detailed thermodynamic analysis leads to the proper specifications and sequencing of the Prime Core Cycle.

The Prime Core technology is unique clever way of combining the hydrogen and Brayton Cycle to solve the environmental problem. The combustion of hydrogen produces a hot reaction which will then lower the pollutants. The use of steam will help the temperature within the unit as well as offer a side work stream that can be used to further increase the efficiency of the unit. The water towers after the CAT system is again a clever cleaning process to further clean the exhaust stream while trying to increase the efficiency of the unit. The towers can be considered the afterburner section of the unit where the pressure is worked back to ambient conditions.

The basic design is applicable to diesel exhaust cleaning as well as to the coal fired power plant. The purpose of this paper is to judge the technology's capability of working. The foundation is present to have a working system. Continual work will be needed to streamline the technology as well as increasing the overall cycle efficiency. These are straight forward engineering problems. The foundation is presented by Prime Core and represents a unique solution to the demanding problems in our opinion.

Conclusion:

The Prime Core Technology represents a unique solution to real world problems. The technology is based on sound engineering principles. Further design and changes will evolve to increase the efficiency of the design we see no major engineering stumbling blocks.

The market potential for the CAT system is real and presently needed. The future for scalable hydrogen units is huge. Thus, in our opinion the market dynamics are favorable for this technology. While other technologies exist, they do not appear to be ready for commercialization. This market is of intense interest due to the forth coming government regulations balanced with the need to clean up fossil fuel combustion in the near term. The winners will be the first to market with reliable systems.

References:

1. <http://web.ita.doc.gov/ete/eteinfo.nsf/068f3801d047f26e85256883006ffa54/4878b7e2fc08...>
2. <http://www.bccresearch.com/report/air-pollution-monitoring-ias001g.html>
3. <http://www.pressreleasepoint.com/gbi-air-pollution-control-market-coal-fired-power-plant...>
4. http://www.bcb.uwc.ac.za/Sci_Ed/grade10/ecology/conversation/poll.htm
5. <http://bccresearch.com/report/air-pollution-control-coal-fired-power-plants-egy030.html>

Bert Means
Proteus Energy, LLC
5710 Brushy Creek Trail
Dallas, TX 75252

Dear Mr. Means:

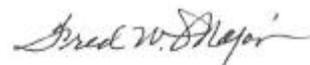
I was a pioneer in space applications and after 31 years at General Dynamics I retired as Program Director and Chief Engineer of New Technology. I want to thank you and Proteus Energy for the opportunity to attend the presentation and demonstration of Hydrogen Resources' new technology to crack water and obtain hydrogen and oxygen. I have witnessed several technologies in the past to accomplish this task and all have expended too much energy.

Hydrogen is the perfect fuel and after I witnessed your presentation, I believe Hydrogen Resources had made a giant step along the road to provide the "Ultimate Sources of Energy to Save Planet Earth". This technology is heads and shoulders above anything I have seen before. The process is extremely simple and cost effective. Clean water is required and there is a new low cost technology that provides clean water from waste water and the key word is waste. There are tons and tons of energy not being used and the technologies are available to do so.

The late 50's and 60's were extremely exciting times because we were in a race with Russia to protect ourselves against nuclear aggression plus our goal to place a man on the moon. Once again it an exciting time because we are moving from the Industrial Age to the Energy Age where we can provide low cost energy throughout the world and help countries and peoples move out of the Third World environment and hydrogen is the key element in making this happen.

For those that can be a part of this movement, now is the time because inexpensive energy will create jobs, reduce the cost of products and transportation along with a great reduction of pollution and the greenhouse effect. I welcome the opportunity to discuss some the technologies with you so we can join together and make this all happen. Our goal should be to make most of this happen in 2011.

Sincerely,


Fred W. Major
6695 Wandermere Dr.
San Diego, CA 92120
fwmajor@yahoo.com



Airborne Labs International, Inc.

22C Worlds Fair Drive, Somerset, NJ 08873 Tel: 732-302-1950 Fax: 732-302-3035

E-Mail: airbornelabs@aol.com

Website: www.airbornelabs.com

UHP Grade Hydrogen (H₂) Analysis Report

Proteus Energy Corp.
3991 Pontchartrain Dr.
Slidell, LA 70458
Phone: 985-718-7545 Cell: 972-342-8129

Attn.: Mr. Bert Means and Mr. Buddy Paul
e-Mail: bmeansdfw@tx.rr.com; Buddy@Hydrogen-Resources.com

Sample ID.: Compressed Hydrogen Gas; "LA-70458"
Sample ID.: Received in an ALI 1L Cyl. #1L-SS-05 & 1L-SS-10

ALI Track No.: 9524-2
Received On: 12/29/10
Report Date: 01/05/11
Payment Mode: PO

Date Sampled: 12/15/10

<u>Test Description/Units</u>	<u>Result</u>	<u>Customer UHP Spec.</u>
Hydrogen Purity (H ₂ , % v/v by Subtractive Diff.): Comments:	99.4+	Report
Oxygen (O ₂ , ppm v/v by GC/PDID): Comments: MDL = 0.2 ppm v/v	3,200	Report
Argon (Ar, ppm v/v by GC/PDID): Comments: MDL = 0.2 ppm v/v	84	Report
Nitrogen (N ₂ , ppm v/v by GC/PDID): Comments: MDL = 0.5 ppm v/v	1,600	Report
Water Vapor (H ₂ O, ppm v/v by CH): Comments: MDL = 0.5 ppm v/v	**	Report
Carbon Monoxide (CO, ppm v/v by IR): Comments: MDL = 0.1 ppm v/v	270	Report
Carbon Dioxide (CO ₂ , ppm v/v by IR): Comments: MDL = 0.05 ppm v/v	280	Report
Methane (CH ₄ , ppm v/v by IR): Comments: MDL = 0.1 ppm v/v	8.7	Report
Infra-Red Profile (10M Gas Cell, 50°C, 1,000 torr): Comments: Halogenated impurities observed. Non-quantified item.	a-typical	n/a

** Insufficient pressure to perform all necessary tests.

MDL = report minimum detectable limit, LOQ = limit of quantitation. tr = Trace amount less than the LOQ was observed. nd = indicates the impurity was not detectable and below the report minimum detection limit. -- = test not performed. na = not available. LT = less than the amount specified. GT = greater than the amount specified. % = percent. ppm = parts per million. ppb = parts per billion. v/v = volume analyte/volume sample. w/w = weight analyte/weight sample. [result] indicates the result was obtained by the method listed within brackets. Unit Conversions: 1 ppm v/v = 1µL/L = 1,000 ppt = 0.0001% w/v. NTP = 760 mm Hg, 25°C, [75°F]. Date Format: MM/DD/YY.

Comments: Customer requests testing of UHP Hydrogen for levels of impurities. Please advise if additional testing is required.

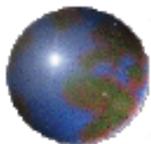
Reviewed by:

David Skinner 01/05/11

David Skinner – Laboratory Manager

Attachments: None

Addendum: Signatures, Instrument & Notebook data on-file



Airborne Labs International, Inc.

22C Worlds Fair Drive, Somerset, NJ 08873 Tel: 732-302-1950 Fax: 732-302-3035
E-Mail: airborne@airborne.com Website: www.airborne.com

UHP Grade Oxygen (O₂) Analysis Report

Proteus Energy Corp.
3991 Pontchartrain Dr.
Slidell, LA 70458
Phone: 985-718-7545 Cell: 972-342-6129
Attn.: Mr. Bert Means and Mr. Buddy Paul
e-Mail: bmeansdfw@tx.rr.com; Buddy@Hydrogen-Resources.com
Sample ID.: Compressed Oxygen Gas; "LA-70458"
Sample ID.: Received in an ALI 1L Cyl. #1L-SS-17 & 1L-SS-07

ALI Track No.: 9524-1
Received On: 12/29/10
Report Date: 01/05/11
Payment Mode: PO

Date Sampled: 12/15/10

Test Description/Units

Test Description/Units	Result	Customer UHP Spec.
Oxygen Purity (O ₂ , % v/v by Subtractive Diff.): Comments:	98.9+	Report
Hydrogen (H ₂ , ppm v/v by GC/PDID): Comments: MDL = 0.2 ppm v/v	5,400	Report
Argon (Ar, ppm v/v by GC/PDID): Comments: MDL = 0.2 ppm v/v	9.3	Report
Nitrogen (N ₂ , ppm v/v by GC/PDID): Comments: MDL = 0.5 ppm v/v	3,600	Report
Water Vapor (H ₂ O, ppm v/v by CH): Comments: MDL = 0.5 ppm v/v	**	Report
Carbon Monoxide (CO, ppm v/v by IR): Comments: MDL = 0.1 ppm v/v	1,400	Report
Carbon Dioxide (CO ₂ , ppm v/v by IR): Comments: MDL = 0.05 ppm v/v	480	Report
Nitrous Oxide (N ₂ O, ppm v/v by IR): Comments: MDL = 0.05 ppm v/v	24	Report
Methane (CH ₄ , ppm v/v by IR): Comments: MDL = 0.1 ppm v/v	2.9	Report
Infra-Red Profile (10M Gas Cell, 50°C, 1,000 torr): Comments: Halogenated impurities observed. Non-quantified item.	a-typical	n/a

** Insufficient pressure to perform all necessary tests.

MDL = report minimum detectable limit, LOQ = limit of quantitation. tr = Trace amount less than the LOQ was observed. nd = indicates the impurity was not detectable and below the report minimum detection limit. -- = test not performed. na = not available. LT = less than the amount specified. GT = greater than the amount specified. % = percent. ppm = parts per million. ppb = parts per billion. v/v = volume analyte/volume sample. w/w = weight analyte/weight sample. [result] indicates the result was obtained by the method listed within brackets. Unit Conversions: 1 ppm v/v = 1µL/L = 1,000 ppb = 0.0001% v/v. NTP = 760 mm Hg, 25°C, [75°F]. Date Format: MMDD/YY.

Comments: Customer requests testing of UHP Oxygen for levels of impurities. Please advise if additional testing is required.

Reviewed by:

David Skinner 01/05/11

David Skinner – Laboratory Manager

Attachments: None

Addendum: Signatures, Instrument & Notebook data on-file

Engineering and Manufacturing Cost for Sub-Components of Clean Air Turbine™ System

Unit	Material / Touch Labor	Breakdown Cost
AGES™	Raw Material	\$ 600,000
	Formings	\$ 150,000
	Vendor Items	\$ 600,000
	Machining	\$ 450,000
	Sub Assy	\$ 600,000
	Final Assy	\$ 450,000
	Quality Assurance	\$ 150,000
	Total Assembly Cost	\$ 3,000,000

Unit	Material / Touch Labor	Breakdown Cost
CAP™	Raw Material	\$ 1,050,000
	Welding	\$ 450,000
	Machining	\$ 300,000
	Sub Assy	\$ 600,000
	Final Assy	\$ 450,000
	Quality Assurance	\$ 150,000
	Total Assembly Cost	\$ 3,000,000

Unit	Material / Touch Labor	Breakdown Cost
CAT™	Raw Material	\$ 200,000
	Castings	\$ 800,000
	Machining	\$ 800,000
	Vendor Items	\$ 400,000
	Balance	\$ 400,000
	Sub Assy	\$ 400,000
	Final Assy	\$ 600,000
	Quality Assurance	\$ 400,000
	Total Assembly Cost	\$ 4,000,000

Unit	Material / Touch Labor	Breakdown Cost
PAT™	Raw Material	\$ 750,000
	Welding	\$ 225,000
	Machining	\$ 150,000
	Vendor Items	\$ 75,000
	Sub Assy	\$ 75,000
	Final Assy	\$ 150,000
	Quality Assurance	\$ 75,000
	Total Assembly Cost	\$ 1,500,000

Unit	Material / Touch Labor	Breakdown Cost
Pulsar™	Raw Material	\$ 100,000
	Molded Units	\$ 1,300,000
	Machining	\$ 100,000
	Vendor Items	\$ 100,000
	Sub Assy	\$ 100,000
	Final Assy	\$ 100,000
	Quality Assurance	\$ 200,000
	Total Assembly Cost	\$ 2,000,000

Itemized Costs for Fabrication Shop

Fabrication Shop - Palm Beach Equipment	
Description	Cost
End Mill NC Control	\$28,000.00
Lathe NC Control	\$32,000.00
Air Compressor	\$8,000.00
Furnace	\$5,000.00
Induction Heater	\$8,000.00
Hydraulic Press	\$10,000.00
Iron Worker	\$6,000.00
Wire Welder	\$4,000.00
Variable DC Voltage Regulator	\$7,000.00
Band Saw	\$6,000.00
Cut-off Saw	\$3,000.00
Drill Press	\$3,000.00
Gas Analyzer	\$5,000.00
Ossicula Scope	\$12,000.00
Stand by Generator System	\$10,000.00
Microscope	\$3,000.00
General Tools	\$12,000.00
Forklift	\$6,000.00
Flow meter	\$5,000.00
Overhead Crain	\$2,500.00
CAT Cast Tools	\$200,000.00
Coal Burner	\$100,000.00
2 Megawatt Generator	\$650,000.00
Vapor Deposition System	\$600,000.00
Total	\$1,725,500.00

Source: <http://www.southern-tool.com/index.php>

**CLEAN AIR TURBINE COMPANY, INC., LICENSE AGREEMENT WITH
PRIME CORE TECH, LLC**

This License Agreement ("Agreement"), effective as of May 18, 2011 ("Effective Date"), is entered into by and between Clean Air Turbine Company, Inc., a Nevada company with its principal place of business located at 4651 Salisbury Rd S., 4th Floor, Suite 4035, Jacksonville, FL 32256, as "Licensee", and Prime Core Tech LLC, a Nevada Company, having its principal place of business at 4651 Salisbury Road South, 4th floor, Jacksonville, FL 32256, as "Licensor".

WHEREAS, Prime Core Tech, LLC (hereinafter "Prime Core") owns by assignment, effective October 21, 2010, certain inventions, technology and patent rights of Buddy Ray Paul ("Paul") relating to the design, engineering or manufacture of hydrogen or hydrogen-related devices, among which inventions is an energy generating and storage electrolysis unit (a.k.a. the Pulsar unit) (herein "Pulsar Unit");

WHEREAS, Paul, on October 29, 2009, filed U.S. Provisional Application No. 61/256129 with the United States Patent and Trademark Office which disclosed Paul's invention of the hydrogen-oxygen generator (herein "HOG");

WHEREAS, Paul, on November 16, 2009, granted Hydrogen Resources a non-exclusive license for the United States to the HOG (herein "November 16, 2009 License Agreement");

WHEREAS, the non-exclusive November 16, 2009 License Agreement between Paul and Hydrogen Resources is terminated effective as of October 21, 2010;

WHEREAS, what is known as the Pulsar with the Quasar effect (Pulsar Unit) is an improvement over the HOG and was invented after the filing of U.S. Provisional Patent Application No. 61/256129 and after the November 16, 2009 License Agreement;

WHEREAS, Paul, on February 3, 2011, filed U.S. Provisional Application No. 61/(44).078 with the United States Patent and Trademark Office which disclosed Paul's invention of the CLEAN AIR TURBINE (hereinafter "CAT") to purify exhaust, ambient atmospheric air and generate highly efficient or mechanical power in the process;

WHEREAS, Paul has assigned all of his rights as inventor of the CAT to Prime Core by Assignment Agreement effective May 18, 2011;

WHEREAS, Clean Air Turbine Company, Inc. (hereinafter "Clean Air Turbine"), desires to license the right

to commercialize the CAT and also desires to license the Pulsar Unit in the Licensed Field (as defined below); and

WHEREAS, Prime Core is willing to grant such a combined license;

NOW, THEREFORE, in consideration of the recitals above and the mutual covenants and agreements set forth herein and other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, and intending to be legally bound, Prime Core and Clean Air Turbine agree as follows:

Article 1 – Definitions

For purposes of this Agreement, the following definitions shall apply:

1.1 " **Confidential Information**" means (1) any information acquired by Prime Core or its subsidiaries, licensees or affiliates from Paul and from any other third party or developed by Prime Core or its subsidiaries, licensees or affiliates in connection with the design, engineering or manufacture of the CAT or CAT-related devices or relating to any of the inventions disclosed in the Provisional U.S. Patent Application filed February 3, 2011 in the U.S. Patent and Trademark Office with Buddy Ray Paul as the sole inventor, and the hydrogen or hydrogen-related devices or relating to any of the inventions disclosed in the Non-Provisional U.S. Patent Application filed October 21, 2010 in the U.S. Patent and Trademark Office with Buddy Ray Paul as the sole inventor, (2) information relating to the design, engineering or manufacture of hydrogen or hydrogen-related devices or relating to any of the inventions disclosed in the Non-Provisional U.S. Patent Application filed October 21, 2010 in the U.S. Patent and Trademark Office with Buddy Ray Paul as the sole inventor, and (3) any information used in the business of Prime Core or its subsidiaries, licensees or affiliates which gives Prime Core or its subsidiaries, licensees or affiliates an advantage over competitors who do not know or use such information (for example, a formula, manufacturing process, manufacturing equipment, proprietary compound, customer list, marketing plans, financial data, business data, etc.).

1.2 "**Clean Air Turbine Improvements**" means all inventions, discoveries, works, ideas, information, know-how, processes, technology, developments, analysis, test results, data, knowledge, improvements, pilot engineering prototypes, manufacturing processes, formulas, laboratory models, field notes, production prototypes and samples made or acquired by Clean Air Turbine after the Effective Date which (a) use, incorporate, derive from, relate to, or are based on the Prime Core Technology, (b) relate to the CAT Unit, and (c) Clean Air Turbine can license to Prime Core without permission of or payment to any third party.

1.3 **“Licensed Field”** means, as specified in U.S. Provisional Application No. 61/(44).078 with the United States Patent and Trademark Office, commercial exploitation of the CAT Unit to purify exhaust, ambient atmospheric air and generate highly efficient or mechanical power in the process.

1.4 **“Licensed Intellectual Property”** means only that part of Prime Core Patents and Prime Core Technology that cover or are embodied in the CAT Unit and uses thereof in the Licensed Field and Licensed Territory; provided, however, that the Licensed Intellectual Property does not include any inventions or technology other than those specific inventions and technology solely embodied in the CAT Unit.

1.5 **“Licensed Territory”** means the entire World.

1.6 **“Prime Core Improvements”** means all inventions, discoveries, works, ideas, information, know-how, processes, technology, developments, analysis, test results, data, knowledge, improvements, pilot engineering prototypes, manufacturing processes, formulas, laboratory models, field notes, production prototypes and samples made or acquired by Prime Core after the Effective Date which (a) use, incorporate, derive from, relate to, or are based on the Prime Core Technology, (b) are solely embodied in the CAT Unit, and (c) Prime Core can license to Clean Air Turbine under the terms of this Agreement without permission of or payment to any third party.

1.7 **“Prime Core Patents”** means all patents or patent applications worldwide owned by Prime Core as of the Effective Date that disclose and claim the Pulsar Unit or any Prime Core Technology having application solely in the Pulsar Unit or uses thereof in the Licensed Field and Licensed Territory, including, but not limited to, (a) the Provisional Patent Applications and any United States patent applications claiming priority to any of the Provisional Patent Applications; (b) all divisional, continuation, and continuation-in-part applications of any such patent applications, (c) all patents issuing from any of the foregoing applications, (d) all reissues, reexaminations, and extensions of any of the foregoing patents, and (e) solely to the extent of rights granted pursuant to Section 2.2, patents and patent applications anywhere in the world that, at any time, directly or indirectly claimed priority from any of the foregoing patent applications.

1.8 **“Prime Core Technology”** means all inventions, discoveries, works, ideas, information, know-how, processes, technology, developments, analysis, test results, data, software, knowledge, pilot engineering prototypes, manufacturing processes, formulas, laboratory models, field notes, production prototypes and samples assigned by Paul to Prime Core pursuant to the May 18, 2011 Assignment Agreement between Paul and Prime Core. 1.9 **“Provisional Patent Applications”** means U.S. Provisional Application No. 61/256129, filed October 29, 2009; U.S. Provisional Application No. 61/258102, filed November

4, 2009; U.S. Provisional Application No. 61/258103, filed November 4, 2009; U.S. Provisional Application No. 61/320380, filed April 2, 2010; U.S. Provisional Application No. 61/321165, filed April 6, 2010; and U.S. Provisional Patent Application No. 61/(44).078, filed February 3, 2011.

1.10 "CAT Unit" means only the device described in U.S. Provisional Patent Application No. 61/(44).078, filed February 3, 2011 and elsewhere in this Agreement, including but not limited to Pulsars used in connection with recapturing coal and/or diesel fuel through exhaust emissions emanating from coal and/ or diesel power generation plants.

Article 2 -- License Grant and License Fee

2.1 Prime Core hereby grants to Clean Air Turbine an exclusive License to make, have made, use, sell, offer for sale, and otherwise dispose of CAT Units in the Licensed Territory solely in the Licensed Field.

2.2 Prime Core further grants Clean Air Turbine the right to have CAT Units made for it outside of the Licensed Territory with the prior written consent of Prime Core, and to import into the Licensed Territory those CAT Units made for it outside the Licensed Territory. For the avoidance of doubt, Clean Air Turbine has no right or license make, use, sell, offer for sale or import Pulsar Units or to authorize third parties to do so.

2.3 Prime Core further grants Clean Air Turbine the exclusive right to purchase Pulsar Units for the CAT.

2.4 As agreed upon compensation for said License, Clean Air Turbine grants Prime Core 300,000,000 shares of its total authorized 500,000,000 Common Shares as the License fee;

2.5 The license granted pursuant to Article 2.1 thru 2.3 includes the right to grant sublicenses in the Licensed Territory in the Licensed Field, provided such sublicenses are in writing, are consistent with and no less restrictive than the terms of this Agreement, do not grant any right to grant further sublicenses, identify Prime Core as a third party beneficiary, and a true copy of each of which is delivered to Prime Core within thirty (30) after execution. Any sublicense that does not comply with this Section 2.4 shall be void and of no effect.

2.6 Clean Air Turbine agrees not to practice the Licensed Intellectual Property outside the Licensed Field.

2.7 The license granted pursuant to Article 2.1 thru 2.3 is subject to an absolute right in Prime Core to make, have made, use, sell, offer for sale, import, and otherwise dispose of any product including CAT Units, system, method, device or invention which comprise Prime Core Improvements, Prime Core Technology, Prime Core Patents or are included in the inventions or technology disclosed in the Non-Provisional U.S. Patent Application filed October 21, 2010 in the U.S. Patent and Trademark Office with

Buddy Ray Paul as the sole inventor, anywhere in world, except for those rights specifically granted to Clean Air Turbine hereunder, for the term of this Agreement.

2.8 Clean Air Turbine will mark each CAT Unit and components thereof with patent numbers of all applicable Prime Core Patents in a manner that complies with the marking requirements set forth in 35 U.S.C. § 287(a), as amended from time to time. If any such product is software, Clean Air Turbine may satisfy this requirement by including the applicable patent numbers, in a prominent manner, in the packaging, manuals or other documentation accompanying such product.

2.9 Clean Air Turbine requests Prime Core, under mutually acceptable terms, to Have Hydrogen Resources use commercially reasonable diligence to develop, manufacture and supply Pulsar Units to Clean Air Turbine for use in the United States as a Prime Core licensee, in accordance with the provisions of the Prime Core to Hydrogen Resources License.

Article 3 -- Term and Termination

3.1 This Agreement shall be effective on the Effective Date and shall expire only upon termination pursuant to the terms of this Article 3.

3.2 The Parties may terminate this Agreement at any time upon mutual written agreement.

3.3 Prime Core may terminate this Agreement by giving Clean Air Turbine written notice of termination if: (a) Clean Air Turbine commits any material breach of this Agreement and fails to cure such breach within 90 days after Prime Core gives Clean Air Turbine written notice of such breach; (b) Clean Air Turbine Company, Inc., becomes insolvent or ceases normal business operations; (c) Clean Air Turbine becomes subject to any bankruptcy, receivership or similar proceeding which is not dismissed within thirty (30) days after it is commenced; or (d) Clean Air Turbine, or any sub-licensee under Section 2.3, commences, directs, controls or asserts any claim in any legal action seeking to render any of the Prime Core Patents invalid or unenforceable.

3.4 Upon any termination of this Agreement: (a) the license rights granted herein will terminate immediately and automatically; (b) any sublicense under Section 2.3 will terminate immediately and automatically; (c) any right or remedy of either Party arising out of any breach of this Agreement will survive; (d) the rights granted to Prime Core under Section 2.11 will survive; and (e) neither Party will have any claim for consequential damages incurred as a result of any expiration or termination of this Agreement in accordance with this Section 3.

3.5 Each Party acknowledges and agrees that the Licensed Intellectual Property is "intellectual property" as defined in section 101(35A) of the United States Bankruptcy Code (the "Code"), as the same may be

amended from time to time, that have been licensed hereunder in a contemporaneous exchange for value. If Prime Core, as a debtor in possession or a trustee in bankruptcy in a case under the Code, rejects this Agreement, Clean Air Turbine may elect to retain its rights under this Agreement as provided in Section 365(n) of the Code, and if Clean Air Turbine, as a debtor in possession or a trustee in bankruptcy in a case under the Code, rejects this Agreement, Prime Core may elect to retain its rights under Section 2.11 of this Agreement as provided in Section 365(n) of the Code.

Article 4 -- Representations and Warranties

4.1 Prime Core represents and warrants that it owns the Licensed Intellectual Property, that it has the right to enter into this Agreement, and that it is not a party to any existing assignments, grants, licenses, encumbrances, obligations or agreements, written or oral, inconsistent with this Agreement.

4.2 Clean Air Turbine represents and warrants that it has the right to enter into this Agreement, and that it is not a party to any existing assignments, grants, licenses, encumbrances, obligations or agreements, written or oral, inconsistent with this Agreement.

Article 5 -- Assignment

5.1 The rights and obligations of Prime Core under this Agreement may be assigned by Prime Core to the successors in interest of Prime Core or of that part of the business of Prime Core to which this Agreement relates. Clean Air Turbine may not assign this Agreement or any of the rights or obligations hereunder without the prior written consent of Prime Core, which consent will not be unreasonably withheld.

Article 6 -- Enforcement

6.1 If Clean Air Turbine learns of any acts of potential infringement of the Licensed Intellectual Property in the Licensed Field by a third party, it will promptly notify Prime Core. Prime Core will have the sole right to determine how to respond to such infringement including whether or not to bring suit or otherwise act to abate the infringement. Should Prime Core choose to sue or otherwise act to abate any infringement in the Licensed Field, Clean Air Turbine will provide reasonable assistance to Prime Core with respect to any such suit or action including joining in any such suit if requested by Prime Core. Prime Core will have the final authority to make all strategic decisions regarding prosecution, defense, or settlement of any such suit or action and choice of counsel. If Clean Air Turbine joins any such suit or action, Prime Core's counsel will represent Clean Air Turbine.

6.2 Any action brought by Prime Core pursuant to this Article 6 will be at Prime Core's own expense. Prime Core will also reimburse Clean Air Turbine for all reasonable expenses and costs associated with any such action. If Prime Core recovers damages in patent litigation or settlement thereof pursuant to an action brought under this Article 6, the amounts shall belong entirely to Prime Core.

Article 7 -- Confidentiality

7.1 The parties to this Agreement agree that the contents, provisions, terms, and existence of this Agreement are confidential and are not to be disclosed by either party to this Agreement, except under similar strict confidentiality and only to that party's legal counsel, investment banker(s), financier(s), and/or advisor(s), or as legally required of Prime Core and/or Clean Air Turbine, or in connection with any financing transaction pursued by Prime Core or its subsidiaries, licensees or affiliates.

7.2 Clean Air Turbine agrees to retain in confidence all Confidential Information disclosed to it or its officers, directors, employees or agents by Prime Core or by Paul at any time, and agrees not to use any such Confidential Information except as permitted by this Agreement and not to disclose any such Confidential Information in any form, including, without limitation, oral, written, graphic, demonstrative, electronic or machine recognizable form to anyone who is not at the time of the disclosure a manager, officer, director, employee, attorney or authorized agent of Prime Core or a person or an entity whom Clean Air Turbine informed Prime Core in writing at it has entered into a confidentiality agreement with Prime Core or one of its subsidiaries, licensees or affiliates in a form approved by Prime Core. The foregoing restriction will not apply to Confidential Information that: (a) is now in, or hereafter, through no breach of this Agreement, becomes part of the public domain, (b) prior to the disclosure or use by Clean Air Turbine, was lawfully acquired by Clean Air Turbine in good faith without any obligation to retain the information in confidence, (c) is rightfully known to Clean Air Turbine prior to the disclosure by Prime Core or any subsidiary, licensee or affiliate of Prime Core or (d) is independently developed by Clean Air Turbine without access to or use of any such Confidential Information; provided however, that subsections (b), (c) and (d) of this Section 7.2 shall not apply to any Confidential Information disclosed by Paul to Clean Air Turbine prior to the Effective Date of this Agreement.

Article 8 -- Notices

8.1 All notices, statements, payments, Orders, documents or other communications required or permitted by this Agreement to be provided or given to either party (herein "Permitted Communication") shall be provided or given in one of the following five ways: (i) personal delivery, (ii)

overnight courier service which provides a receipt acknowledging delivery, (iii) express mail or registered mail, return receipt requested, (iv) first class or priority mail, or (v) facsimile transmission. Within twenty four (24) hours of the time the party providing or giving the Permitted Communication deposits with or turns over the Permitted Communication (1) to the agent for personal delivery, (2) to an overnight courier service for delivery, (3) to a postal service office for delivery, return receipt requested, by express mail or registered mail, or (4) to a postal service box or office for delivery by first class or priority mail, such party providing or giving the Permitted Communication shall also transmit via facsimile a copy of such Permitted Communication, if less than fifty pages in length, to the other party at its facsimile number herein provided. All such Permitted Communications shall be deemed to have been so provided or given as follows: (a) provided or given by personal delivery—upon actual delivery to or refusal to accept delivery by party of the Permitted Communication, (b) provided or given by overnight courier service which provides a receipt acknowledging delivery—upon actual delivery to or refusal to accept delivery by party of the Permitted Communication during normal business hours, (c) provided or given by express mail or registered mail, return receipt requested—upon actual delivery to or refusal to accept delivery by party of the Permitted Communication during normal business hours, (d) provided or given by first class or priority mail—the date and time the party who is the sender receives from party who is a recipient a statement or acknowledgement signed by receiving party that such party received the Permitted Communication, and (e) provided or given by facsimile transmission—the date and time party who is transmitting the Permitted Communication by facsimile receives from the party who is receiving the Permitted Communication a statement or acknowledgment signed by such party that the Permitted Communication was received by facsimile transmission. All Permitted Communications shall be addressed to such party at its following address and facsimile number, or at such other address and facsimile number, and to the attention of such other officers or individuals as it may from time to time designate to the other party in writing:

If to Prime Core:

Robert S. McGee, Manager
Prime Core Tech LLC
4651 Salisbury Road South, 4th floor
Jacksonville, FL 32256
Facsimile: (904) 458-8987

If to Clean Air Turbine:

Robert S. McGee, CEO
Clean Air Turbine Company, Inc.
4651 Salisbury Road South, 4th floor
Jacksonville, FL 32256
Facsimile: (904) 458-8987

Article 9 – Miscellaneous

9.1 No delay or failure on the part of any party hereto in exercising any right, power or privilege under this Agreement or under any other documents furnished in connection with or pursuant to this Agreement shall impair any such right, power or privilege or be construed as a waiver of any default or any acquiescence therein. No single or partial exercise of any such right, power or privilege shall preclude the further exercise of such right, power or privilege, or the exercise of any other right, power or privilege. No waiver shall be valid against any party hereto unless made in writing and signed by the party against whom enforcement of such waiver is sought and then only to the extent expressly specified therein.

9.2 All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular, or plural, as the identity of the person or entity may require.

9.3 To facilitate execution, this Agreement may be executed in as many counterparts as may be required. It shall not be necessary that the signatures of, or on behalf of, each party, or that the signatures of all persons required to bind any party, appear on each counterpart; but it shall be sufficient that the signature of, or on behalf of, each party, or that the signatures of the persons required to bind any party, appear on one or more of the counterparts. All counterparts shall collectively constitute a single agreement. It shall not be necessary in making proof of this Agreement to produce or account for more than a number of counterparts containing the respective signatures of, or on behalf of, all of the parties hereto.

9.4 The covenants, undertakings and agreements set forth in this Agreement shall be solely for the benefit of, and shall be enforceable only by, the parties hereto and their respective successors, heirs, executors, administrators, legal representatives and permitted assigns.

9.5 Subject to any provisions hereof restricting assignment, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors, heirs, executors, administrators, legal representatives and permitted assigns.

9.6 Whenever the context of this Agreement requires, the singular shall include the plural and the plural shall include the singular and the possessive use shall include the non-possessive use and the non- possessive use shall include the possessive use.

9.7 This Agreement fully and completely express the agreement of Prime Core and Clean Air Turbine and supersede all prior and collateral communications, reports and understandings, if any, between the parties hereto. The duties of the parties hereto with respect to the subject matter hereof shall be determined exclusively by the terms and conditions herein. There are no other courses of dealing, understandings, agreements, representations or warranties, written or oral, except as set forth herein. The parties hereto, by mutual agreement in writing, may amend, modify and supplement this Agreement. No amendment, modification or discharge of this Agreement shall be valid or binding unless set forth in writing and duly executed and delivered by the party against whom enforcement of the amendment, modification or discharge is sought.

9.8 If any provision of this Agreement, or the application thereof, is deemed invalid or unenforceable by reason of its scope or extent, the court or other body making such determination shall reduce such scope or extent so that such term or provision is valid and enforceable to the fullest extent of the law. If any term or provision of this Agreement or the application thereof is deemed invalid or unenforceable in its entirety, such term or provision shall be severed from the Agreement and the remaining provisions shall remain in full force and effect. If any term or provision of this Agreement is deemed invalid or unenforceable as applied to a particular person or circumstance, the application of such term or provision to other persons or circumstances shall not be affected thereby and shall remain valid and enforceable to the fullest extent of the law.

9.9 Headings and captions of this Agreement are included for purposes of convenient reference only and shall not be construed as limiting, expanding, or modifying in any way a text of any paragraph or section.

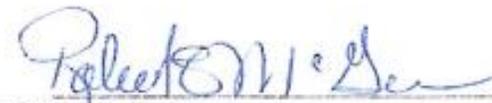
9.10 This Agreement shall be governed by, enforced in accordance with, and construed under the internal laws of the State of Florida, where Clean Air Turbine and Prime Core consent and agree venue will be laid, and without regard to its conflicts of laws principles.

Dated as of the date first set forth above.

FOR LICENSOR
PRIME CORE TECH LLC
INC.


By: Robert S. McGee
Manager

FOR LICENSEE
CLEAN AIR TURBINE COMPANY,


By: Robert S. McGee
CEO

Incentives/Policies for Renewables & Efficiency

U.S. Department of Treasury - Renewable Energy Grants

Program Overview:

Incentive Type:	Federal Grant Program
Eligible Renewable/Other Technologies:	Solar Water Heat, Solar Space Heat, Solar Thermal Electric, Solar Thermal Process Heat, Photovoltaics, Landfill Gas, Wind, Biomass, Hydroelectric, Geothermal Electric, Fuel Cells, Geothermal Heat Pumps, Municipal Solid Waste, CHP/Cogeneration, Solar Hybrid Lighting, Hydrokinetic, Tidal Energy, Wave Energy, Ocean Thermal, Fuel Cells using Renewable Fuels, Microturbines
Applicable Sectors:	Commercial, Industrial, Agricultural
Amount:	<i>30% of property that is part of a qualified facility, qualified fuel cell property, solar property, or qualified small wind property</i> <i>10% of all other property</i>
Maximum Incentive:	<i>\$1,500 per 0.5 kW for qualified fuel cell property</i> <i>\$200 per kW for qualified microturbine property</i> <i>50 MW for CHP property, with limitations for large systems</i>
Funding Source:	The American Recovery and Reinvestment Act (ARRA)
Start Date:	1/1/2009
Expiration Date:	12/31/2011 (construction must begin by this date)
Web Site:	http://www.treasury.gov/initiatives/recovery/...
Authority 1:	H.R. 4853
Date Enacted:	12/17/2010
Authority 2:	H.R. 1: Div. B, Sec. 1104 & 1603
Date Enacted:	2/17/2009
Date Effective:	1/1/2009
Authority 3:	U.S. Department of Treasury: Grant Program Guidance
Date Enacted:	07/09/2009, subsequently amended

Summary:

Note: The American Recovery and Reinvestment Act of 2009 (H.R. 1) allows taxpayers eligible for the federal [business energy investment tax credit](#) (ITC) to take this credit or to receive a grant from the U.S. Treasury Department instead of taking the business ITC for new installations. The new law also allows taxpayers eligible for the [renewable electricity production tax credit](#) (PTC) to receive a grant from the U.S. Treasury Department instead of taking the PTC for new installations. (It does not allow taxpayers eligible for the [residential renewable energy tax credit](#) to receive a grant instead of taking this credit.) Taxpayers may not use more than one of these incentives. Tax credits allowed under the ITC with respect to progress expenditures on eligible energy property will be recaptured if the project receives a grant. The grant is not

included in the gross income of the taxpayer. This grant cannot be taken for systems where construction began after December 31, 2011.

The *American Recovery and Reinvestment Act of 2009* (H.R. 1), enacted in February 2009, created a renewable energy grant program that is administered by the U.S. Department of Treasury. This cash grant may be taken in lieu of the federal business energy investment tax credit (ITC). In July 2009, the Department of Treasury issued documents detailing guidelines for the grants, terms and conditions and a sample application. There is an online application process, and applications are currently being accepted. See the [US Department of Treasury program web site](#) for more information, including answers to frequently asked questions and program guidance. The Treasury also maintains a list of award recipients on the website. The Department of Treasury has also filed a sample form that recipients of the grant must fill out each year to avoid recapture. Grants are available to eligible property* placed in service in 2009, 2010 or 2011 or placed in service by the specified credit termination date, ** if construction began in 2009, 2010 or 2011. Originally, this program was only available to systems placed in service in 2009 or 2010 or where construction began in 2009 or 2010, but *Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010* (H.R. 4853), signed in December 2010, extended the program through 2011. The guidelines include a "safe harbor" provision that sets the beginning of construction at the point where the applicant has incurred or paid at least 5% of the total cost of the property, excluding land and certain preliminary planning activities. Generally, construction begins when "physical work of a significant nature" begins. Below is a list of important program details as they apply to each different eligible technology.

- **Fuel Cells.** The grant is equal to 30% of the basis of the property for fuel cells. The grant for fuel cells is capped at \$1,500 per 0.5 kilowatt (kW) in capacity. Eligible property includes fuel cells with a minimum capacity of 0.5 kW that have an electricity-only generation efficiency of 30% or higher.
- **Qualified Facilities.** The grant is equal to 30% of the basis of the property for qualified facilities that produce electricity. Qualified facilities include wind energy facilities, closed-loop biomass facilities, open-loop biomass facilities, geothermal energy facilities, landfill gas facilities, trash facilities, qualified hydropower facilities, and marine and hydrokinetic renewable energy facilities.
- **Microturbines.** The grant is equal to 10% of the basis of the property for microturbines. The grant for microturbines is capped at \$200 per kW of capacity. Eligible property includes microturbines up to two megawatts (MW) in capacity that have an electricity-only generation efficiency of 26% or higher.
- **Combined Heat and Power (CHP).** The grant is equal to 10% of the basis of the property for CHP. Eligible CHP property generally includes systems up to 50 MW in capacity that exceed 60% energy efficiency, subject to certain limitations and reductions for large systems. The efficiency requirement does not apply to CHP systems that use biomass for at least 90% of the system's energy source, but the grant may be reduced for less-efficient systems.

It is important to note that only tax-paying entities are eligible for this grant. Federal, state and local government bodies, non-profits, qualified energy tax credit bond lenders, and cooperative electric companies are not eligible to receive this grant. Partnerships or pass-thru entities for the organizations described above are also not eligible to receive this grant, except in cases where the ineligible party only owns an indirect interest in the applicant through a taxable C corporation. Grant applications must be submitted by October 1, 2012. The U.S. Treasury Department will make payment of the grant within 60 days of the grant application date or the date the property is placed in service, whichever is later.

** Definitions of eligible property types and renewable technologies can be found in the U.S. Code, Title 26, § 45 and § 48. ** Credit termination date of January 1, 2013, for wind; January 1, 2014, for closed-loop biomass, open-loop biomass, landfill gas, trash, qualified hydropower, marine and hydrokinetic; January 1, 2017, for fuel cells, small wind, solar, geothermal, microturbines, CHP and geothermal heat pumps.*

Contact:

Grant Information
U.S. Department of Treasury

E-Mail: 1603Questions@do.treas.gov

Web Site: <http://www.treasury.gov/initiatives/recovery/Pages/1603.aspx>

Renewable Electricity Production Tax Credit (PTC)

Program Overview:

Incentive Type:	Corporate Tax Credit
Eligible Renewable/Other Technologies:	Landfill Gas, Wind, Biomass, Hydroelectric, Geothermal Electric, Municipal Solid Waste, Hydrokinetic Power (i.e., Flowing Water), Anaerobic Digestion, Small Hydroelectric, Tidal Energy, Wave Energy, Ocean Thermal
Applicable Sectors:	Commercial, Industrial
Amount:	<i>2.2¢/kWh for wind, geothermal, closed-loop biomass; 1.1¢/kWh for other eligible technologies. Generally, applies to first 10 years of operation.</i>
Eligible System Size:	<i>Marine and Hydrokinetic: Minimum capacity of 150 kW Agricultural Livestock Waste: Minimum capacity of 150 kW</i>
Carryover Provisions:	<i>Unused credits may be carried forward for up to 20 years following the year they were generated or carried back 1 year if the taxpayer files an amended return.</i>
Expiration Date:	Varies by technology

Web Site: <http://www.irs.gov/pub/irs-pdf/f8835.pdf>
Authority 1: [26 USC § 45](#)
Date Enacted: 1992 (subsequently amended)

Summary:

Note: The American Recovery and Reinvestment Act of 2009 (H.R. 1) allows taxpayers eligible for the federal renewable electricity production tax credit (PTC) to take the federal [business energy investment tax credit](#) (ITC) or to receive a [grant](#) from the U.S. Treasury Department instead of taking the PTC for new installations. The grant is only available to systems where construction began prior to December 31, 2011. The new law also allows taxpayers eligible for the business ITC to receive a [grant](#) from the U.S. Treasury Department instead of taking the business ITC for new installations. The Treasury Department issued [Notice 2009-52](#) in June 2009, giving limited guidance on how to take the federal business energy investment tax credit instead of the federal renewable electricity production tax credit.

The federal renewable electricity production tax credit (PTC) is a per-kilowatt-hour tax credit for electricity generated by qualified energy resources and sold by the taxpayer to an unrelated person during the taxable year. Originally enacted in 1992, the PTC has been renewed and expanded numerous times, most recently by [H.R. 1424 \(Div. B, Sec. 101 & 102\)](#) in October 2008 and again by [H.R. 1 \(Div. B, Section 1101 & 1102\)](#) in February 2009.

The October 2008 legislation extended the in-service deadlines for all qualifying renewable technologies; expanded the list of qualifying resources to include marine and hydrokinetic resources, such as wave, tidal, current and ocean thermal; and made changes to the definitions of several qualifying resources and facilities. The effective dates of these changes vary. Marine and hydrokinetic energy production is eligible as of the date the legislation was enacted (October 3, 2008), as is the incremental energy production associated with expansions of biomass facilities. A change in the definition of "trash facility" no longer requires that such facilities burn trash, and is also effective immediately. One further provision redefining the term "non-hydroelectric dam," took effect December 31, 2008.

The February 2009 legislation revised the credit by: (1) extending the in-service deadline for most eligible technologies by three years (two years for marine and hydrokinetic resources); and (2) allowing facilities that qualify for the PTC to opt instead to take the federal business energy investment credit (ITC) or an equivalent cash grant from the U.S. Department of Treasury. The ITC or grant for PTC-eligible technologies is generally equal to 30% of eligible costs.*

The tax credit amount is 1.5¢/kWh in 1993 dollars (indexed for inflation) for some technologies, and half of that amount for others. The rules governing the PTC vary by resource and facility type. The table below outlines two of the most important characteristics of the tax credit -- in-service deadline and credit amount -- as they apply to different facilities. The table includes changes made by H.R. 1, in February 2009, and the inflation-adjusted credit amounts are current for the 2011 calendar year. (See the history section below for information on prior rules.)

Resource Type	In-Service Deadline	Credit Amount
Wind	December 31, 2012	2.2¢/kWh
Closed-Loop Biomass	December 31, 2013	2.2¢/kWh
Open-Loop Biomass	December 31, 2013	1.1¢/kWh
Geothermal Energy	December 31, 2013	2.2¢/kWh
Landfill Gas	December 31, 2013	1.1¢/kWh
Municipal Solid Waste	December 31, 2013	1.1¢/kWh
Qualified Hydroelectric	December 31, 2013	1.1¢/kWh
Marine and Hydrokinetic (150 kW or larger) **	December 31, 2013	1.1¢/kWh

The duration of the credit is generally 10 years after the date the facility is placed in service, but there are two exceptions:

- Open-loop biomass, geothermal, small irrigation hydro, landfill gas and municipal solid waste combustion facilities placed into service after October 22, 2004, and before enactment of the *Energy Policy Act of 2005*, on August 8, 2005, are only eligible for the credit for a five-year period.
- Open-loop biomass facilities placed in service before October 22, 2004, are eligible for a five-year period beginning January 1, 2005.

In addition, the tax credit is reduced for projects that receive other federal tax credits, grants, tax-exempt financing, or subsidized energy financing. The credit is claimed by completing [Form 8835](#), "Renewable Electricity Production Credit," and [Form 3800](#), "General Business Credit." For more information, contact IRS Telephone Assistance for Businesses at 1-800-829-4933 `begin_of_the_skype_highlighting 1-800-829-4933 end_of_the_skype_highlighting`.

History

As originally enacted by the *Energy Policy Act of 1992*, the PTC expired in July 1999, and was subsequently extended through the end of 2001 by the *Ticket to Work and Work Incentives Improvement Act of 1999* in December 1999. The PTC expired again at the end of 2001 but was then extended again in March 2002 as part of the *Job Creation and Worker Assistance Act of 2002* (H.R. 3090). The PTC then expired yet again at the end of 2003 and was not renewed until October 2004, as part of H.R. 1308, the *Working Families Tax Relief Act of 2004*, which extended the credit through December 31, 2005. The *Energy Policy Act of 2005* (H.R. 6) modified the credit and extended it through December 31, 2007. In December 2006, the PTC was extended for yet another year -- through December 31, 2008 -- by the *Tax Relief and Health Care Act of 2006* (H.R. 6111).

The American Jobs Creation Act of 2004 (H.R. 4520) expanded the PTC to include additional eligible resources -- geothermal energy, open-loop biomass, solar energy, small irrigation power,

landfill gas and municipal solid waste combustion -- in addition to the formerly eligible wind energy, closed-loop biomass, and poultry-waste energy resources. The *Energy Policy Act of 2005* (EPAct 2005) further expanded the credit to certain hydropower facilities. As a result of EPAct 2005, solar facilities placed into service after December 31, 2005, are no longer eligible for this incentive. Solar facilities placed in-service during the roughly one-year window in which solar was eligible are permitted to take the full credit for five years.

**Prior to H.R. 1, geothermal facilities were already eligible for a 10% tax credit under the energy ITC (26 USC § 48). However, the new legislation permits all PTC-eligible technologies, including geothermal electric facilities, to take a 30% tax credit (or grant) in lieu of the PTC. Recent guidance from the IRS regarding the Treasury grants in lieu of tax credits indicates that geothermal facilities that qualify for the PTC are eligible for either the 30% investment tax credit or the 10% tax credit, but not both. The window for the 30% tax credit runs through 2013, the in-service deadline for the PTC, while the 10% tax credit under the section 48 ITC does not have an expiration date.*

***H.R. 1424 added marine and hydrokinetic energy as eligible resources and removed "small irrigation power" as an eligible resource effective October 3, 2008. However, the definition of marine and hydrokinetic energy encompasses the resources that would have formerly been defined as small irrigation power facilities. Thus H.R. 1424 effectively extended the in-service deadline for small irrigation power facilities by 3 years, from the end of 2008 until the end of 2011 (since extended again through 2013).*

Contact:

Public Information - IRS
U.S. Internal Revenue Service
1111 Constitution Avenue, N.W.
Washington, DC 20224
Phone: (800) 829-1040 begin_of_the_skype_highlighting (800) 829-1040
end_of_the_skype_highlighting
Web Site: <http://www.irs.gov>

Qualifying Advanced Energy Manufacturing Investment Tax Credit

Program Overview:

Incentive Type:	Industry Recruitment/Support
Eligible Efficiency Technologies:	Lighting, Lighting Controls/Sensors, Energy Conservation Technologies; Smart Grid
Eligible Renewable/Other Technologies:	Solar Water Heat, Solar Thermal Electric, Photovoltaics, Wind, Geothermal Electric, Fuel Cells, Geothermal Heat Pumps, Batteries and Energy Storage; Advanced Transmission Technologies that Support Renewable Energy Generation; , Renewable Fuels, Fuel Cells using Renewable Fuels, Microturbines
Applicable Sectors:	Commercial, Industrial, Manufacturing
Amount:	<i>30% of qualified investment</i>
Maximum Incentive:	<i>Total amount of credits to be allocated shall not exceed \$2.3 billion</i>
Terms:	<i>Apply first to the Department of Energy (DOE); must receive recommendation and ranking from DOE in order to apply to the Internal Revenue Service for certification of credits</i>
Start Date:	02/17/2009
Web Site:	http://www.energy.gov/recovery/48C.htm
Authority 1:	26 USCS § 48C
Date Enacted:	02/17/2009
Date Effective:	02/17/2009

Summary:

Note: *This incentive is no longer available; an act of Congress is required to renew this tax incentive. As of February 2011, this has not yet occurred.*

The U.S. Treasury Department, in consultation with the U.S. Department of Energy (DOE), is no longer accepting applications for this tax credit. See a [list](#) of approved projects (announced in January 2010).

The American Recovery and Reinvestment Act of 2009 (H.R. 1), enacted in February 2009, established a new investment tax credit to encourage the development of a U.S.-based renewable energy manufacturing sector. In any taxable year, the investment tax credit is equal to 30% of the qualified investment required for an advanced energy project that establishes, re-equips or expands a manufacturing facility that produces any of the following:

- Equipment and/or technologies used to produced energy from the sun, wind, geothermal or "other" renewable resources
- Fuel cells, microturbines or energy-storage systems for use with electric or hybrid-electric motor vehicles

- Equipment used to refine or blend renewable fuels.
- Equipment and/or technologies to produce energy-conservation technologies (including energy-conserving lighting technologies and smart grid technologies)*

Qualified investments generally include personal tangible property that is depreciable and required for the production process. Other tangible property may be considered a qualified investment only if it is an essential part of the facility, excluding buildings and structural components.

The U.S. Treasury Department will issue certifications for qualified investments eligible for credits to qualifying advanced energy project sponsors. In total, \$2.3 billion worth of credits may be allocated under the program. After certification is granted, the taxpayer has one year to provide additional evidence that the requirements of the certification have been met and three years to put the project in service. There are provisions for credit recapture for non-compliance.

In determining which projects to certify, the U.S. Treasury Department must consider those which most likely will be commercially viable, provide the greatest domestic job creation, provide the greatest net reduction of air pollution and/or greenhouse gases, have great potential for technological innovation and commercial deployment, have the lowest levelized cost of generated (or stored) energy *or* the lowest levelized cost of reduction in energy consumption or greenhouse gas emissions, *and* have the shortest project time.

Any taxpayer receiving this credit may not also receive the federal [business energy investment tax credit](#).

See the U.S. DOE's Advanced Energy Manufacturing Tax Credit (48C) [web site](#) for more information.

** This credit could be expanded in the future to include other energy technologies that reduce greenhouse gas emissions, as determined by the U.S. Treasury Department.*

Contact:

Public Information - IRS
U.S. Internal Revenue Service
1111 Constitution Avenue, N.W.
Washington, DC 20224
Phone: (800) 829-1040 begin_of_the_skype_highlighting (800) 829-1040
end_of_the_skype_highlighting
Web Site: <http://www.irs.gov>

U.S. Department of Energy - Loan Guarantee Program

Program Overview:

Incentive Type:	Federal Loan Program
Eligible Efficiency Technologies:	Unspecified Technologies
Eligible Renewable/Other Technologies:	Solar Thermal Electric, Solar Thermal Process Heat, Photovoltaics, Wind, Hydroelectric, Geothermal Electric, Fuel Cells, Daylighting, Tidal Energy, Wave Energy, Ocean Thermal, Biodiesel, Fuel Cells using Renewable Fuels
Applicable Sectors:	Commercial, Industrial, Nonprofit, Schools, Local Government, State Government, Agricultural, Institutional, Any non-federal entity, Manufacturing Facilities
Amount:	<i>Varies. Program focuses on projects with total project costs over \$25 million.</i>
Maximum Incentive:	<i>Not specified.</i>
Terms:	<i>Full repayment is required over a period not to exceed the lesser of 30 years or 90% of the projected useful life of the physical asset to be financed</i>
Web Site:	http://www.lgprogram.energy.gov
Authority 1:	42 USC § 16511 et seq.
Authority 2:	10 CFR 609

Summary:

There are no solicitations under this program currently accepting application. See the website above for more information.

Title XVII of the federal *Energy Policy Act of 2005* (EPAct 2005) authorized the U.S. Department of Energy (DOE) to issue loan guarantees for projects that "avoid, reduce or sequester air pollutants or anthropogenic emissions of greenhouse gases; and employ new or significantly improved technologies as compared to commercial technologies in service in the United States at the time the guarantee is issued." The loan guarantee program has been authorized to offer more than \$10 billion in loan guarantees for energy efficiency, renewable energy and advanced transmission and distribution projects.

The DOE actively promotes projects in three categories: (1) manufacturing projects, (2) stand-alone projects, and (3) large-scale integration projects that may combine multiple eligible renewable energy, energy efficiency and transmission technologies in accordance with a staged development scheme. Under the original authorization, loan guarantees were intended to encourage early commercial use of new or significantly improved technologies in energy

projects. The loan guarantee program generally does not support research and development projects.

In July 2009, the DOE issued a [solicitation](#) for projects that employ innovative energy efficiency, renewable energy, and advanced transmission and distribution technologies. Proposed projects must fit within the criteria for "New, or Significantly Improved Technologies" as defined in 10 CFR 609. The solicitation provides for a total of \$8.5 billion in funding. The due date for Part I applications was August 24, 2010. The Part II application deadline was December 31, 2010.

The DOE periodically makes new solicitations available. Information about current and past solicitations can be found at the website above.

Contact:

Public Information - DOE
U.S. Department of Energy
1000 Independence Avenue, SW
Washington , DC 20585-0121
Phone: (202) 586-8336 begin_of_the_skype_highlighting (202) 586-8336
end_of_the_skype_highlighting
E-Mail: LGProgram@hq.doe.gov
Web Site: <http://www.lgprogram.energy.gov>

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