

Steve Hargreaves - IIL

From: Steve Hargreaves - IIL
Sent: Wednesday, 3 February 2010 11:31 AM
To: 'schlagregen'
Cc: Martin Kristek (office@mk-power.eu); Martin Kristek (martin.kristek@googlemail.com); Martin Kristek (martin.kristek@euroenergie.info)
Subject: Update 3rd February 2010 on International Innovations Limited (IIL)
Attachments: Final-Report-24-01-2010 Newcastle Innovation Otello IIL.PDF; IILProposal_01-02-10.pdf; Quote biogas bladder accumulators from OLAER.pdf; July 09 OTELLO in Germany as OCTOPUS temp +72C and efficiency 24 to 27% at www.big-biogas.de.pdf; TERMINATED 21st Jan 09 Exclusive license to BIG-BIOGAS Germany 080320 LicenseOTELLO_exclusive_EN Friday 21st March 2008.pdf

Dear Herr Schlagregen,

It give me great pleasure to inform you after termination of your www.big-biogas.de license with IIL for breach of contract and outrageous efficiency claims we have the TRUTH for you.

- The attached work calculations over the last 8 months at the respectable and prestigious www.newcastleinnovation.com.au has proven your claims of OTELLO™ / OCTOPUS having 24% to 27% efficiency using working fluid R410A and +72C is absolute rubbish! **The TRUTH is R410A at even higher temperature of +120C and using 30 litre accumulators can only produce 3.4% thermal efficiency and a net power output of only 0.72kW which means for your claims of producing 50kW for the attached invoice from OLAER supplying 12 x 35L accumulators you would need 69 accumulators! So you might like to clean up you website at www.big-biogas.de . And include the truth you have zero rights to market OCTOPUS which is a name switch and in fact is IIL patented Otello™ system.**
- ✓ The FACTS are for OTELLO™/OCTOPUS the best working fluid is R245fa producing 2.5kW from +150C using 30 litre accumulators would only require 20 (not 69).
- ✓ Even better is IIL patented 2006 MOREAMPS system can have higher efficiency and using less number of accumulators while not using a thermal bath, because the working fluid is externally heated.
- ✓ And better still is International supplier www.hydac.com can supply the following “accumulator stations” for MOREAMPS systems.
- ✓ Dr Markides / Imperial College London (ICL) has offered to build optimized demonstrators for Otello™ & Moreamps thermal hydraulic generators. He sees MOREAMPS can have highest efficiency and using less number of accumulators and no thermal bath. Interesting to read Dr Markides qualifications, comments on both systems, and his offer to scale up the systems after optimization! **This is the way I offered you in 2007/8 but you rejected and built first Otello™ (100% patented by IIL). I am disappointed you wasted years of my / IIL time and money and that you ended in financial insolvency and tried to copy patent in your own name “without success”, was it all worth it, NO! Anyhow, as I say TIME TELLS ALL eventually! For our shareholders I am pleased we are now engaged with honest, high technically qualified people to move forward to all share common success (without YOU!). ☺**

Please consider all above and attached, and remove all information to reflect the truth!

ALSO you might like to pay outstanding money you owe www.olaer.com and www.hydac.com

On behalf of all IIL shareholders and directors, we are very disappointed in your misleading and happy we terminated your license agreement and now we have the TRUTH!

Accumulator stations for “MOREAMPS” thermal hydraulic generation



(patents granted 2006 to International Innovations Limited (IIL))



... are fully assembled accumulator systems which are ready for operation, complete with all the necessary valves, ball valves and safety devices either as an individual accumulator unit, or in a back-up version with nitrogen bottles to increase the effective volume. The HYDAC System Concept therefore creates a HYDAC system by combining many individual HYDAC components into a **bladder or piston accumulator station**.

The modular construction of the accumulator stations enables HYDAC to implement all customer requirements precisely. Taking into account the customer's operating parameters, HYDAC calculates the required accumulator volume using the Accumulator Simulation Program, ASP.

Kindest regards,
Steve

Stephen M. Hargreaves / Chairman & CEO

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Presentations click on links below:

* Research & Development facility for OTELLO™ & MOREAMPS is: www.newcastleinnovation.com.au/investment/energy.html

(1) Heat Energy Recovery "OTELLO™" click here: www.internationalinnovations.com.au/otellovideo.php

(2) OTELLO™ OVERVIEW: www.internationalinnovations.com.au/documents/OTELLOHeatEngineOverview.pdf

(3) MOREAMPS heat energy recovery www.internationalinnovations.com.au/moreampsvideo.php

(4) SOLAR - MOREAMPS: www.internationalinnovations.com.au/solar_moreamps_presentation.php

(5) MOREAMPS OVERVIEW: www.internationalinnovations.com.au/documents/developmentProposalforMoreampsHeatEngine.pdf

(6) QISS Clutch: www.internationalinnovations.com.au/qiss.php

(7) QISS Video Presentation: www.internationalinnovations.com.au/qissvideo.php

* IIL is 62% owner of www.selectdesign.com.au SMARTMATIC Transmission

**** PATENTS:** www.internationalinnovations.com.au/images/IIL_SDTL_patents_list_12_Nov_2009_v3.pdf



Forward-Looking Statements

In addition to historical information forward-looking statements and information within the meaning of the securities laws. These statements are the Company's current views as of the date such statements are made with respect to possible future events and financial performance. These forward looking statements are subject to numerous risks and uncertainties that could cause actual results to differ significantly from historical results or from those anticipated by the Company.