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PATENT ATTORNEY'S REPORT

Established on intellectual property rights of

INTERNATIONAL INNOVATIONS LIMITED

Vienna, October 22, 2010

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This report has been prepared in connection with the issue of a Prospectus in relation to INTERNATIONAL INNOVATIONS LIMITED.

This report is an independent report. Patent Attorney Michael BABELUK does not have any pecuniary or other material interests in INTERNATIONAL INNOVATIONS LIMITED. The payment of fees to Michael BABELUK for the preparation of this report is not contingent upon the outcome of the Prospectus.

INTELLECTUAL PROPERTY RIGHTS

Intellectual property rights comprise rights enforceable to law which allows the owners to control the commercial exploitation of their intellectual property in exclusion of others. INTERNATIONAL INNOVATIONS LIMITED is owner of a range of intellectual property rights.

INVENTIONS

INTERNATIONAL INNOVATIONS LIMITED is the beneficial owner of the follow five inventions and responding patent applications:

- a) Qiss
- b) Amps
- c) Euroamps
- d) Moreamps
- e) Otello

Brief details of these inventions are provided below.

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Invention

a) Qiss

The invention relates to a cone clutch especially for vehicles. Cone clutches have several advantages over other types of clutches. The clutch according to the invention is a double cone clutch with two clutch units which can be actuated via an actuating means. There are different embodiments of the invention using a ring gear, a worm gear and a gearshift rod respectively.

A clutch as above can be used for vehicles with automatic gear shift and/or for hybrid vehicles. It is possible to generate high clutch forces to transmit high torque and to attain a rapid and precise gear shifting behavior while requiring little overall space.

b) Amps

The invention relates to a method and to an apparatus for converting thermal energy into mechanical work especially designed for use in connection with solar plants.

c) Euroamps

The invention relates to a method and to an apparatus for converting thermal energy into mechanical work. Numerous types of cyclic processes and apparatuses are known which are used to convert thermal energy into mechanical work and subsequently optionally into electric current. Generally the efficiency of such a process is the better, the higher the difference between temperature levels of input and output is. The current invention is especially designed for using waste heat of internal combustion engines for example of power plants. Thus a high efficiency even under thermally unfavourable preconditions can be achieved.

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d) Moreamps

The invention relates to a method and to an apparatus for converting thermal energy into mechanical work. Numerous types of cyclic processes and apparatuses are known which are used to convert thermal energy into mechanical work and subsequently optionally into electric current. Generally the efficiency of such process is the better, the higher the difference between temperature levels of input and output is. The current invention is especially designed for using waste heat of internal combustion engines for example of power plants. Thus a high efficiency even under thermally unfavourable preconditions can be achieved. The method and the apparatus of this invention is a variant of EUROAMPS.

e) Otello

The invention relates to an improved method and apparatus for converting thermal energy into mechanical work. This invention is based upon experience of our EURAMPS and MOREAMPS and is expected to have an improved efficiency.

1. Extent of patent protection

a) Qiss

County	Appl. No.	filed	Patent No.	Date of Patent	Status
EP Patent	04739444.0	28 May 2004	1 753 966	19 September 2007	granted/in force
Austria	04739444.0	28 May 2004	E 373.784	19 September 2007	granted/cancelled
Belgium	04739444.0	28 May 2004	1 753 966	19 September 2007	granted/cancelled
Bulgaria	04739444.0	28 May 2004	1 753 966	19 September 2007	granted/cancelled
Switzerland	04739444.0	28 May 2004	1 753 966	19 September 2007	granted/cancelled
Cypruss	04739444.0	28 May 2004	CY07/1101613	19 September 2007	granted/cancelled
Czech Rep.	04739444.0	28 May 2004	1 753 966	19 September 2007	granted/cancelled

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Germany	04739444.0	28 May 2004	602004009114.6	19 September 2007	granted/in force
Denmark	04739444.0	28 May 2004	1 753 966	19 September 2007	granted/cancelled
Estonia	04739444.0	28 May 2004	1 753 966	19 September 2007	granted/cancelled
Spain	04739444.0	28 May 2004	1 753 966	19 September 2007	granted/cancelled
Finland	04739444.0	28 May 2004	1 753 966	19 September 2007	granted/cancelled
France	04739444.0	28 May 2004	1 753 966	19 September 2007	granted/in force
UK	04739444.0	28 May 2004	1 753 966	19 September 2007	granted/in force
Greece	04739444.0	28 May 2004	1 753 966	19 September 2007	granted/cancelled
Hungary	04739444.0	28 May 2004	1 753 966	19 September 2007	granted/cancelled
Ireland	04739444.0	28 May 2004	1 753 966	19 September 2007	granted/cancelled
Italy	04739444.0	28 May 2004	1 753 966	19 September 2007	granted/in force
Luxemburg	04739444.0	28 May 2004	1 753 966	19 September 2007	granted/cancelled
Monaco	04739444.0	28 May 2004	1 753 966	19 September 2007	granted/cancelled
Netherlands	04739444.0	28 May 2004	1 753 966	19 September 2007	granted/cancelled
Poland	04739444.0	28 May 2004	1 753 966	19 September 2007	granted/cancelled
Portugal	04739444.0	28 May 2004	1 753 966	19 September 2007	granted/cancelled
Rumania	04739444.0	28 May 2004	1 753 966	19 September 2007	granted/cancelled
Sweden	04739444.0	28 May 2004	1 753 966	19 September 2007	granted/cancelled
Slovenia	04739444.0	28 May 2004	1 753 966	19 September 2007	granted/cancelled
Slovakia	04739444.0	28 May 2004	1 753 966	19 September 2007	granted/cancelled
Turkey	04739444.0	28 May 2004	1 753 966	19 September 2007	granted/cancelled
Australia	2004320379	28 May 2004			pending/in force
Brazil	PI 0418873-0	28 May 2004			granted/cancelled
Canada	2,567.819	28 May 2004			granted/cancelled
China	200480043177.4	28 May 2004	100564917	2 December 2009	granted/in force

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India	7451/DELNP/20	28 May 2004			cancelled
Japan	2007-513693	28 May 2004			pending/in force
Korea	10-2006-70250	28 May 2004			cancelled
Mexico	PA/a/2006/0138	28 May 2004			cancelled
New Zealand	551532	28 May 2004			cancelled
Russia	2006146938	28 May 2004	2360158	27 June 2009	cancelled
USA	11/597,749	28 May 2004			pending/in force
South Africa	2006/09916	28 May 2004		30 April 2008	granted/cancelled

b) Amps

County	Appl. No.	filed	Patent No.	Date of Patent	Status
Austria	A 995/2004	8 June 2004	414.268	9 June 2006	granted/cancelled
EP Patent	05747198.9	6 June 2005	1 759 116	13 February 2008	granted/cancelled
Australia	2005252257	6 June 2005			cancelled
Brasile	PI 0511895-6	6 June 2005			cancelled
Canada	2,569.696	6 June 2005			cancelled
China	200580018705.5	6 June 2005			cancelled
India	7922/DELNP/2006	6 June 2005			cancelled
Japan	2007-526100	6 June 2005			cancelled
Korea	10-2007-7000233	6 June 2005			cancelled
Mexico	PA/a/2006/014278	6 June 2005			cancelled
New Zealand	PA/a/2006/014278	6 June 2005			cancelled
Russia	2006147231	6 June 2005			cancelled
USA	11/628,979	6 June 2005			cancelled

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South Africa	2006/10262	6 June 2005			cancelled
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c) Euroamps

County	Appl. No.	filed	Patent No.	Date of Patent	Status
Austria	A 32/2006	10 Jan. 2006	502.402	15 March 2007	granted/cancelled
EP Patent	06027046.9	29 Dec. 2006	1 806 501		granted/cancelled
Austria	06027046.9	29 Dec. 2006	1 806 501		granted/cancelled
Belgium	06027046.9	29 Dec. 2006	1 806 501		granted/cancelled
Bulgaria	06027046.9	29 Dec. 2006	1 806 501		granted/cancelled
Switzerland	06027046.9	29 Dec. 2006	1 806 501		granted/cancelled
Cypruss	06027046.9	29 Dec. 2006	1 806 501		granted/cancelled
Czech Rep.	06027046.9	29 Dec. 2006	1 806 501		granted/cancelled
Germany	06027046.9	29 Dec. 2006	1 806 501		granted/cancelled
Denmark	06027046.9	29 Dec. 2006	1 806 501		granted/cancelled
Estonia	06027046.9	29 Dec. 2006	1 806 501		granted/cancelled
Spain	06027046.9	29 Dec. 2006	1 806 501		granted/cancelled
Finland	06027046.9	29 Dec. 2006	1 806 501		granted/cancelled
France	06027046.9	29 Dec. 2006	1 806 501		granted/cancelled
UK	06027046.9	29 Dec. 2006	1 806 501		granted/cancelled
Greece	06027046.9	29 Dec. 2006	1 806 501		granted/cancelled
Hungary	06027046.9	29 Dec. 2006	1 806 501		granted/cancelled
Island	06027046.9	29 Dec. 2006	1 806 501		granted/cancelled
Italy	06027046.9	29 Dec. 2006	1 806 501		granted/cancelled
Lithuania	06027046.9	29 Dec. 2006	1 806 501		granted/cancelled

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Luxemburg	06027046.9	29 Dec. 2006	1 806 501		granted/cancelled
Latvia	06027046.9	29 Dec. 2006	1 806 501		granted/cancelled
Monaco	06027046.9	29 Dec. 2006	1 806 501		granted/cancelled
Netherland	06027046.9	29 Dec. 2006	1 806 501		granted/cancelled
Poland	06027046.9	29 Dec. 2006	1 806 501		granted/cancelled
Portugal	06027046.9	29 Dec. 2006	1 806 501		granted/cancelled
Rumania	06027046.9	29 Dec. 2006	1 806 501		granted/cancelled
Sweden	06027046.9	29 Dec. 2006	1 806 501		granted/cancelled
Slovenia	06027046.9	29 Dec. 2006	1 806 501		granted/cancelled
Slovakia	06027046.9	29 Dec. 2006	1 806 501		granted/cancelled
Turkey	06027046.9	29 Dec. 2006	1 806 501		granted/cancelled
Australia	2007200019	3 January 2007			cancelled
Brazil	PI 0700019-7	9 January 2007			cancelled
Canada	2,572.840	4 January 2007			cancelled
China	200710003894.X	10 Jan. 2007			cancelled
India	45/DEL/2007	5 January 2007			cancelled
Japan	2007-2049	10 Jan. 2007			cancelled
Korea	10-2007-0002898	10 Jan. 2007			cancelled
Mexico	MX/a/2007/000322	9 January 2007			cancelled
New Zealand	552469	5 January 2007	552469	10 January 2008	granted/cancelled
Russia	2007100425	9 January 2007			cancelled
USA	11/649,366	4. Jan. 2007			cancelled
South Africa	2007/00277	10 Jan. 2007		28 May 2008	granted/cancelled

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d) Moreamps

County	Application No.	filed	Patent No.	Date of Patent	Status
Austria	A 950/2006	1 June 2006	503.734	15 November 2008	granted/in force
Australia	2007266295	24 May 2007			pending/in force
Brazil	PI0712746-4	24 May 2007			pending/in force
Canada	2,652.928	24 May 2007			pending/in force
China	200780019288.5	24 May 2007			pending/in force
Europe	07718460.4	24 May 2007	2 029 878	10 November 2010	granted/in force
India	9586/DELNP/2008	24 May 2007			pending/in force
Japan	2009-512364	24 May 2007			pending/in force
Korea	10-2008-7029368	24 May 2007			pending/published
Mexico	MX/a/2008/015306	24 May 2007			pending/in force
New Zealand	572909	24 May 2007			pending/in force
Russia	2008152408	24 May 2007			pending/in force
USA	12/227,856	24 May 2007			pending/in force
South Africa	2008/09859	24 May 2007	2008/09859	25 November 2009	granted/in force

e) Otello

Europe	08102877.1	25 March 2008			pending
PCT Appl.	PCT/EP2009/053524	25 March 2008			cancelled
Hong Kong	10103307.0	30 March 2010			pending/published

2. Likelihood of Grant of Patents

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In most countries in order for a patent application to proceed to grant an application must undergo substantive examination. Various criteria for patentability are assessed by a Patent Examiner in each country of application, including novelty, inventive step and industrial applicability of the invention. Patent Examiners usually conduct a search of prior patents and other documents published before the priority date of the application at hand and may also rely on the results of searches conducted by other patent offices. Such documents are collectively known as the "prior art". The Examiner makes a determination as to whether the invention as claimed in the application is novel and inventive over the information disclosed in the prior art. Arguments in rebuttal and/or amendments to the claims of a patent application may be required in order to overcome an Examiner's objections.

For the purpose of this Patent Attorney's Report the following opinions on the likelihood of grant of patents for the invention are based on the results of searches conducted to date by respective patent offices. It should be noted that any document published before the priority date, not only patent specifications, as well as public and/or commercial use of devices and processes can serve as prior art.

a) Qiss

The international search report did not reveal prior art which is critical for the invention. Also European Patent has been granted after a short examination procedure. Further the examination by all the other patent authorities has not revealed any prior art document which is relevant for novelty or inventive step.

b) Amps

No patents or patent applications are in force.

c) Euroamps

The search report of the European Patent Office did not reveal prior art which is critical for the invention. Therefore, the European Patent Office has issued the Notice of Allowability (Communication under Rule 71(3)). The Patent will be granted in autumn 2008. Further the examination by the other patent authorities

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has not revealed any prior art document which is relevant for novelty or inventive step.

d) Moreamps

Granted before European Patent Office.

e) Otello

Applications are pending before European Patent Office and in Hong Kong.

3. Patent Protection Generally and Validity

When a patent is granted it confers on the owner a monopoly right in the invention, which monopoly right can persist for up to 20 years from the filing date of the corresponding application, depending upon the country in which the patent is granted and payment of annual maintenance fees.

However, the validity of any patent can be contested by third parties. For example it is possible to file a notice of opposition against European Patent during nine month after grant. This period has expired on 19 June 2008. No notice of opposition has been filed. Nullity proceedings are possible at any time.

If the validity of the patent is put in dispute, then it is necessary for the question of validity to be determined by a court of competent jurisdiction. If all claims of a patent are found to be invalid, then the patent will be revoked or will be unenforceable. The question of validity may vary from country to country and a finding of invalidity of one or more claims of a patent in one country does not necessarily mean that those claims will be held to be invalid by a Court in another country.

4. Freedom to Operate

The grant of a patent does not automatically provide the patent owner with the freedom to exploit the patented invention in the country of grant. The examination process only considers the question of novelty and obviousness of an invention, but not the question of infringement. The use of an invention

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subject of a granted patent can infringe an earlier patent or other third party rights.

No third party patents have come up which could be considered to jeopardize "freedom to operate" of the inventions.

5. Proprietorship

Owner of all patents and patent applications is INTERNATIONAL INNOVATIONS LIMITED.

Vienna October 22, 2010

Dipl. Ing. Mag. Michael Babeluk