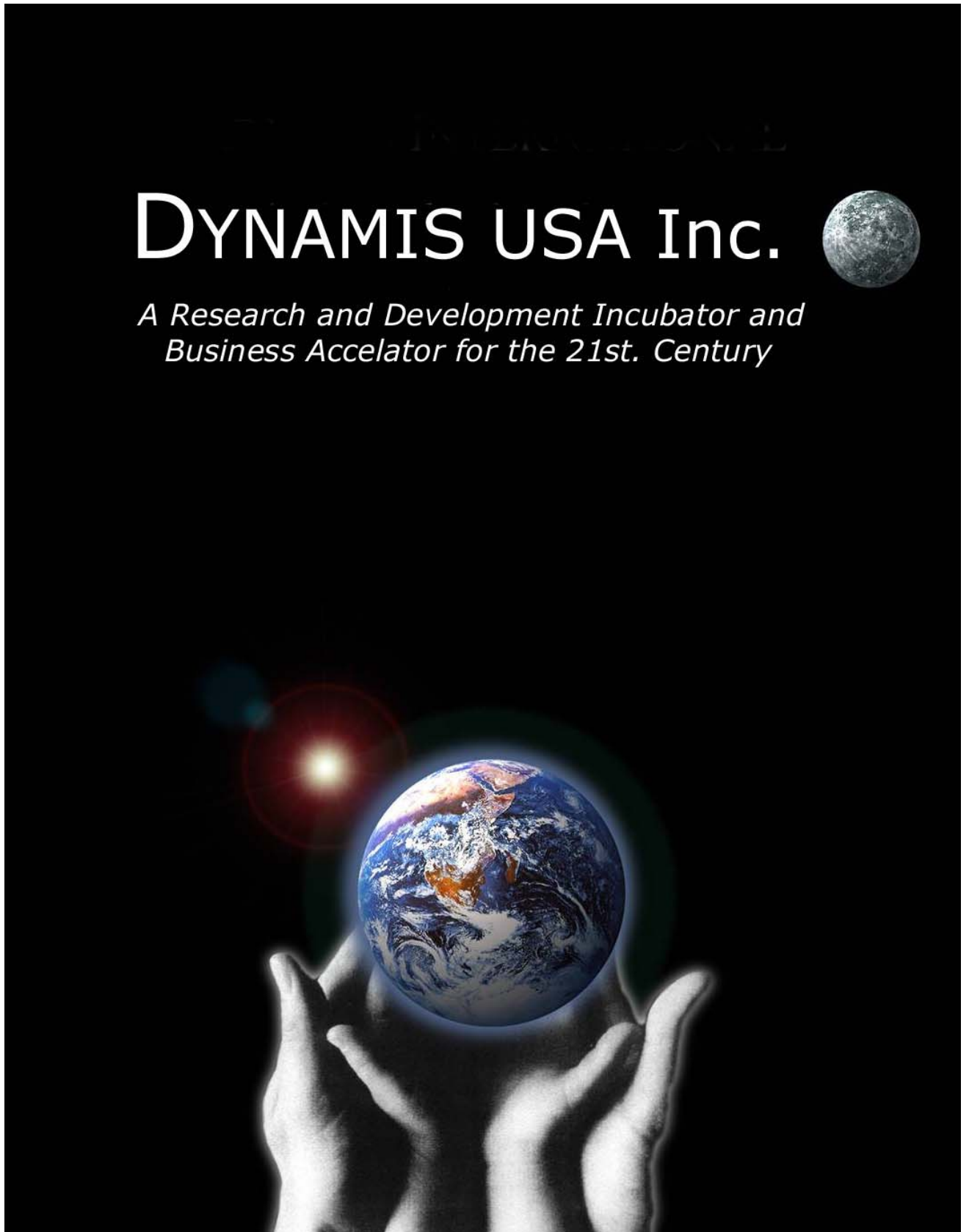


DYNAMIS USA Inc.



*A Research and Development Incubator and
Business Accelerator for the 21st. Century*



A New Century is Dawning

There is a widespread belief that the current pattern of human activity cannot be sustained for very much longer. There is a call to deal with the entire complex of global problems as an interrelated whole. This challenge goes well beyond the scope of issues individual organizations or governments have had to deal with before, and it demands new ways of thinking and acting.

We are therefore in the middle of a transition period that could be smooth, but may equally well involve a multiple crisis and abrupt change.

Technological solutions are the means for averting this potential crisis, particularly innovations that improve the efficiency of resource use. Technology is advancing increasingly rapidly and will confer greater ability to solve existing environmental problems, but also these technologies have the potential to make impacts much worse if the future technology is used without social and ecological discipline. As a result, we will need a new framework of social ecological criteria to guide technology development.

Society is rapidly approaching a bottleneck, a collision between the increasing power of technology and the limited capacity of the biosphere. At issue also is our ability to make technology serve society. We must develop the social discipline to master this dual challenge during this next decade or so. If we can do this, we will be able to create a just and sustainable world in the early years of the 21st Century, fulfilling a promise of both technology and democracy—a promise that has remained just beyond our grasp in the twentieth century.

As we enter this new century what is needed is a collaboration of the best minds, seasoned by an experienced team of professionals, managed by a grounded yet visionary team, capable of carrying out grand humanitarian programs with the pursuit of capital, not being a problem.

A New Organization is forming

What is called for in this new century is a new and dynamic organization that can think and act in new ways and encompass a new world view, a new paradigm. Such an organization would be capable of conducting research, as well as due-diligence, have a foot in the laboratory as well as in the marketplace, have a local as well as a global perspective. Such an entity would have the talent to research and develop by transforming

great ideas and concepts into workable prototypes. Such an organization would itself be a prototype, a learning organization, whose ultimate objective is to generate new enterprises that have great societal value and impact.

This dynamic research and development incubator and business accelerator we call: DYNAMIS.

DYNAMIS USA Inc.

There is a huge gulf between having a concept for a technology and the ability to manifest the building of a working prototype. Most inventors do not have the resources or the stamina. Likewise Investors will not back an unproven technology with no track record. DYNAMIS USA Inc. is the bridge builder between the innovators, the entrepreneurs and the investors.

Reinhold Ziegler, Ken Burgess, Executive Co-Directors

DYNAMIS USA

P.O. Box 3171

Sausalito, CA 94966

U.S.A.

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synergyca@earthlink.net

www.dynamisusa.com

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The Vision

Decisive advances in the sciences, particularly physics and chemistry, are opening fundamentally new understandings of matter, energy, space, and time. Technologies are now emerging that reflect and support the practical use of these deepening insights. Contrary to fossil fueled energy-generation methods which are damaging the biosphere, new non-polluting systems promise to empower humanity to meet its growing needs and aspirations while simultaneously re-establishing a greater level of balance in the life support systems of our planet.

This emerging class of clean energy generation, storage and delivery systems skillfully integrated and compassionately implemented, can enable the human race to attain a state of long term ecological sustainability, peace and equitably shared abundance for countless generations to come.

The systemic problems driving the deepening crises within human society as well as within the biosphere require nothing less than a whole systems solution. Such a solution entails the implementation of a well-coordinated array of simultaneous strategic initiatives on many levels.

The DYNAMIS organization serves as a coordinating body within an extended consortium of individuals, groups, projects and enterprises that share a set of common aims and values:

- Maximizing cooperative synergy

- Practicing and fostering whole systems thinking

- Cultivating global sustainability

These values unify a world class team of scientists, engineers and enterprise development specialists who are actively keeping abreast of emerging technologies across the wide range of new science. We are committed to developing and deploying technologies and projects in China and the U.S. that provide humanity with methods of clean energy generation, ecological remediation, as well as other components of a new sustainable infrastructure.

The Mission

A Research & Development Incubator and Business Accelerator for the U.S.A.

The DYNAMIS group acts as an evaluator, incubator and accelerator for catalyzing scientific research and development of new technologies and their introduction into the marketplace. As an *evaluator*, we assess the claims of each technology in relation to its actual performance measurements. As an *incubator*, we establish physical facilities that supports the development of each technology to its successful completion as a prototype, ready for manufacturing. Performing as an *accelerator*, we are an innovation management team that builds new enterprises and “spins them off” to become sustainable businesses within the global marketplace.

Primary Functions:

Technology Testing, Evaluation & Scientific Due-Diligence.

Prototype selection and validation.

Research and Development Incubator.

Engineering support: From concept demonstration to replicable product design.

Enterprise Development Accelerator.

Enterprise design, business creation, management and employee education, industrial process engineering, and marketing support.

The Dynamis group is a coordinating body for a range of new enterprises represented in various portfolios that bring technologies to market that benefit the Earth, humanity and China. The business model includes a significant role for internal reinvestment in new technologies and enterprises that fulfill the mission criteria. These criteria in turn are not only economic and ecological, but also include a strong humanitarian and philanthropic content.

The Dynamis group encompasses, oversees and carries out individual projects and organizational tasks. These can generally be grouped into one of the following categories:

Pure Scientific Research

The Dynamis group has been established to conduct original research in the sciences and potential technologies. We will also fund, direct, and

coordinate research by other individuals and institutions that meet the objectives of creating sustainable abundance on a global scale.

Technology Development

1. the translation of scientific discovery to engineering practice and development of original inventions by our own incubator laboratory.
2. to identify, test, and evaluate technologies developed by others and brought to our attention. Successful technologies from each of these branches are supported through further development into replicable prototypes, and production prototypes for manufacturing.

Enterprise Development

A number of paths to commercial deployment are being pursued. In some cases, specific technologies will be sold or licensed to existing corporations with established markets. However, in many cases, the creation of new enterprises will be necessary. The incubator will provide financial support, managerial expertise, and administrative services to these new enterprises, to maximize their probability of success.

Market Research and Trade

The Dynamis group understands the necessity for its long-term strategies to be grounded in factual demographic, economic, and marketing data. We will conduct and support the original technology research with market research, trade, an emphasis on branding and intellectual property protection.

Education and Outreach

The Dynamis group is committed to educating the public about new scientific findings, technological innovations, and their broader implications. Toward this end, we will support an ongoing program of publication and distribution of media including monographs, periodicals, videos, study guides, school curricula, books, and web sites. We will initiate international design competitions that will challenge international design schools and companies to deliver the finest solutions to China and the rest of the world. We will participate in academic and professional conferences and other engagements that have the potential to inform and inspire the larger global community.

Assets

The following list provides a synopsis of what we presently have to offer.

Science & Technology

Interface to and a personal rapport with an extensive US and Chinese network of leading-edge scientists and engineers on the forefront of innovation.

Strong knowledge-base in physics and engineering and computer aided design and manufacturing.

The development and management of a proprietary portfolio of leading-edge technologies in the areas of:

- Renewable Energy Production
- Energy Storage and Distribution
- Energy Conservation and Efficiency
- Buildings As Energy Producers
- Electric Transportation
- Water Treatment and Restructuring
- Ecological Remediation and Restoration
- Biomedical and Health & Wellness Sciences
- Sustainable Development of Land & Infrastructure
- Media and Education
- Holodynamic Human Development

The portfolio presented in this document represents a subset of the full range of project categories in our larger portfolio outlined above.

Management

- Innovation management skills.
- Experience in bringing concepts into practical realization.
- Experience in the field of technology licensing and transfer.
- Experience in entrepreneuring and business enterprise development.
- Ability to build trust and produce cooperative outcomes.
- Strength in human resource management.
- Team works together smoothly with a strong commitment to our vision.

Enterprise Development

A vital element of the incubator mission is to create new enterprises that can successfully deploy breakthrough technologies. These enterprises will build a permanent financial base for the incubator and its ongoing commercialized projects. Toward this end, we have adopted a business incubator model with four essential components:

Technology Evaluation will assure that new inventions, products, and processes are thoroughly tested to determine their viability and potential range of applications. This step will enable the incubator to concentrate its efforts on technologies with the greatest potential for success.

Central Services will provide needed business infrastructure to scientists, engineers, and inventors seeking to start new enterprises. Administrative support, central accounting and bookkeeping, marketing and sales support, and enterprise development consulting, will promote best practices and make the most effective use of expertise during critical formative periods.

Innovation Management and Employee Education will transfer knowledge and entrepreneurship skills to the founders of new enterprises as they take on added responsibilities.

Internal Reinvestment will retain a percentage of equity in each new enterprise, to provide ongoing oversight and a source of continued funding for the incubator and its future projects.

The structures and methods we propose will enable the incubator to create enterprises that are as sustainable as the technologies they develop.

The Value Proposition

Our organization is in a position to pick the finest emerging technologies in the world, evaluate their potential, sponsor their development, license to established companies, initiate successful marketing programs... and thereby receive a substantial equity stake and resulting profits for our investors and inventors.

Funding Request

Dynamis is a growing organization that is bringing expertise in the areas of new science and technology development. With its management system for commercialization of technology, DYNAMIS is creating jobs, environmental improvements, and thereby regenerating the World economy

We fully recognize both our strengths and weaknesses, and understand that in order to accomplish our goals it is imperative that we assemble and draw on the needed expertise. There is a desire to partner with foundations, trusts, and investor groups who are willing to work with us in a cooperative manner in fulfilling those goals.

Our immediate need is for:

1) **Seed Capital to finance:**

The DYNAMIS Operating Budget: 2006

\$35 Million

The ongoing portfolio of technologies, research projects, and potential new enterprises, technology acquisition.

\$10 Million Line of Credit

2) **Equity Capital for:**

The acquisition of land for laboratory and facilities.

Third Stage Capital for the acquisition of both successful private enterprises and good buyout/partner opportunities that we are tracking. Estimated at \$65 Million

3) **Strategic Allies:**

Seasoned financial expertise with a long-term global vision.

Eminent individuals who can serve on advisory boards.

Participation by foundations and major corporations to assist with the process of understanding and opening new global markets.

Six Month Plan

A six-month period will be used to lay the foundation for long-term efforts. This phase will include strategic planning and development of organizational infrastructure. Beginning January 1, 2006, we are now focusing on the following areas:

Internal Development: Staffing, physical infrastructure (land, buildings, facilities), business infrastructure (financial, legal, and administrative).

Technology Evaluation: Protocols for testing and assessment, determination of viability and applications, market research, and production design.

External Development: Strategic Alliances, codification of criteria for funding of new technologies and research programs, corporate communications and public relations.

Funding: Presentation of our company and our intellectual property portfolio to interested parties and countries. First Clients.

U.S. Employment

Anticipated Employment in the USA .

Our core team is made up of 12 executives who will run operations.

We are planning to have satellite facilities in the U.S. each with a minimal operational staff of 6.

The projects that are incubated and then spun-off into private enterprises are made up of leading-edge technologies in the field of: **energy generation, water processing, land development/food production, eco-sustainable buildings, waste-recycling, and transportation.**

U.S. Market Penetration

If I take each industry segment and utilizing just the marketing segment of the “Cultural Creatives” in the U.S. (about 60 million people who want and can afford to buy sustainable technologies) and if I can predict a conservative 5% market penetration, or 3.0 million people, who will buy our products, then as a result of our efforts for the US market alone:

Energy Generation: Distributed energy generation from solar, wind, micro-turbines, fuel

Anticipated employment of 90,000 people who will manufacture, market and install.

Water Processing: Patented water purification technology as drinking water becomes more important and expensive than oil.

Anticipated employment of 20,000 people.

Land Development: Implementation of Agroforestry/ and intercropped organic farms.

Anticipated employment of 80,000 field workers many from Mexico.

Eco-Sustainable Buildings: New and retrofitted Buildings as solar collectors and self-reliant living systems.

Anticipated employment of 60,000 trades people and contractors.

Waste-recycling: Recycling industries which remanufacture from the waste-stream and buy-back centers.

Anticipated employment of 25,000 people in various communities.

Transportation: Implementation of Group Rapid Transit Systems and development of hybrid-electric road vehicles

Anticipated employment of 30,000 mechanics working in regional retrofit centers.

TOTAL Job Creation:

Administration of Dynamis Headquarters in the US and China 12 people

Dynamis Affiliates in 20 U.S. States 100 people

Dynamis Spinoffs: Anticipated U.S. Employment

California: 300,000

New York: 250,000

Texas: 200,000

Other States: @100,000 x 17 1,700,000

Total: 2,450,112 anticipated new employment just for domestic markets (not counting export orders or the vitalization of existing support industries) Utilizing a 5% market penetration for these products in the U.S.

Source: Reinhold Ziegler, Synergy California L.P. (415) 290-4990
www.synergyii.com

The Portfolio of Projects

The following is a short sample of the DYNAMIS proprietary list of technologies. Because these projects have had R&D and there exist working prototypes and in some cases patents, they are in our opinion: [Technologies ready for licensing, manufacturing and funding!](#)

Should you desire further information on any of the technologies mentioned here we require that you sign and return our Non-Disclosure and Non-Circumvention Agreement.

The DYNAMIS Executive Director is the interfacing individual to this list, and it should be understood that any further interest in these projects relative to details or their developers should be directed to the following instead of trying to contact the inventors themselves.

DYNAMIS USA

R&D Incubator and Business Accelerator

Reinhold Ziegler, Ken Burgess, *Executive Co-Directors*

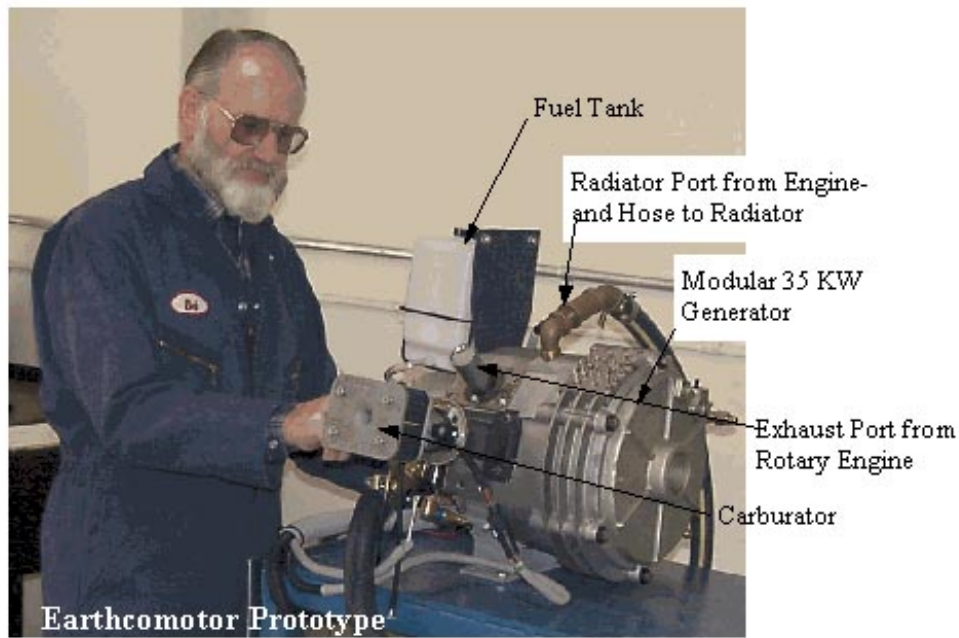
P.O. Box 3171

Sausalito, CA 94966

(415) 290-4990

synergyca@earthlink.net

Rotary Engine Microgenerators



Principal Investigators: Tim Shattuck P.E. and Paul Butterfield P.E.

Research and Development: Synergy California L.P.

Business Development: Reinhold Ziegler, Executive Director, Dynamis R&D Incubator Inc.

Manufacturing: China

There is a multi-billion dollar market for small power generators that are playing an expanding role in the rapidly evolving energy market. In its Distributed Energy Services Report, *Bear Stearns* stated that "Micro-Generators are perhaps the best positioned of all distributed power technologies to have a real immediate impact. Years of R&D are coming to fruition in time to capitalize on the deregulation that is sweeping the US and Europe and micro-generators seem to be on the cusp of an explosive market opportunity." In another recent report, *Goldman Sachs* estimated that there is a \$30 billion market for distributed generation technologies, which include micro-utilities and micro-turbines. This distributed power market is estimated at \$200 billion dollars over the next ten years in the U.S. alone. Distributed Power Generation is not just a new way of generating power. It is the growth future of the electric and gas utility sectors. Because they are environmentally friendly, there is a growing consensus that micro-generators are becoming the predominant enabling technologies for the distributed generation market.

The Dynamis group is sponsoring the development and production of highly efficient, cost competitive, advanced micro-generator power systems. The systems use proprietary technology to increase power generation efficiency and to dramatically reduce the cost of production

Privileged and Confidential Information

February 1, 2007

- 15 -

and deployment of distributed power systems. Our rotary-engine micro-generator system may be used in a variety of applications ranging from large portable powered generators to distributed power stations in remote, residential, and business/industrial zones.

The project has involved taking a modified MAZDA 50-hp rotary engine (or another proprietary like engine) attached to a 35KW generator and charging batteries and ultra-capacitors, which are interfaced with a synchronous inverter. The high density generator is made of neodimian magnets from China. The entire system is enclosed in a housing. Energy produced may be sold back to an electrical utility, or the system can be freestanding providing 110/220 volt AC, 50 or 60 cycles, anywhere in the world. The fuel for this microgenerator may be gasoline, biodiesel, natural or propane gas, and an aqueous solution of water and alcohol.

Funding would complete the product design for commercial applications and sales. Research and Development needs to continue to perfect the engine so that it can run from 60 % water and 40% ethyl alcohol, utilizing a patented plasma spark plug and catalytic ignition components. In addition, as a hybrid system, it will be able to produce large amounts of hot water through a built in heat exchanger.

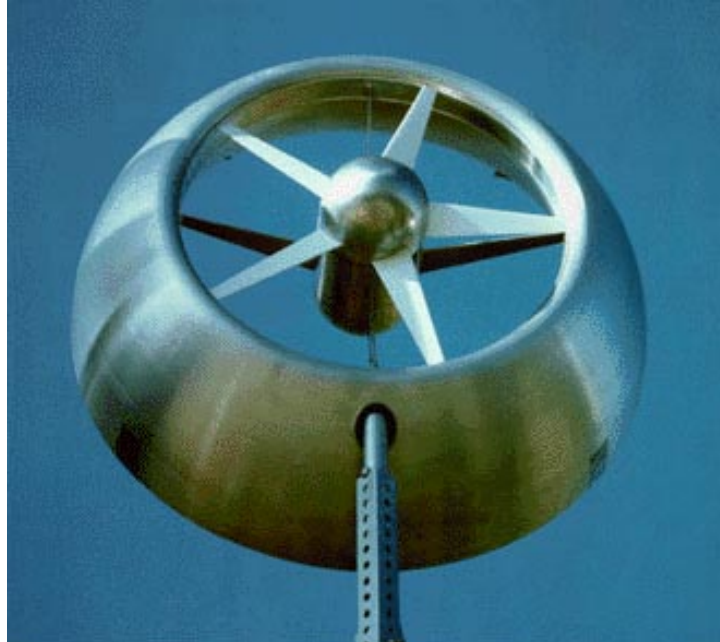
Budget request:

\$1,000,000 for tooling the production prototype in China.

\$6,000,000 for manufacturing, marketing and licensing.

Start date is January 2005.

TURBOSTAR / HYDROSTAR



Fluid Powered Turbines

www.synergyii.com/turbostar

Participants:

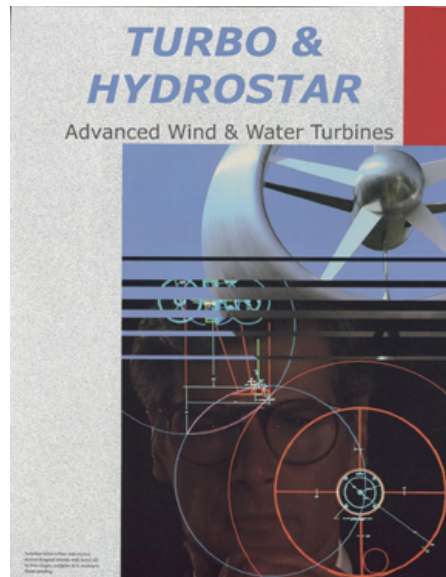
DYNAMIS: R&D Management, Branding, and Licensing

Synergy California Ltd.: Inventor and manufacturer of TURBOSTAR

Manufacturing: China

The Dynamis group is seeking up to \$ 2,000,000 of equity capital in a new corporate structure to finance the production prototyping and manufacturing of a new and proprietary wind and water turbine which will reduce the cost of such systems by 50%. An additional \$1M is deemed necessary by management for the carrying out of the international licensing and marketing strategy.

Synergy California Ltd., the client, is ready to manufacture and market a new and patented wind and stream electrical turbine called TURBOSTAR. Management is convinced that such a turbine manufactured would substantially reduce the cost of windturbine generators and would fulfill a pent-up world demand. No other wind and ambient water turbine has the design and performance features of TurboStar. No other turbine exists that can harvest the energy from a stream without the use of dams. This ambient energy water turbine is called HYDROSTAR. This underwater device generates hydraulic pressure which runs on-land hydraulic motor generators.



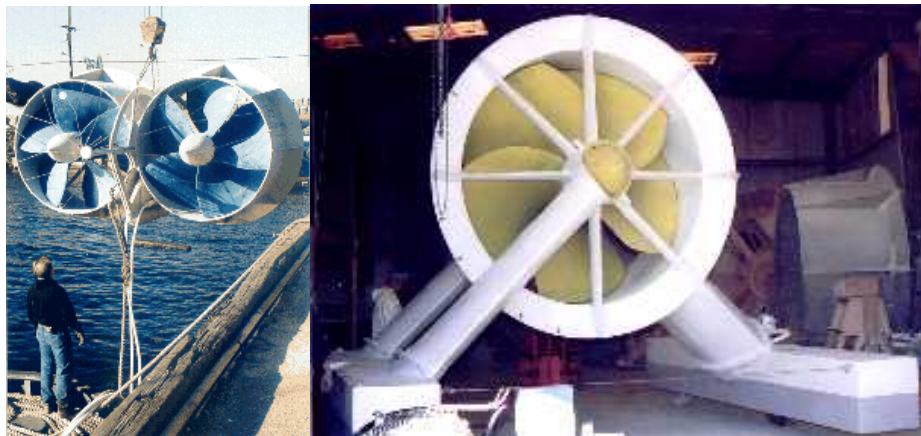
Competition:

Because TURBOSTAR and HYDROSTAR are the first ducted shrouded turbines to be mass-produced it places most of the competition in a secondary status. From the standpoint of safety, output, and aerodynamics the machine is in a class by itself.

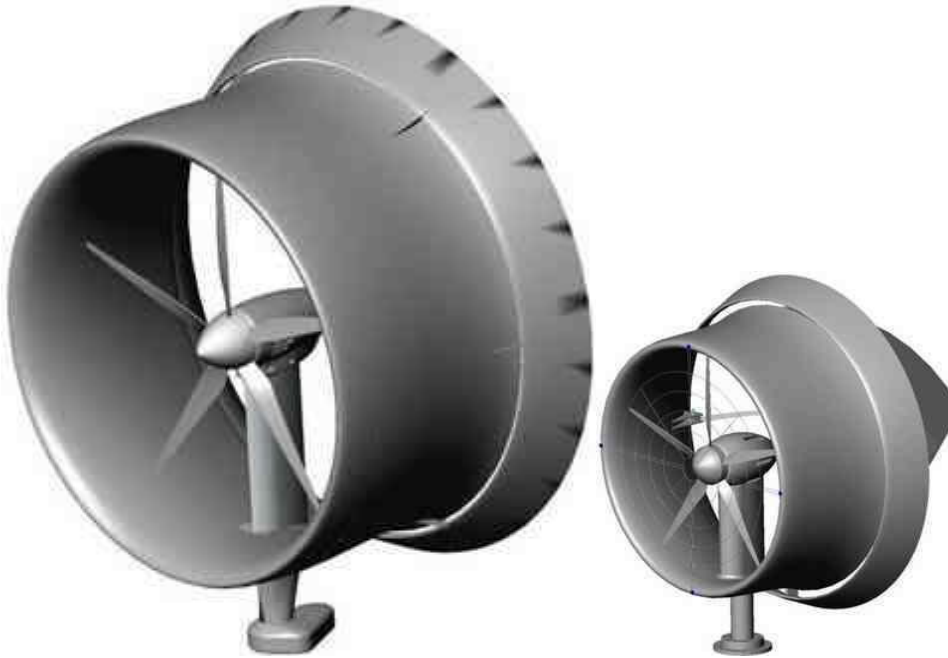
Market Advantage:

Wind tunnel tests and environmental readings have demonstrated that TURBOSTAR's efficiency can exceed 2 1/2 times the output of any other conventional wind machines of a similar rotor diameter. This will markedly increase the power generating capacity and return on investment. The machine is particularly attractive because it is designed to operate in lower wind speed regimes.

HYDROSTAR, utilizing rivers and current flows, has 25 times the output of a windturbine of the same rotor diameter. With only one moving part, the machine has reduced maintenance costs with less wear & tear.



HYDROSTAR: River prototypes, Output 30KW at 5 knots



TURBOSTAR: 6 KW and 500 watt production prototypes

A Solar-Electric Micro-Utility



The Personal Power Carte®

www.synergyii.com/SYNERGYCA

The Synergy California partnership with Suntools has developed a mobile solar electric power system that is an intelligent energy storage device. The device, designed for individuals, will power the energy requirements for a home, offices, clinics, laboratory, wherever electrical power is needed.

This device will upload and download electricity from the grid as well as receive energy from other solar sources such as photovoltaic and wind-energy collectors.

It has the ability to:

- Buy energy at good prices for use later when grid power is more expensive.

- Back up appliances and services seamlessly.

- Provide AC energy for remote or off-grid applications.

- Charge the storage system from solar photovoltaics, wind and other sources.

- Sell back excess generating capacity to the grid.

Communicate with the user key information.

Communicate with other devices and controllers as necessary.

Reduce the power requirements of lightly loaded motors by 25-40%.

Funding is being sought to incorporate:

Ultra-Capacitors, (double layer capacitors) for rapid charge and discharge.

Fuel Cells and electrolyzers.

Computer with a wireless Internet system for remotely monitoring loads.

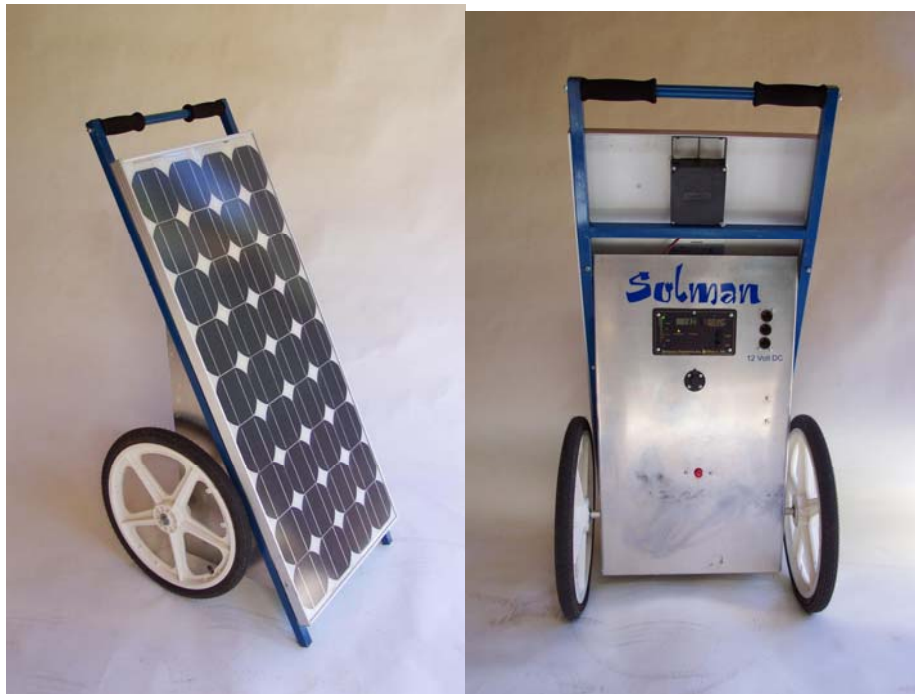
A to D cards for activating remote loads.

A complete business plan exists for manufacturing, distributing and licensing the technology world-wide.

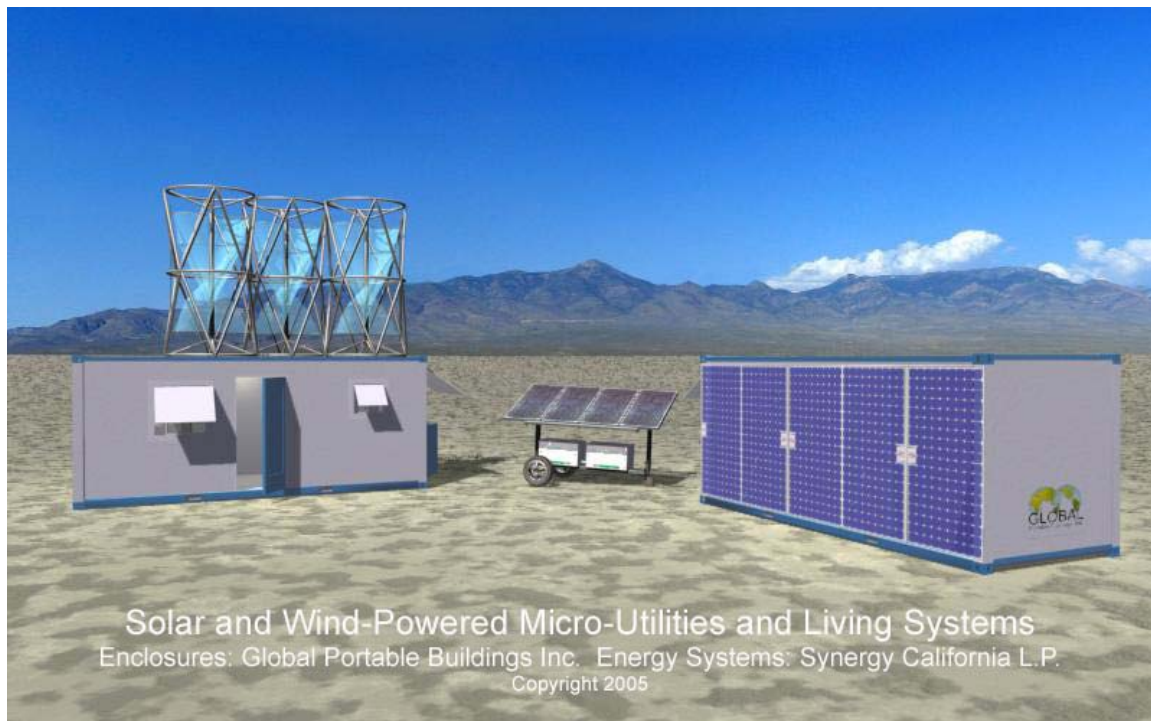
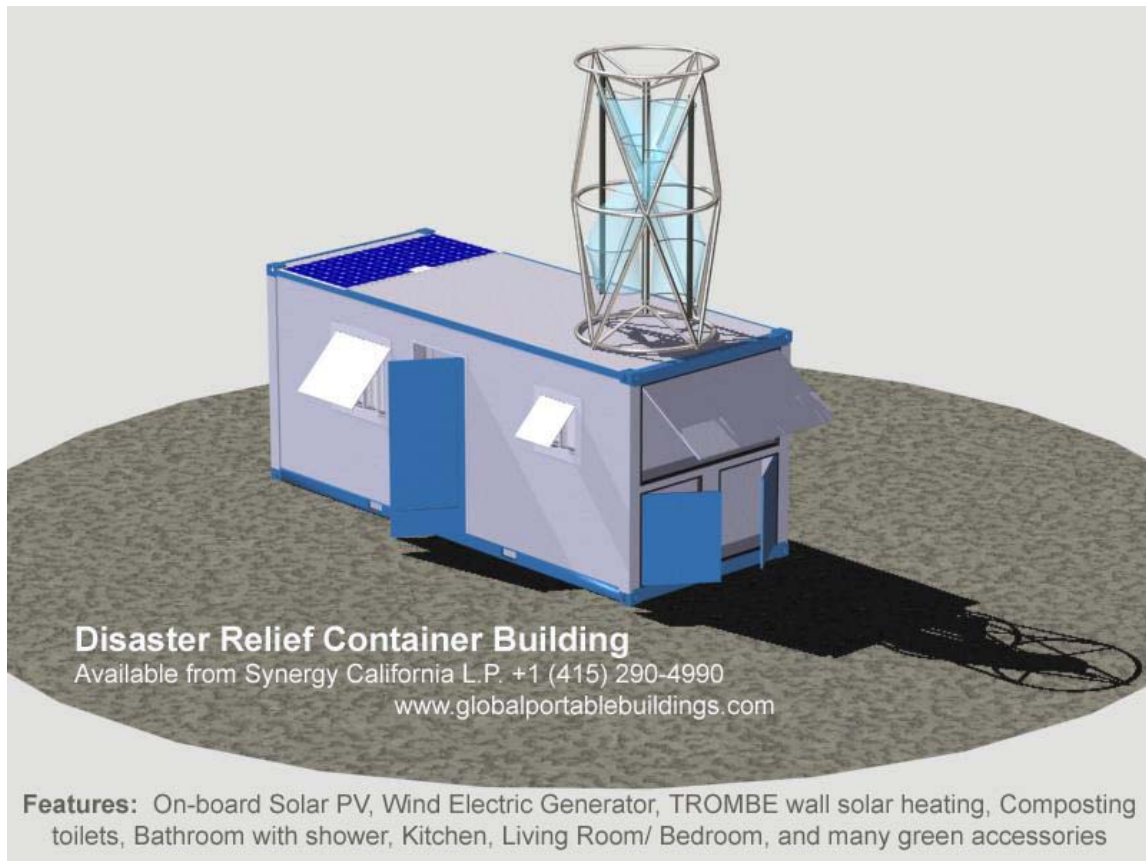
Funding Request:

First Stage funding of \$1,000,000 to complete the production prototypes and go into limited production.

Second round financing to raise another \$2,000,000 to manufacture and market internationally.



SOLMAN: Mobile PV Power with built in Batteries and a 2KW Sinewave Inverter



These large micro-electric, water and waste utilities are the components of self-reliant eco-villages. The buildings are essentially rebuilt shipping containers. The buildings have been engineered to be earthquake and hurricane proof.

AEROTECHTURE: Vertical Axis Urban Turbines



www.aerotechture.com

The Aerotechture vertical axis windturbine from Chicago is the first legal windturbine operating in San Francisco. The machine coined an "Urban Turbine" is designed to operate on the roof-top of buildings in the city. DYNAMIS is now certifying the machine for the California Energy Commission Buy down program for utility intertie with the power grid.

The Dynamis Laboratory

Innovation Incubator and Accelerator Facility

The incubator is a laboratory that acts as an accelerator for catalyzing scientific research into the development of new technologies and processes. Working as a laboratory, the incubator requires a physical facility that supports and nurtures the completion and testing of new technologies. As an accelerator we are an innovation management team that builds new enterprises around the new prototypes and “spins them off” to become sustainable businesses with global markets. Our two primary functions are research and development and enterprise development.

In order to support this effort we require facilities: (i.e. buildings with offices and conference rooms, computer-aided design studios, computer aided manufacturing facilities, rapid prototyping facilities, limited fabrication tools, assembly benches and testing areas.) Our primary research is in energy and environmental technologies. We also require open land, a test platform for many novel solar and wind energy systems. We also require the ability to bring vehicles inside the building for retro-fit modifications.

This laboratory will also have facilities for around-the-clock operations. The facility is also its own demonstration project where our own energy systems will power the building, selling excess energy back to the local utility. The laboratory tests new energy hardware systems.

We are looking for facilities in California, Nevada, and Illinois. China and Italy to create much needed jobs and opportunities. The ideal would be placement in a science and technology park.



DYNAMIS US Proposal with building integrated wind turbines and PV.

Post Script and Appendix

The previous Portfolio of products is a partial listing of technologies available for manufacturing and technology transfer. We will continue to add to this list. Contact us if you have a particular interest in anything that you have seen.

DYNAMIS R&D Incubator and Business Accelerator 2006 BUDGET

Notes

Personnel Salary– 3 Month Profile

Reinhold Ziegler, CEO	\$30,000
Marc Comings, President	30,000
Ken Burgess, V.P. of Finance and Controller	24,000
Legal Counsel/Patent Attorney	24,000
Director of Renewable Energy Systems	20,000
Director of Water Systems	20,000
Director of Transportation Systems	20,000
Director of Regenerative Housing Systems	20,000
Director of Genetics and Nano Technology: Dr. David Comings PhD.	20,000
Director of Intellectual Property and Technology Transfer	20,000
Director of Prototype Development	20,000
Director of Business Plans and Enterprise Development	20,000
Director of Group Media and Internet Technologies	20,000
3 Administrative Assistants	36,000
Consulting Retainers for needed experts.	<u>26,000</u>
Total Personnel for 3 months	\$350,000
Total Personnel for 1 year	\$1,400,000

Facilities – 3 Month Profile:

Facilities Rental of Office with adjoining testing lab and assembly area, outdoor space 10,000 sq. ft. Office and Lab Facility @ \$10,000/month, furnished.	\$30,000	Quarterly
Lease of 250 acre Environmental Facility for environmental testing and demonstration.	\$30,000	Quarterly
Full Computer Network tied to online services, full wireless mobile computers for each staff member. 15 staff members @10,000 each/year for office, hardware and software.	<u>\$ 150,000</u>	Yearly
Total Facilities 3 months.	210,000	
Total Facilities for 1 year.	\$ 390,000	

Operations and Grants – 3 Month Profile:

Challenge Grants for every major invention that is assigned to Dynamis:

12 \$50,000 grants to be matched by private industry for every Dynamis product design and spin off companies created by us.	3 months	\$ 150,000
	Full year	<u>\$ 600,000</u>

Total Operations and Grants for 1 year \$ 600,000

Total 2006 Budget for DYNAMIS R&D Incubator \$2,390,000

Yearly Budget in
Quarterly
Drawdowns

