

Magnetic Power Inc.

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During 2008, MPI will prove a planetary harbinger of hope!

A few highlights of the substantial progress Magnetic Power Inc. made in 2007:

The diverse and far flung MPI technical team has worked well together. One result of their efforts resulted in inspiring the remarkable breakthrough GENIE™ (Generating Electricity by Nondestructive Interference of Energy). This revolutionary approach promises variations that are eventually likely to power everything from your cell phone to multi-megawatt power plants. GENIE can be thought of as a battery that never runs down or requires a recharge.

Lee Felsenstein, an Electrical Engineer, well known as the moderator during the eleven year life of the Homebrew Computer Club (which spawned more than 20 companies in Silicon Valley, including Apple), was sufficiently impressed by the first GENIE Proof-of-Concept prototype, that his article on this MPI website suggests GENIE is analogous to the invention of the transistor, before it earned a Nobel Prize and spawned the growth of the modern electronics industry.

Three families of GENIE generators have so far been conceived. The first of a series of new patent applications is pending. A 250 watt prototype opened the door to high energy density. It clearly suggests the long sought 1 kW, self-sustaining, generator is on the horizon. Our goal is production in a pilot plant and possibly by Joint-Ventures and licensees, by the end of 2008.

Vehicle to Grid (V2G) power was a major buzz at the recent Southern California electric auto show. This past April, Google and Pacific Gas & Electric Company demonstrated the potential for a plug-in hybrid car to sell power to the grid. A current article suggests car owners might earn \$4,000 each year by doing so.

High power density GENIE generators appear to have the potential to replace the need for auto engines. We intend to have them power cars, on a prototype basis, within three years. A 100 kW GENIE might fit in the space of a present day fuel tank. Technology already exists that can transfer up to 150 kW to the grid, from a parked car or truck, without any need for wires. *This will open the potential for cars that never need fuel and might be able to pay for themselves by selling electricity to the local power company while parked.* Imagine parking garages that become multi-megawatt power plants. **Will they have signs out front that say: "Park Here – We Pay More"?**

Five multi-billion dollar firms have now signed NonDisclosure Agreements with MPI in order to evaluate GENIE. Two of them have begun to discuss Joint-Ventures to accelerate mass production.

MPI's subsidiary, Room Temperature Superconductors, Inc., has three issued patents covering polymer Ultraconductors™, as well as a huge pending application. The Company has begun to divide that document into ten of more conventional size.

May the New Year bring peace, as well as revolutionary new energy, to every part of a planet that urgently needs both!

Mark Goldes

Chairman & CEO, Magnetic Power Inc. & Room Temperature Superconductors Inc.