MOLLER INTERNATIONAL AND FREEDOM MOTORS

Annual Stockholders Meeting
December 10, 2016

FREEDOM MOTORS

moller
MOLLER INTERNATIONAL

AGENDA

- Opening remarks – Dr. Paul Moller
- Opening Business – Dr. Jim Toreson
- Activity Report – Dr. Paul Moller
  - Background and requirement to create a VTOL capable flying cars
  - Moller International Activities in 2016
  - Freedom Motors Activities in 2016
  - Goals for MI and FM in 2017
- Q & A
- Adjourn
- Open House – opportunity to address personal questions with staff

CALL TO ORDER

- The 2016 Annual shareholders meetings of Moller International and Freedom Motors, corporations operating and existing under the laws of the State of California and Nevada, respectively, are called to order today at 10:00 am, December 10, 2016.

BUSINESS

- First order of business:
  - Reading of the minutes from last year's meeting.
  - Request to waive the reading of the minutes.

SURVEY OF ATTENDEES

- Attending for the first time?
  - Moller International and Freedom Motors shareholders?
  - Moller only? Freedom only?
- How did you hear of this meeting?
  - From an Email sent directly to you?
  - From the Moller International web site?
  - From Moller/Freedom newsletter announcement?

COMPANY MANAGEMENT

• **Paul Moller**	**President of Moller International**
	Chairman Freedom Motors
• **Jim Toreson**	**President of Freedom Motors**
	Chairman Moller International
• **George Stevens**	**Chief Engineer**
• **Zack Rabin**	**Executive Assistant/Aeronautical Engineer**
• **Akshay Joshi**	**Controller/Aeronautical Engineer**
• **Jack Stewart**	**Media Marketing Director**
• **Mike Shanley**	**International Marketing Director (China)**

OUR LARGEST AEROBOT THE 200 XR

- Payload up to 750 lbs
- 8 ducted fans
- Fuel powered
- On-board stability and control system
- Redundant flight control system
- Speeds up to 100 mph
- A20M-350 model test flown



ARMY AEROBOT

- Payloads between 10 to 25 lbs
- Single duct - 2 fans counter-rotating
- On board stability system
- Redundant flight control system
- Gasoline or methanol powered
- A15-15 model test flown



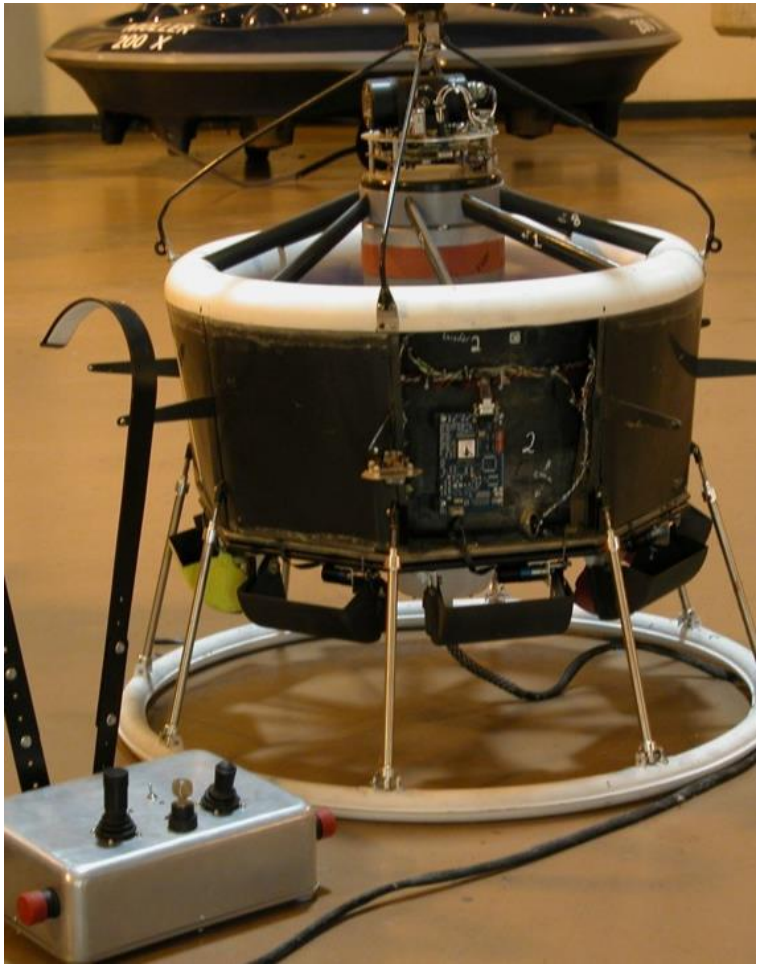
US AIR FORCE AEROBOTS

- Delivered to Wright-Patterson AFB
- Designation A24-50
- Fan Diameter 24 inches
- Power 60 hp
- Duct-Engine Wt. 125 lbs
- Max Thrust 225 lbs
- Net Payload 50 lbs
- Max Hover Time 1.0 hrs
- Max Speed 60 mph
- Max Range 60 miles



CALTRANS AEROBOT

- Delivered to California Department of Transportation (CALTRANS)
- Designation A15-5
- Fan Diameter 15 inches
- Power 5 hp
- Duct-Engine Wt. 20 lbs
- Max Thrust 40 lbs
- Net Payload 10 lbs
- Max Hover Time Indefinite
- Max Projected Speed N/A
- Max Projected Range 125 ft.



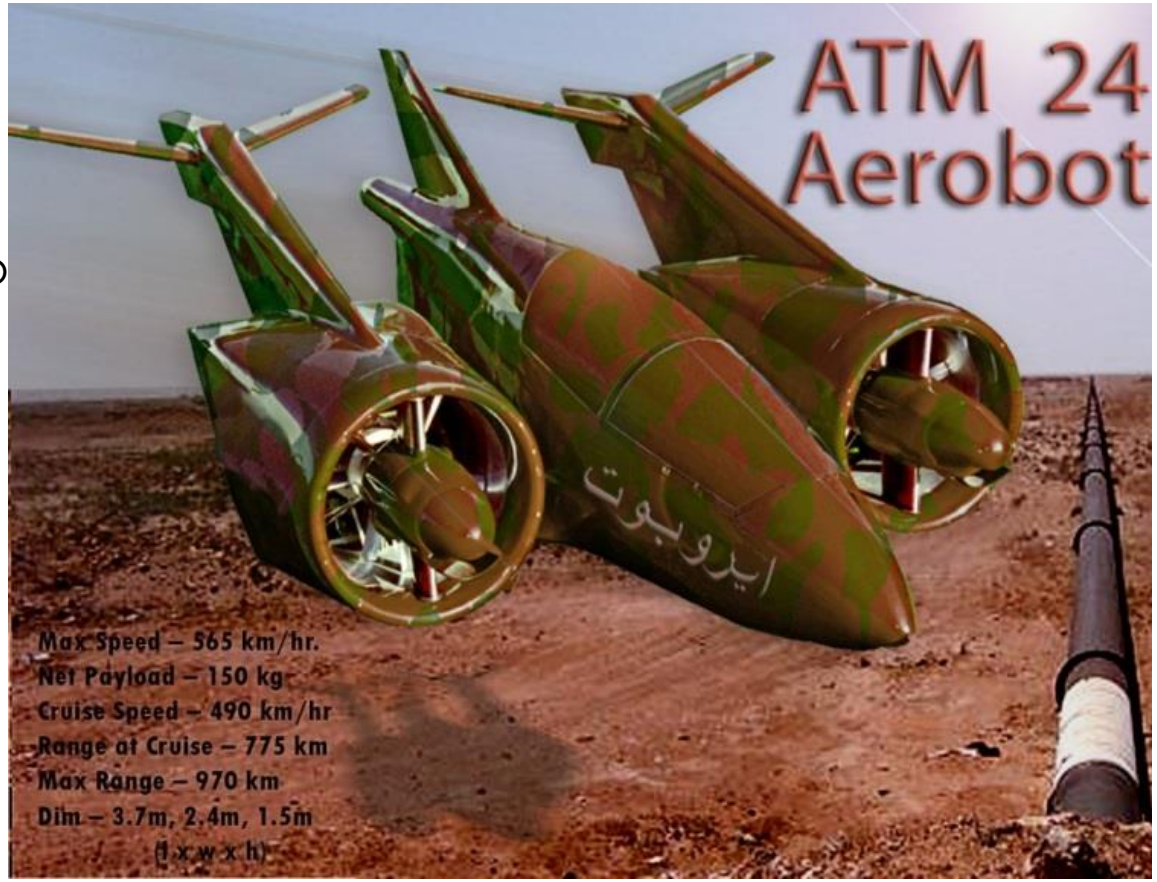
NAVY AEROBOT

- Designation A11-2
- Fan Diameter 4 – 11 inch ducts
- Power 2 hp
- Duct-Engine Wt. 15 lbs
- Max Thrust 25 lbs
- Net Payload 5 lbs
- Max Hover Time Indefinite
- Max Speed N/A
- Max Range 75 ft.



TRANSITIONING AEROBOTS

- Higher speed and greater range than our VTOL Aerobots®
- "Transitioning" Aerobots are VTOL and able to transform to high-speed forward flight.
- Can be either gas or electrically powered
- Range of up to 600 miles
- Payload up to 750 lbs
- Speed up to 350 mph
- ATM- 24-250 Wind tunnel tested



JOBY AVIATION



http://www.jobyaviation.com/images/Joby_S2_6.jpg



http://www.jobyaviation.com/images/Joby_S2_1.jpg

EHANG



http://media4.s-nbcnews.com/j/newscms/2016_01/1366551/160108-ehang-drone-m
0955_a27bf747bd3bbad7e762babbdfd79c99.nbcnews-ux-2880-1000.jpg

TERRAFUGIA



https://terrafugia.com/content/uploads/2016/02/gallery-8.jpg

FREEDOM MOTORS

MOLLER INTERNATIONAL

AIRBUS A^3



http://blog.caranddriver.com/wp-content/uploads/2016/10/Airbus-Vahana-626x382.png

AURORA FLIGHT SCIENCES



http://www.aurora.aero/wp-content/uploads/2015/10/LightningStrike_Artist-Concept-Flight-1024x791.jpg

LILIUM



http://lilium-aviation.com/img/20.jpg

ZEE.AERO



http://wordlesstech.com/wp-content/uploads/2014/06/Google-Larry-Page-Sergey-Brin-Flying-Car-Startups-1.jpg

WHY A VIABLE VTOL CAPABLE FLYING CAR IS NOW POSSIBLE

- Government cooperation in defining an operating spectrum for unmanned vehicles is a quantum step towards further approval for manned aircraft
- The acknowledgement of the inevitability of VTOL capable flying cars by Google (Larry Page), Embraer, Singapore Technologies, Airbus, and numerous other companies has created expectations by the public.

WHY A VIABLE VTOL CAPABLE FLYING CAR IS NOW POSSIBLE

- Driverless cars make driverless aircraft an obvious and safe spin-off in view of its much more benign operating environment.
- A driverless VTOL capable aircraft in an "Uber" world makes enormous sense. Why own a VTOL aircraft if it is far less expensive and far more convenient to rent one?

WHY A VIABLE VTOL CAPABLE FLYING CAR IS NOW POSSIBLE (CONTINUED)

- Low cost and remarkably capable flight control systems (FCS) are now available thanks to the drone industry
- Lightweight, low cost, and incredibly strong materials are now available thanks to the material industry
- Lithium batteries are becoming more powerful and less expensive thanks to the electric car industry.

WHY A VIABLE VTOL CAPABLE FLYING CAR IS NOW POSSIBLE (CONTINUED)

- Rotapower® engines, thanks to Felix Wankel and the rotary engine technology acquired from Curtiss-Wright, GMC, IEC, John Deere, OMC, RPI, and Syrano, along with an investment exceeding $150 million in today's dollars by Moller International and Freedom Motors and its predecessors, Moller corporation, Discojet Corporation, and M Research.

FREEDOM MOTORS – ACTIVITIES IN 2016

- Vacating the Research Park facility for better facilities at much reduced cost.
- Designing this facility to fit the needs of FM.
- Designing compound versions of the Rotapower® engine.
- Working with Power Source Creations to complete an exclusive world-wide license agreement to manufacture and distribute the Rotapower engine.

FREEDOM MOTORS – ACTIVITIES IN 2016 (CONTINUED)

- Power Source Creations (PSC) and Freedom Motors have created EcoRotary LLC, an exclusive worldwide licensee for the production and distribution of Rotapower® engines
- Over one billion dollars are in deposit by "Funding Positive Change Organization" (FPCO) on PSC's behalf.
- PSC has allocated $250 million of these funds for an automated Rotapower engine production capability.

FREEDOM MOTORS – ACTIVITIES IN 2016 (CONTINUED)

- FM will own a very minority position in EcoRotary.
- FM will receive a 5% royalty on the selling price of each engine.
- PSC will pay for all development and engine testing costs for FM including facilities, equipment, and patents.

FREEDOM MOTORS – ACTIVITIES IN 2016 (CONTINUED)

- FM will receive initial funding of $2 million.
- PSC will acquire FM production equipment valued at $7.5 million.
- FM will receive progressive payments as it achieves specified Benchmarks.

FREEDOM MOTORS – ACTIVITIES IN 2016 (CONTINUED)

- If all Benchmarks are met and all equipment purchased, FM will receive an effective license fee of $20 million.
- Additional funds of approximately $10 million are expected to be required to satisfy all Benchmarks. This cost will be paid by PSC.
- FM will receive 50% of any sublicense revenue received by EcoRotary.

MOLLER INTERNATIONAL – ACTIVITIES IN 2016

- Upgrading the original M200 Neuera prototype to the FAA standards required for FAA approval to demonstrate it before a group.
- Work with our FAA liaison Ed De Reyes to get approval for a quick and low cost way to achieve FAA's approval.
- Vacating the Research Park facility for better facilities at much reduced cost.

MOLLER INTERNATIONAL – ACTIVITIES IN 2016 (CONTINUED)

- Designing this facility to accommodate the needs of MI.
- Working with Singapore Technologies to design a nine passenger volantor called the Skycar 900.
- Finalizing the design details of the Skycar 200, Skycar 100, and Skycar 900

FREEDOM MOTORS GOALS FOR 2017

- Complete Benchmarks 1, 2, and 3 for EcoRotary
- Install dynamometer facility at Quail Oaks Ranch
- Solicit sublicense agreements along with PSC.
- Support PSC by engineering the integration of the Rotapower engines into OEM products.
- Create volantor specific engine parts for the Skycar 100 and M400.

MOLLER INTERNATIONAL GOALS FOR 2017

- Depends on FM for funding
- FM will receive up to $13.5 million upon completion of Benchmarks 1 and 2.
- FM would then pay MI $3+ million for previously contracted services. MI would then undertake the following.



MOLLER INTERNATIONAL GOALS FOR 2017 (CONTINUED)

- Install flight test facility at Quail Oaks Ranch.
- Engage with a joint venture partner to establish production of one or more volantors.
- Construct and demonstrate Skycar 100.
- Demonstrate the Neuera 200 in a FAA approved flight before the international press. Demonstrate the M400 Skycar in an approved flight.

ELECTION OF BOARD MEMBERS

- Moller International nominees:
  - Paul Moller
  - Faulkner White
  - Jim Toreson
  - Mike Shanley
  - Hugh Power
- Freedom Motors nominees:
  - Paul Moller
  - Jim Toreson
  - Kerry Bryant
  - Bill Strons
  - Barry Malizia (if he accepts)