

From: Watkins, Thomas <tcwatkins@schellbray.com>
Sent: Sunday, June 22, 2014 10:50 PM
To: Tom Darden
Cc: John Mazzarino; Watkins, Thomas
Subject: Re: Pls offer thoughts about this message as a quick holding reply

Redacted - Privilege

On Jun 22, 2014, at 9:29 PM, "Tom Darden" <tdarden@industrialheat.co> wrote:

Thanks for these thoughts. I have been busy over the weekend and will be leaving for a trip to see our property fund investors in the morning, but I will respond as soon as I get a chance to read everything. Your email refers to contract sections, but I haven't read them since we signed--I will need to get a copy of the document and read it.

Ideally we would not make a decision about this new location for a while longer--we have 60-90 days before you plan to start it up, so perhaps this decision can wait a while?

Also, our neighbor continues to say that he wants to be the customer, so that remains an option, and it certainly is simple for logistics. You expressed some concern about whether that company would have good credibility with other future customers, and I agree it might be more impressive for the technology if a big drug company, for example, were the first user. But I don't think this is an overwhelming issue. My wife's uncle used to be the CEO, but he sold it a few years ago to a large company and now someone else is in charge of it. I want to be sensitive to this family relationship issue because I know you feel it reduces credibility, but I do not think this should be an absolute barrier to using them.

These are some initial thought, I will reply further soon.

Tom Darden
919 522 4095 m

Original Message

From: Andrea Rossi
Sent: Friday, June 20, 2014 4:54 PM
To: Tom Darden; edarden@gmail.com; jmazzarino@industrialheat.co; Joe Pike; JT Vaughn; ccasarino@lti-global.com
Subject: Meeting of June 17th

Dear All:

this email is for to confirm what we agreed upon during the meeting of June 17th in the factory of Industrial Heat in Raleigh.

Preliminary considerations:

1- in August 2013, according with our License Agreement of October 26th 2012, Leonardo Corporation delivered the 1 MW plant as it was when has been tested in Ferrara on April 30 and May 1 2013

2- since August 2013 it has benn impossible to communicate to us the where to install and make operative the plant

Said this, to make operative the plant and pursuant to the Section 3.1, 3(c) and Section 5 of the same License Agreement, Leonardo Corporation has found this solution:

a- a Customer has been found who will rent the 1 MW plant to use it as a dryer for his chemical additives and catalyzers

b- the Customer will install the plant in a factory of his in Florida (USA)

c- the Customer will pay 1,000 \$/day of rental fee starting from when the plant will be declared from me ready to operate

d- the direction of the plant will be made by Andrea Rossi, for free, for the first 350 days of operation of the plant

e- Andrea Rossi will be assisted by Fulvio Fabiani who is a consultant of Industrial heat

f- the Customer will have no access to the technology, but his workers will be instructed to use the plant. Maintainance and recharge will be made by Industrial Heat with the direction of Andrea Rossi.

Since I have already started the operation regarding this plan, please let me know if you agree upon all.

I already started the operations.

Warmest regards and a wonderful week end to all,
Andrea Rossi

Tom Darden
919 522 4095 m