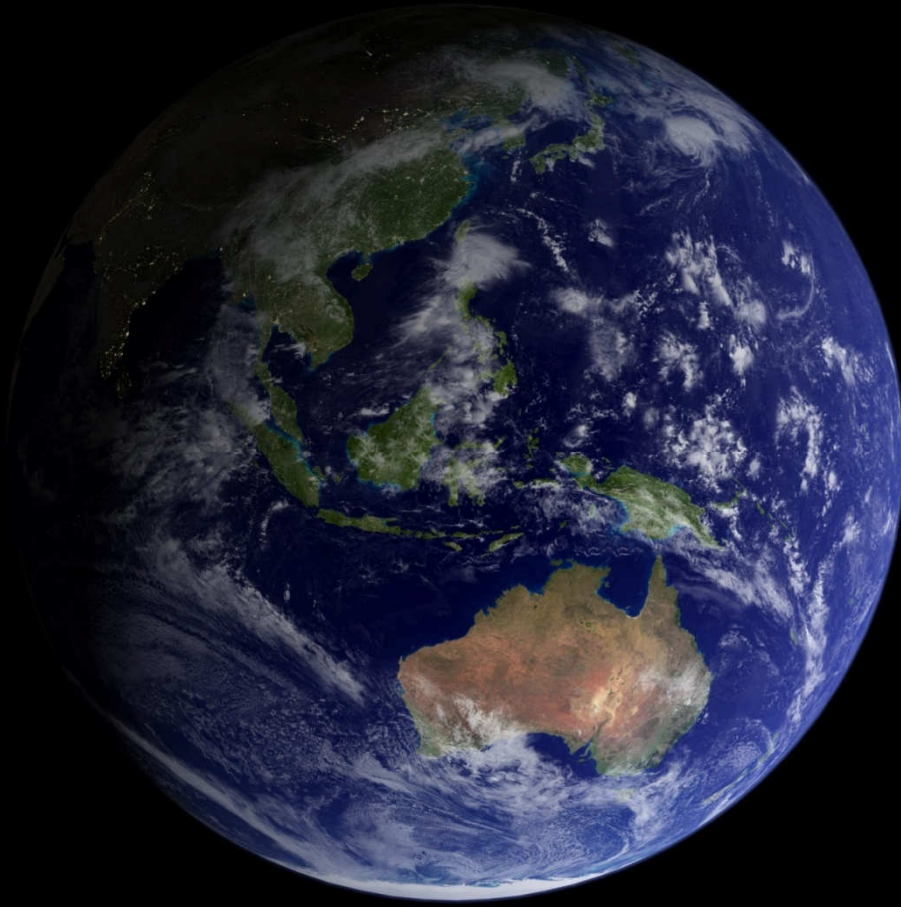




WINDATION™
Energy Systems Australia, Pty Ltd



COMMERCIAL

IN

CONFIDENCE



Lifecycle

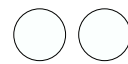


● David Hare, who describes himself as an “environmental entrepreneur”, owns 80 per cent of Windation Energy Systems Australia – a would-be maker of rooftop wind turbines. (The turbines’ American designer owns the other 20 per cent).

The missing piece is another investor to take him from holding the Australian and New Zealand licence rights to contracting a local manufacturer to, if all goes well, selling turbines to commercial building owners.

But the 38-year-old’s “main business” is one he owns solely: Eco Rebates.

As well as holding the Windation investment, Eco Rebates advises homeowners and businesses on how they can save energy and water. Its 60 assessors have been accredited under the national Green Loans program (meaning the federal government will pay the \$250 assessment fee on homeowners’ behalf).



The turbine generates up to 5kW of power and is about the size of a commercial rooftop air-conditioner

A vegetarian since he was 24, Hare’s entrepreneurship is even more long-standing. His family’s engineering firm (Hare & Forbes) stretches back over eight decades. In his 20s his marketing helped Century 21 become Optus’ top mobile phone dealer in the 1990s.

The following decade he went on to found his first business, thecomputerschool.net, a computer training company he sold in 2007.

Its sale seeded a series of property projects, which fed Hare’s growing awareness of how homes and buildings add to climate change. Eco Rebates turned this awareness into a business opportunity. In October, 2008, a headline

on technology website CNET – “Urban wind power inspired by ancient Persia” – caught Hare’s attention. He immediately made contact with the subject of the story, Iranian-born Mark Sheikhezai, who was installing his first wind turbine at the Palo Alto Medical Foundation in California. Sheikhezai persuaded Hare to bring the idea to Australia.

The turbine, which generates up to 5 kilowatts of electricity, is about the size of a commercial rooftop air-conditioning unit.

Hare says there is “quite a bit of interest” from local building owners and power companies but says he needs the help of the government (which subsidises rooftop solar panels but not wind turbines), local industry (to bring the unit and installation cost down from \$30,000) and, of course, investors.

The green tinge of his newest ventures is no accident, Hare says. “I am very passionate about making positive, constructive changes globally.” **BRW**

Interview: Anthony Sibillin

David Hare

Windation Energy Systems Australia & Eco Rebates

Position:	Director
Milestones:	1990: Qualified as an engineer
	1993: Joined Century 21 in marketing
	2005: Launched thecomputerschool.net
	2009: Launched Eco Rebates
	2009: Launched Windation Energy Systems

LIFECYCLE: **EXPANDING**

Entrepreneur introduces rooftop wind turbine to Australia



C-NET Article October 2008

A new wind-power machine has been inspired by a centuries-old idea: Persian "wind catchers."

[Windation Energy Systems](#), a Menlo Park, Calif.-based start-up, has developed a wind appliance that looks more or less like the modern heating and cooling equipment you see on flat corporate building rooftops.



There's a 8-by-8-foot frame around a 10-foot-high cylinder. Wind blows in the top and is directed to the bottom where the wind turns a turbine to make up to 5 kilowatts of electricity. A single unit wouldn't generate enough power for an entire office building but could offset a significant portion, the company says.

Windation CEO and founder, Mark Sheikhezai, who is originally from Iran, said he was inspired by ancient Persian buildings that use air currents and reservoirs of water to cool buildings. Using differences in air pressure, these [wind catcher buildings](#) create a steady flow of air without any mechanical devices.

Windation's appliance looks more like an HVAC machine than a turbine.

Although Windation's wind appliance does draw air from the top like these buildings, Sheikhezai said he used his expertise in centrifuges and rotors to manipulate the movement of the wind to generate electricity.



The overall design breaks with that of other [small wind](#) turbines, which tend to look a lot more like wind turbines.

Aerovironment's [wind turbines](#), now installed in a few locations, are essentially miniature wind turbines perched on the edges of buildings. Another approach is the [vertical axis turbine](#) from Mariah Power.

Sheikhezai said one of the biggest advantages of Windation's appliance is its shape and ease of installation. Since all moving parts are contained, there isn't potential danger to birds, bats, or people, he noted.

Financially, an investment in a 5-kilowatt appliance, which comes with its own inverter, recoups the installation cost of \$25,000 to \$30,000 in three to five years, he said. Depending on the wind or sun resource, a wind machine could deliver a quicker payback than installing a solar array on commercial flat-top roof, he asserted.

The units will work well with what's called "dirty wind," or gusty, inconsistent wind, Sheikhezai said.

"Cities like San Francisco, Chicago, Boston, Miami, Cleveland--places you wouldn't think--are all good wind places," he said.

PALO ALTO MEDICAL FOUNDATION PLANS - 2009



1 **NORTHWARD VIEW (UNIT NOT SHOWN)**
SCALE: N.T.S.

The company is set to install one unit at the Palo Alto Medical Foundation in California

The company plans to begin manufacturing more units for delivery in February. It then intends to ramp up manufacturing in the following two years. The product will be made in old windmill factory in Nebraska.

Windation, which formed last year, is looking to raise up to \$5 million in the next two years and then raise another \$20 million for further expansion, Sheikhezai said.

Small wind turbines are poised for more growth in light of the recently passed [economic recovery act](#). The federal law includes a tax credit of up to \$4,000 for small wind turbines, which the mayors of [New York City](#) and San Francisco have endorsed for city buildings.

**PALO ALTO MEDICAL FOUNDATION
CALIFORNIA**



These photos are taken from the approved Architectural plans.



Enabling Wind power for City Buildings

WHITE PAPER - April 2010

Wind is a clean, inexhaustible, indigenous energy resource that can generate enough electricity to power millions of homes and businesses. Wind energy is one of the fastest-growing forms of electricity generation in the world. The United States can currently generate more than 25,000 megawatts (MW) of electricity from the wind, which is enough to power about 7 million average American homes. Industry experts predict that, with proper development, wind energy could provide 20% of this nation's energy needs.

Windation Energy Systems Inc. manufactures a wind generator which allows city buildings to harvest the wind passing by their roofs. This is accomplished in a safe, effective, and installation permit ready unit.

Optionally up to 6 panels can be placed on the roof of the unit for as much as 1.8KW solar power added to the output.

The permit is issued based on current known pathways to issue HVAC installation permits for urban buildings. This permitting pathway reduces the confusion in the city halls streamlines installation and results in a short and uncomplicated permitting process and low cost installation.

Distributed energy generation such as what Turbo wind mill 5000 offers to building owners in urban areas, is an important component of the energy independence. This way the buildings power up with clean wind energy off of the existing power off of their roof.

Urban areas produce most of the green house gases (GHG) and demand most of the world energy. Wind power is currently harnessed faraway from urban centers then delivered to the city buildings at some losses and higher cost of power grid update. The grid capacity is consumed to its maximum capacity, upgrading the grid to more capacity requires even more major investment in the US power distribution infrastructure. Whereas distributed energy generation reduces the critical demand on the grid for more capacity.



Currently there is no safe, installation permit ready, simple solution for harnessing wind power on city buildings. In fact the main reason why you don't see wind turbines on city buildings is due to lack of installation permitting.



TWM 5000 Series 2 - (5kW)

Windation intends to help accelerate the distributed energy generation form wind, by providing, effective, safe, permit ready, low cost and easy to install Turbo wind mill 5000. Windation Turbo wind mill 5000 is ready to go into production as of February 1 2010.

Windation Energy systems anticipates creating about 350 jobs in both the factory town of Beatrice , NE and front office. The company employs office staff, Engineers in various disciplines and sales and administrative personnel in California and elsewhere in the US. One AC installer contractors shall be hired to install on each building in the US.

There is a manufacturing agreement in place between Windation Energy systems and Dempster Industries LLC who manufactures the units in the factory town of Beatrice NE.

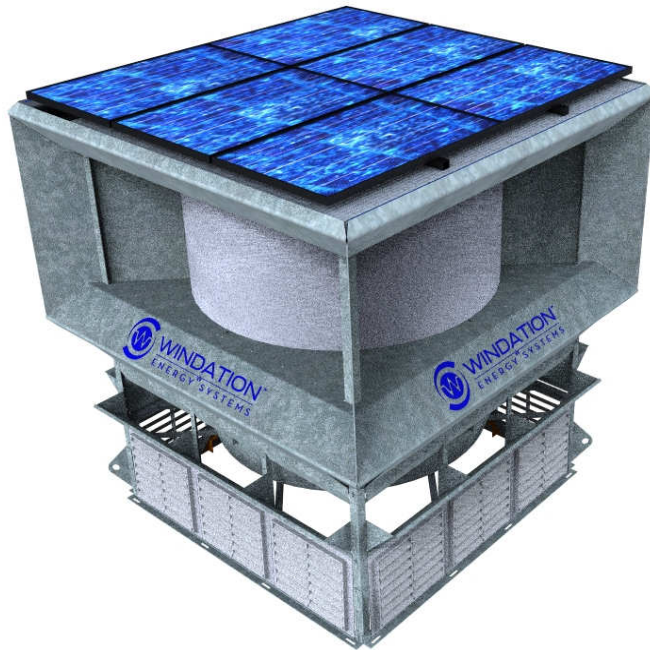
The unit is going to be mass produced for sale in the US and export overseas as the production ramps up it is anticipated that the job creations start within the first 12 months.

The Patent pending, turbo wind mills of Windation boast the advantage of bring in perfect compliance with building codes, height limits in cities across the US while able to fetch install permits with no exceptions. The wind generator is bird safe.

Enabling Wind power for City Buildings
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Hybrid Technology



TWM 5000 Series 2 PV hybrid (6.2kW)

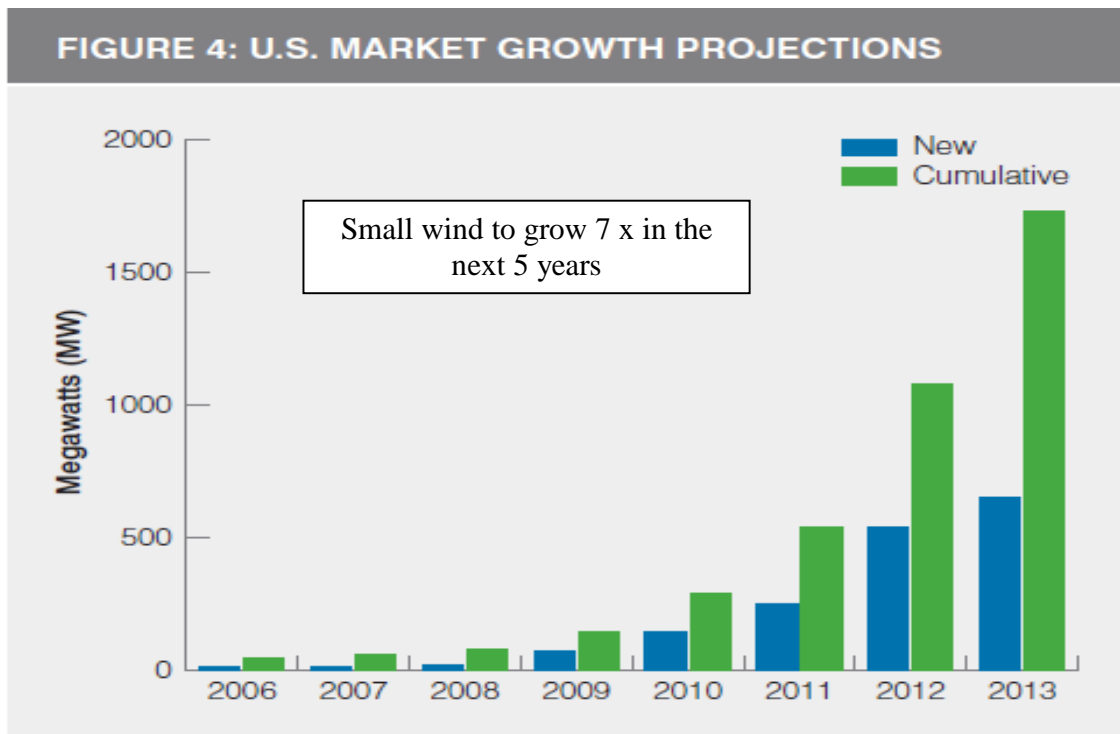
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Potential Market

The potential market for urban wind energy generation, on the 1 to 20 story buildings in NE Midwest and NW United States is calculated to be \$500B market, plus the international market which is typically 2x the US at \$1T Total Available Market.

Windation Energy System's technology typically pays back in 5 years and generates 2x times more power per square feet than Solar PV which typically breaks even in 8 to 10 years.

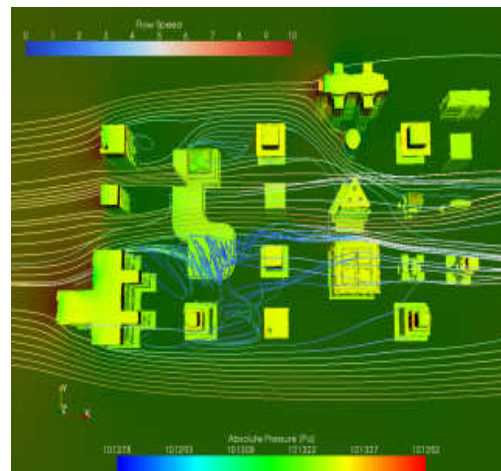
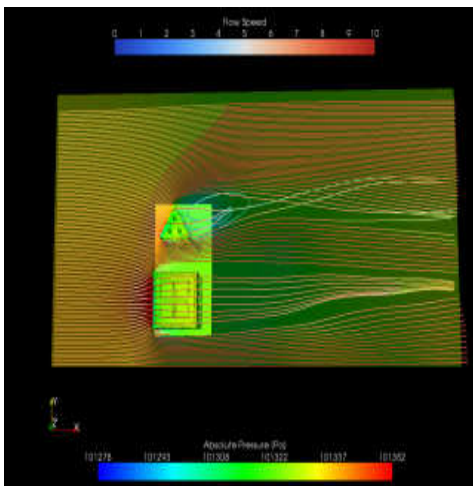


Source: AWEA Small Wind Turbine Global Market Study Year Ending 2008



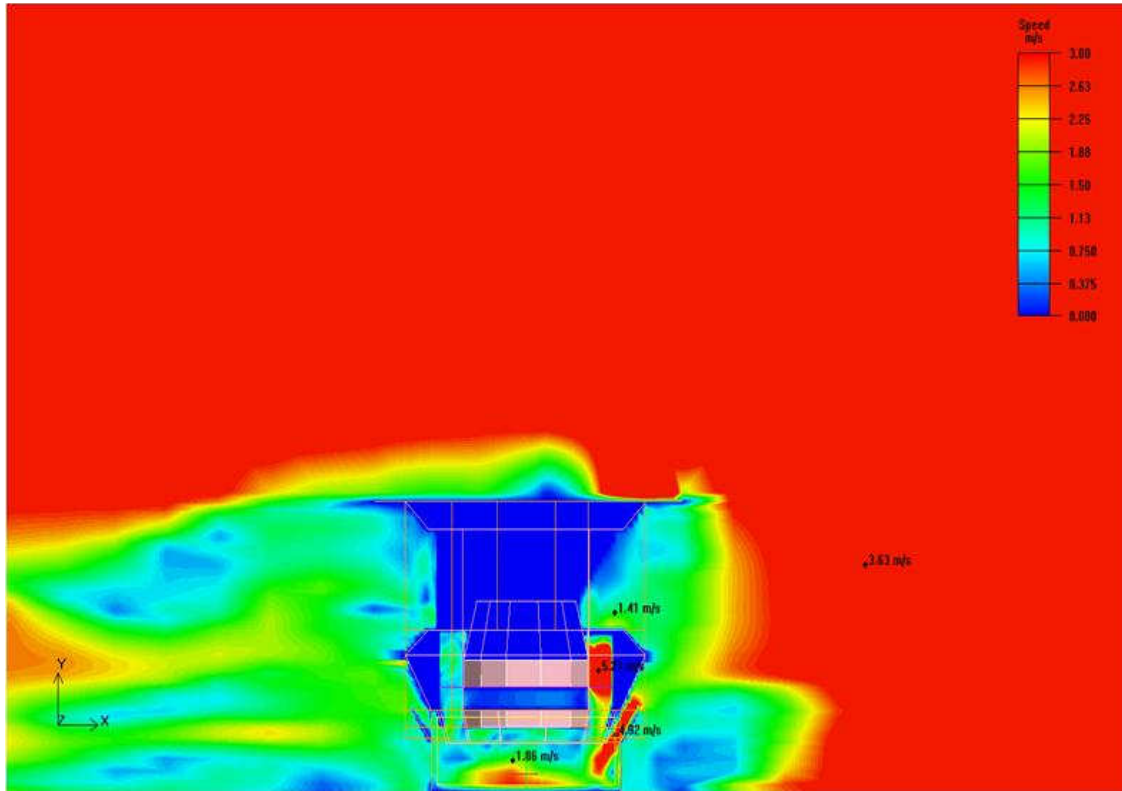
Technology

TWM-5000 utilizes a Dempster 8' diameter mill in a ducted turbine arrangement, which generates 1.5 kW at 18mph wind speed. Currently, the minimum required wind speed to start up the electricity generation is 6mph and the maximum generation capacity can be up to 5kW at 30mph wind. These specifications qualify TWM to be used effectively in the urban areas along both coasts and the Midwest. The wind is captured from all directions on the rooftops and tamed into going in one direction in the duct which improves the efficiency of this plug-and-play mill. The proprietary design has an interior "wind catcher" and a sensorial monitoring system which improve the generation efficiency to 35%, more than 50% improvement over the commercially available urban wind turbines.



Wind Tunneling effect in urban areas

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Infra red wind tunnel modeling

Competitive Landscape

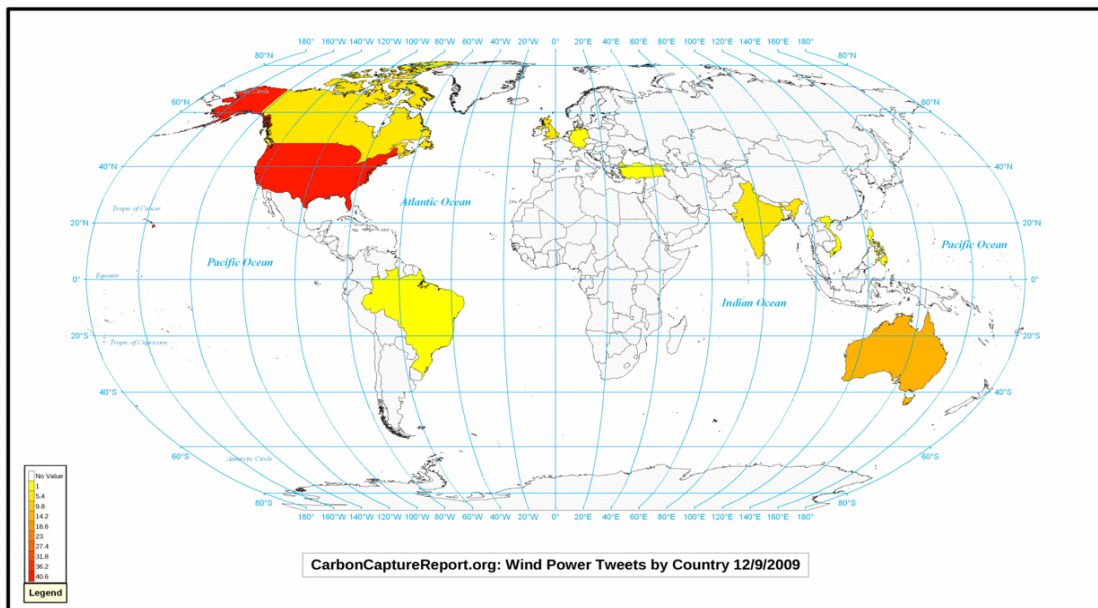
Company	Permit	Note
Windation Energy Systems http://www.windation.com	HVAC installation permit pathways Retrofits on buildings	At 10' fits within most building envelope extension limits
Mariah Power http://mariahpower.com/	Not for roof mounted	30' high With recommended installation in front of the building or in the back yard it is not very effective
There are over 20 other small wind turbine manufacturers with urban roof top ambitions however we do not see how they can come to the cities and effectively install their systems		

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Fabrication and Revenue Model

Windation Energy Systems utilizes standard machine shops around the world to manufacture its Turbo wind mill 5000 currently in the US Dempster industries is the primary contract manufacturer and others are in conversation to be utilized as the backup contractors. Windation plans to sell via clean energy representatives and direct sales team in the US.



International Growth

The first International license agreement has been entered in Australia with sales and distribution rights to Australia and New Zealand where. Europe, Israel and other countries are in the work.

For detailed discussion about investment opportunities and future grants contact.

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