

Air Future Limited Newsletter May 2019



27th May 2019

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Renewable Energy, Energy Storage, Electric Vehicles, Electric Scooters, E bikes, Net Zero Carbon Targets, this is everyday news and New Zealanders are talking about change and with urgency.

Air Future Activities

Information Memorandum

Our focus is on preparing for the activities ahead concentrating on prospecting for cornerstone partners which will include both financial investors and project partners seeking to build business opportunities involving our renewable energy, energy storage and transport alternatives.



We see tremendous opportunity ahead for the manufacture and export of scaleable compressed air energy storage and clean vehicles with the MDI technology solving many of today's renewable energy and electric vehicle price and technology constraints.

With the public mood clamoring for renewable energy and a fossil free zero carbon future coupled with the MDI progress we are now in a better position to present the coherent MDI package to investors and industry participants.

To this end we, (principally John Mennega our CEO) has prepared an introductory Information Memorandum (IM) which will be provided to our selected interest groups.

We are currently identifying the industry and investment groups that will be approached and anticipate the list will be extensive. For those parties who show an interest further information can be provided through individual 'Technical', 'Corporate' and 'Financial Information' packs.

Immediate Focus

The MDI licence and accompanying MDI relationship is of enormous value to your Company, something that the board and executive are making every endeavour to succeed to the maximum.

Our immediate focus is on short term working capital.

As an interim capital raising measure we are seeking to raise funds under a small offer by making a "personal offer" as defined in clause 12(5) of Schedule 1 to the Financial Markets Conduct Act 2013 on terms as described in the Information Memorandum (the Offer).

Shareholders are 'invited' to request the investment Information Memorandum we referred to in the March Newsletter and consider investing.

Investment supports the Company and enables us to meet essential obligations such as audit and

team remuneration not to mention undertaking the marketing activities currently in progress.

Our corporate activities such as auditing, website maintenance, prospecting and planning for operational activities are numerous. The essential ingredient is people and we must protect ourselves and maintain key personnel doing the work for the benefit of all shareholders.

If you have an interest in the Offer and wish to read more you are invited to request the Information Memorandum from the Company.

To request an **Information Memorandum** please phone Air Future Ltd on 03 365 6485

Or email info@airfuture.co.nz Or phone or txt mobiles below.



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MDI Activities

In my recent visit to MDI in mid April I was able to discuss with Cyril Nègre the MDI progress on transport, energy and energy storage and how we can assist MDI in new markets.



Russell Fitts during his visit to Carros with CEO Monique Bertho, Paul Durrand ,98 years, MDI's founding accountant & shareholder, Annic Nègre & Cyril Nègre with Guy Nègre's portrait in background.

Vehicle Manufacturing

To facilitate the manufacturing of vehicles MDI has entered into an informal arrangement with their Sardinian licensees and a Belgium based company.

The arrangement enables the Sardinian micro plant to manufacture vehicle bodies and deliver these to the Belgium plant manufacturing the engines. Assembly of the bodies and engine will also take place at the Belgium plant to provide the fully assembled vehicle available for distribution to MDI licensees.

MDI call the arrangement 'EPP' which stands for European Production Pilot.

The new owners of the Belgium plant are pleased to be able to offer new employment opportunities for their highly skilled work force and use of their already existing production line.

For the Sardinian plant it means that Sardinia can also progress the manufacturing of additional vehicle bodies. For MDI it provides vehicles on the road. MDI say that the plant will be ready for manufacture in the second semester of this year.

Initial focus is on 30 vehicles fully assembled in Belgium. These vehicles will be classified as 'prototype' vehicles and issued 'prototype number plates' that provide those vehicles the ability to be deployed in a number of geographic areas under the prototype licence provided.

Further vehicles will be manufactured under a special arrangement between MDI and the Belgium plant whereby up to 1,000 vehicles will be manufactured and provided to MDI for their fleet market. (See January 2019 Newsletter and also <https://www.feeeds.fr> regarding the fleet market)

Energy and AirWall Pilot



The opportunities for electricity and energy storage are immense. MDI are proceeding with an energy pilot at their Carros plant. The solar component of the MDI energy pilot is planned to incorporate state of the art solar panels provided by their Chinese partners, together with 2 MDI engines – one being used as a compressor to store compressed air and the other as a generator. In future trials both compression and generation will take place within one engine.

The solar panels are in transit and expected to be at MDI Carros in the next two weeks. It is anticipated that solar panels will deliver more than 25 kWh of energy storage per day so the pilot will also include an AirPod recharge during the day to use the surplus energy.

Golf Cart

MDI have been approached by a party that has requested MDI to manufacture Golf Carts for a new golf course they are developing. MDI are currently well advanced planning the design of a golf cart and expect to have an initial prototype ready for demonstration within the next two to three months.

Cyril says that there is considerable advantage of MDI air powered golf carts over traditional battery golf carts. With the reduced speed requirements/limitations of the on course carts, (MDI are targeting 25 km/hr max as against the AirPod 80 km/hr) and the production of a significantly lighter vehicle, then a vehicle range of approximately 50 km can be achieved with one small tank.

This is accompanied by an anticipated competitive price range.

We look forward to seeing the MDI AirGolf design and being able to add the MDI Golf Cart to our 'off road vehicle' fleet.

AirPod 2 Homologation

Work on the AirPod 2.0 homologation (certification) process is continuing. It is mandatory to get this approval. Individual component systems within the vehicle are tested such as brakes, steering, electro-magnetic capability, defrost systems, speed etc.

To provide immediate road access for the AirPod trials etc. MDI has a preliminary prototype certification for the AirPod 2.0. The 30 vehicles to be manufactured in the Belgium plant can be manufactured and distributed under this arrangement.

Capital Raising

With the current initiatives and the availability of parallel funding through the government agencies for factories our prospects look sound.

We are now in a position where we can present to cornerstone investors who will provide the larger sums required.

In the meantime working capital to achieve our objectives is essential.

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If you have an interest in the Offer and wish to read more you are invited to request the Information Memorandum from the Company.





In compliance with the Financial Markets Conduct Act 2013 to ensure that this newsletter is not taken as an offer document we are obliged to present the following statement:

- (a) Please note that under this shareholder letter no money is currently being sought; and*
- (b) that financial products cannot currently be applied for or acquired under the offer or intended offer; and*
- (c) that, if the offer is made, the offer will be made in accordance with the above Act; and*
- (d) the Company is seeking preliminary indications of interest and if you have an interest please request an Information Memorandum from the Company; and*
- (e) Please note that no indication of interest will involve an obligation or a commitment to acquire the financial products.*

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