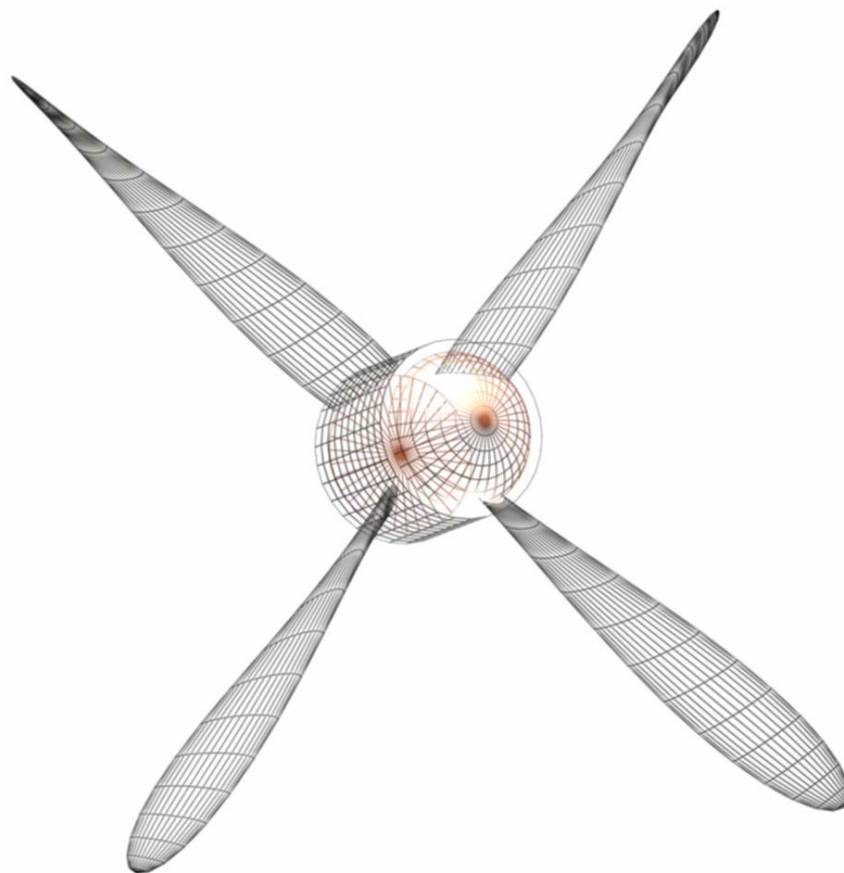


Windwalker



EXECUTIVE SUMMARY

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Windwalker

Int. ®

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Over 5,000 years have come and gone since man first began to employ the kinetic energy inherent in the wind. It was first utilized in moving small objects across land and water. From that advent was developed an initial apparatus, crude at best, with strange looking rotating wings which ultimately became known over 3,000 years ago as a windmill.

With the progression in understanding of the science behind fluid flow as posited by the likes of Aristotle (350BC), Newton (1642-1727), Pascal (1648) Bernoulli (1738), Venturi (1746-1822), as well as other physicists and atmospheric scientists too numerous to mention here, a body of empirical evidence began to be developed and understood; upon which predictable applications could be realized and employed. This brought about a rebirth and acceleration of various applications which have, to date, continued to mature. Today we have windmills that are quite sophisticated, and when built in multiples, can produce substantial amounts of intermittent power. It is this historical scientific foundation, spanning thousands of years of analysis and application, upon which *WINDWALKER* rests.

In contrast consider the Manhattan Project which had as its reference only a few pages of theorem that tentatively confirmed that a fission bomb was theoretically possible, and literally a flash-in-a-pan lab test that lasted a millisecond. Based solely upon this experiment, and devoid of any historical record of trial and error with which to build upon, the United States Government committed billions of dollars, and over 130,000 of its scientists and technicians to develop the ultimate weapon of mass destruction known today as the atomic bomb. This, in spite of the fact that many of the scientists working on this project feared that it wouldn't work, or that if it did work, it might start a chain reaction that would destroy the world, and create the ultimate scourge of all mankind.

Such is not the case with *WINDWALKER*. We do not face such a daunting prospect. We know for a certainty, thanks to those who have gone before, what harnessing the wind will do; what the parameters of that application are, and how best to harness it without any prospect of destroying anything. It will, however, eliminate the pollutants realized from the use of fossil fuels, as well as all the other non-environmentally friendly modes of generating power which are presently polluting our world.

What is it about the *WINDWALKER* system and approach that evokes such a paradigm shift in thinking and application, and is so unique and innovative? To put it simply, it is found in employing what is understood about fluid flow on a horizontal plane and taking it “vertical”, and by doing so increasing its force exponentially. The whole dynamics of fluid flow is transmogrified by an apparatus created for the specific purpose of accommodating the natural enhancement and acceleration of wind in a controlled environment.

We do not have to be rocket scientists in order to comprehend some of the dynamics associated with this phenomenon. All one needs to do is turn on The Weather Channel the next time a meso-cyclone (better known as a tornado or hurricane) blows through, and pay attention to Dr. Who’s Who describing what is transpiring relative to its inherent dynamics. Some of the very physics that come into play there are evident and operating in the *WINDWALKER* system. Fortunately, the major difference being that ours is a controlled environment; one in which, by design, we can control the velocity of the fluid flow, and in the system accelerate or decelerate its movement. Since the air (fluid flow) is in constant movement within our system, there remains a constant source of power 24/7/365.

Therefore, without further ado, I would like to invite you to take a walk with me through the following pages, and read what some of the world’s leading experts have to say about *WINDWALKER*. The following quotes were taken verbatim from what was said by them and recorded on film. You will understand, as they do, that ***WINDWALKER is the way of the future.***

W.S. Blackfox, I
Inventor, Chrm. & CEO

THE WINDWALKER ENERGY SYSTEM

The *WINDWALKER* System, by design, incorporates proven scientific principles of fluid dynamics known and utilized for centuries. These include the Bernoulli Effect, the Venturi Effect, the *WINDWALKER* Acceleration Methods, as well as other factors, which together constitute a quantum leap in the quest to extract maximum efficiency from wind driven electrical energy systems. It is a shrouded system; a round cylinder vertically inclined in which air flows into its base and is accelerated by various means. The kinetic energy produced is then extracted by an electrical generating system.

“Obviously there is considerably more power that can be extracted from the wind. The ability to control the pitch of the blade, and the ability to control the airflow by shrouding the system has many advantages certainly over an open system. So the power producing capability is phenomenal with the WINDWALKER system.” - Dr. Robert Oetting / Professor Emeritus - Aeronautical Engineering

The *WINDWALKER* system of fluid dynamics requires a paradigm shift in thinking and approach to harnessing and utilizing the power inherent in the wind. Just as those who used the power of a flowing river to turn water wheels for thousands of years had to change their thinking with the advent of the dam, and its ability to concentrate and accelerate the flow of water and thereby increase power output, so we must now change our thinking in relation to utilizing the power of wind.

“Being able to accelerate the wind as it passes through the system allows two major benefits: first, we can generate electricity with a wind speed as low as 1/10th of one mile per hour; secondly, as speed increases, power output increases exponentially. Further, this is a shrouded system. This means that we get more of the available energy from the high-speed wind as it goes through. Overall, a highly effective, environmentally safe, electrical generating system.” - Dr. Ivon Lowsley / Professor Emeritus – Environmental & Civil Engineering

The *WINDWALKER* system's utilization of wind, a benign and replenishable source of power, has no polluting emissions, no global warming green-house gases, and no contaminating residue such as those produced by burning fossil fuel or nuclear power. Furthermore, the absence of the necessity for *WINDWALKER* to burn fuel to produce energy eliminates a great deal of expense that would otherwise have to be considered in the overall cost of producing electricity.

“We are talking about twenty-first century technology here in terms of the generating equipment; in terms of what this facility would do as a power supply.” - Mr. Timothy Boe - International Award Winning Architect (1949-2013)

The *WINDWALKER* system will create large quantities of environmentally sustainable energy; ranging from several hundred to several thousand megawatts of firm, dispatchable base load power. *WINDWALKER*'s ability to produce large amounts of power from small or full scale power plants frees it from bottom line constraints which have inhibited others in their development of wind driven electrical energy systems.

"Most renewable energy technologies because of their nature were technologies pretty small in size. A large renewable energy project these days is about 100-200 Megawatts. That's a very large project. The vast majority of renewable energy projects are 25 Megawatts or less. When you have a technology that can have, as its basis, a power plant that can be sized at 2000 Megawatts, 2500 Megawatts, 4000 Megawatts you are talking about an exponential increase in the actual energy that is generated using a very benign ecologically sensitive resource—wind." – Les Garden / United States Department of Commerce-retired (Recognized expert on renewable energy)

The *WINDWALKER* system's uniqueness from others is *WINDWALKER*'S inherent ability to accelerate the speed of the wind. The energy available in a wind stream being proportional to the cube of its speed means, in layman's terms, that by doubling the mean wind speed there is eight times as much available power. The *WINDWALKER* system can double the speed of the wind many times over; thereby, increasing the power output exponentially.

*"Now, if that blade system at the same time could be shrouded so that there are no tip losses, then there are considerable increases in efficiency and the controllability of the wind as it goes through that shrouded system. At the base of a stack system like the *WINDWALKER* system, if the wind were coming in at, let's say, 15 miles per hour, and if we move up that stack where we could increase the wind to 30-mph, that is double the wind speed. Then we could, at that point, extract eight times the power that we could at the 15-mph wind coming in. You can extend this all the way up the stack system as you look at higher positions along the stack system." – Dr. Robert Oetting / Professor Emeritus - Aeronautical Engineering*

The *WINDWALKER* system carefully controls the velocity of air flow to create a continuous base load source of electrical power which would be available 24 hours a day; rather than the variable supplemental wind power produced from current technologies such as wind mills which rely on seasonal wind patterns. With *WINDWALKER*'s ability to accelerate any given mean wind speed day or night we have, for the first time in history, harnessed the power to control the wind and produce constant base load, dispatchable power 24 hours a day, every day, anywhere in the world.

*"The beauty of the *WINDWALKER* is that besides being large in size it also manages to both manipulate, and in a sense, control the wind so that your resources are always there. The design takes a natural resource that is always with us. There is always wind. It may be very light in velocity but it is always there. And the *WINDWALKER* can take that, and actually size it, and control it so that you can generate large amounts of electricity from it. It is very exciting." – Mr. Les Garden / United States Department of Commerce-retired (Recognized expert on renewable energy)*

The *WINDWALKER* system's unique design allows the air passing through the electrical field to carry with it a by-product known as ozone—0 to 5% of a given volume of air depending on the type of generating equipment used. Because of the proximity in height in relation to the upper atmosphere where the air carrying the ozone would exit (above ½ mile high), the potential exists for a unique and very positive impact on our environment.

“In certain circumstances when you have a major storm, where there is an updraft, it is possible that ozone from the WINDWALKER system could be carried up into the Stratosphere and, thereby, supplant ozone that is presently being depleted. However, a far more plausible prospect is that if you built the WINDWALKER systems all over the world, there is the distinct probability that you could create a whole new ozone barrier at a lower level.” – Dr. John Theon, Chief, Atmospheric Dynamics and Radiation Branch-NASA-retired

The advent of the *WINDWALKER* system at this juncture and time in history places it in a unique and crucial position in addressing the growing concern over the accelerated use of fossil fuel powered generating plants not only due to the depletion of these resources, but also their inherent adverse impact on the environment. There are currently laws being enacted that will ultimately be enforced throughout the world, which will compel the Industry to switch to renewable energy based systems. After all is said and done the ones left standing will be those whose modus operandi is based on a benign, environmentally friendly resource—Wind!

“I see the energy future of the world, even the near term future—near term being between now and 20 to 30 years; is going to require renewable energy based technologies such as the WINDWALKER that does produce large amounts of energy, because it can't come from any other fuel source. If it does come from fossil fuel resources we are forced to face the result of that which is enormous amounts of pollution, and potential climate change problems. You can even look into the future even further than that, 50 years down the road. Most of the energy generated throughout the world will be renewable energy based. There's no doubt about that.” – Mr. Les Garden / United States Department of Commerce-retired (Recognized expert on renewable energy)

The *WINDWALKER* electrical energy system is a shrouded system vertically inclined. Air flows into the system at its base and is accelerated. The kinetic energy produced is then extracted by means of an electrical generation system. It is the most commercially viable and environmentally sustainable system ever developed.

WINDWALKER has a number of advantages when compared to fossil-fuel fired facilities. It provides a hedge against increases in fuel prices and related costs such as carbon or fuel taxes, and decreases in fuel availability. In addition, wind power is a domestic energy resource that, for many countries, reduces the burden of hard currency expenditures for imported fossil fuels. A *WINDWALKER* facility can be built in small scale increments having relatively short construction cycles, resulting in less risk of an inappropriately sized facility, and lower or no regulatory risks.

Unlike traditional fossil fuel power plants, *WINDWALKER* power plants are non-polluting and are responsive to legislative and regulatory policies favoring renewable energy resources, and/or requiring consideration of environmental externalities. The *WINDWALKER* system can be built on a small or full scale; therefore, its plants can be built virtually anywhere.

SMALL SCALE POWER PLANT DIMENSIONS (4 units)

A small scale power plant would be approximately 5,280+ feet in height having a generating capacity of 4 gigawatts, with an initial capital outlay of \$2,500,000,000+ (US)*. Assuming that a given plant is producing 4 gigawatts (4,000 megawatts) of constant base load dispatchable power, and that the electricity produced is being sold for 12¢ per kilowatt hour (national average retail price), the annual income would be approximately \$4,204,800,000 (US). Since the anticipated initial capital investment required to build a small scale power plant is approximately \$2,500,000,000 (US) the cost of initial investment could be recovered in the first full year of operation.

As a rule, a development cycle based on a 4 shroud unit is the anticipated approach that will be used in developing *WINDWALKER* power plants. Whether or not they will remain a small scale power plant or ultimately be developed into full scale power plants (24 to 100 units) will be predicated solely on the immediate and ultimate future determinate needs.

FULL SCALE POWER PLANT DIMENSIONS (24 units)

A full scale (24 units) power plant's capital investment cost, by incorporating the economy of scale, would be approximately \$6,750,000,000+(US)*. With a power output of 24 GW (24 million kilowatt hours) and a 12¢ per kWh return for the electricity supplied, the anticipated annual income would be approximately \$25,228,000,000(US). At this rate, it is anticipated that the recovery of the initial capital investment for the power plant, could be recovered in the plant's first full year of operation. A full scale power plant with 48 units would double the capacity (48 gigawatts) with approximately twice the production and initial capital cost of \$13,500,000,000(US).

The approximate dimensions of a full scale power plant (24 units) would encompass a base diameter of 2,000 feet, a circumference of over 1 mile, and an overall height of 5,280+ feet (1 mile) comprising 24 shrouds; with beginning production capacity of 24,000 megawatts, enough power for approximately 24 million people, and a capital cost of approximately \$6,750,000,000+(US)*. If a decision were made to finish the interior, of what in essence would be a completely enclosed facility with approximately 25,000,000 square feet of interior space, there would be ample room for a sports stadium and an indoor theme park on the ground floor. Upper levels of the facility could be used to house a World Trade Center, apartment complex, hospital, hotel, shopping center, restaurants, etc. creating a virtual city under one roof in which hundreds of thousands of people would interact daily in a facility creating its own power supply, and selling the excess power (approx. 90%) to another consumer.

The anticipated time required to develop a power plant would range from 3+ years, for a small scale power plant, to as long as 10 years for a full scale power plant. It would be predicated on numerous factors such as size, logistics, licensing, financial requirements, etc. Each power plant's development would be unique in its own right.

* The **plus** portion of the anticipated capital cost of a power plant would be predicated upon what is developed inside the power plant facility.

CAPITAL INVESTMENT SUMMARY

Single Shroud Power Plant

Total investment		\$421,875,000 (US)
kW capacity	1,000,000.00	
Total installed cost (per watt)	\$0.42	
Cost Breakdown (Millions)		
Mechanical Equipment = 26%	109.60	
Structural Equipment = 57%	240.40	
Shrouds & Support Equipment = 17%	<u>71.70</u>	
Total	\$421.70	

(Figures include .03¢ per kWh government pmt.)

Item	Wholesale (.085¢ kWh)	Retail (.12¢ kWh)
Kilo-watt hour	1000000	1000000
Cents per kilo-watt hour	0.085	0.12
Per hour	\$85,000	\$120,000
Hours per day	24	24
Per day income	\$2,040,000	\$2,880,000
Operating days per year	365	365
Projected income	\$744,600,000	\$1,051,200,000

Small Scale Power Plant (4 Shrouds)

Total investment		\$2,500,000,000(US)
KW capacity	4,000,000.00	
Total installed cost (per watt)	\$0.31	
Cost Breakdown (Millions)		
Mechanical Equipment = 26%	650.00	
Structural Equipment = 57%	1425.00	
Shrouds & Support Equipment = 17%	<u>425.00</u>	
Total	\$2,500.00	

(Figures include .03¢ per kWh government pmt.)

Item	Wholesale (.085¢ kWh)	Retail (.12¢ kWh)
Kilo-watt hour	4000000	4000000
Cents per kilo-watt hour	0.085	0.12
Per hour	\$340,000	\$480,000
Hours per day	24	24
Per day income	\$8,160,000	\$11,520,000
Operating days per year	365	365
Projected income	\$2,978,400,000	\$4,204,800,000

Full Scale Power Plant – 24 Units

Total investment		\$6,750,000,000(US)
kW capacity	24,000,000.00	
Total installed cost (per watt)	\$0.28	

Cost Breakdown (Millions)

Mechanical Equipment = 26%	1,755.00
Structural Equipment = 57%	3,847.50
Shrouds & Support Equipment = 17%	<u>1,147.50</u>
Total	\$6,750.00

(Figures include .03¢ per kWh government pmt.)

Item	Wholesale (.085¢ kWh)	Retail (.12¢ kWh)
Kilo-watt hour	24000000	24000000
Cents per kilo-watt hour	0.085	0.12
Per hour	\$2,040,000	2880000
Hours per day	24	24
Per day income	\$48,960,000	\$69,120,000
Operating days per year	365	365
Projected income	\$17,870,400,000	\$25,228,800,000

Mega Power Plant – 100 Units

Total investment		\$25,000,000.000(US)
kW capacity	100,000,000	
Total cost installed (per watt)	\$0.25	

Cost Breakdown (Millions)

Mechanical Equipment = 26%	6,500
Structural Equipment =57%	14,250
Shrouds & Support Equipment =17%	<u>4,250</u>
Total	\$25,000

Item	Wholesale (.085¢ kWh)	Retail (.12¢ kWh)
Kilo-watt hour	100,000,000	100,000,000
Cents per kilo-watt hour	0.085	0.12
Per hour	\$8,500,000	12,000,000
Hours per day	24	24
Per day income	\$204,000,000	\$288,000,000
Operating days per year	365	365
Projected income	\$74,460,000,000	\$105,120,000,000

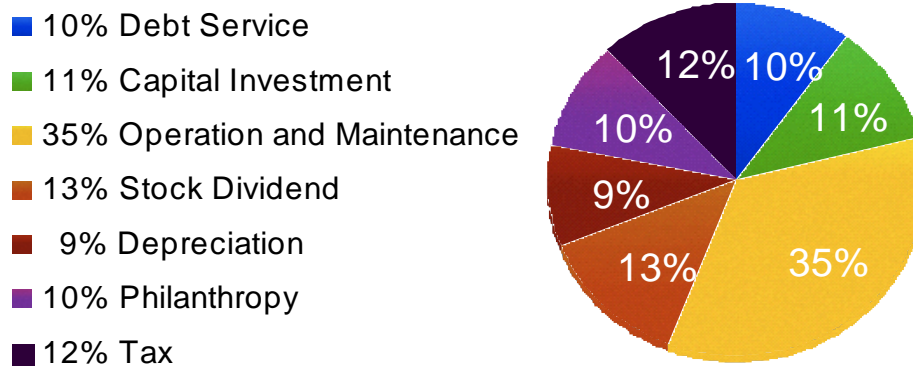
Depreciation is recorded on a straight-line basis over the estimated useful lives as shown below:

Buildings and improvements – 30 years Plants – 30 years
Machinery and equipment – 10 years Furniture fixtures - 5 years

REVENUE AND EXPENSES

Scale of Percentages Based On Industry Averaging (DOE)

Revenue and Expenses



LONG TERM GOALS

The overall plan is to develop *WINDWALKER* power plants throughout the world, and capture as much of the estimated 10 Trillion dollar market need that, at present, will not be met by any other entity.

WINDWALKER believes that it will have a significant opportunity to develop power plants due to the worldwide demand for new and replacement energy capacity. It has been estimated that in the United States, up to 300,000 MW of capacity additions will be required by 2025, costing over \$700 billion. International capacity additions are expected to be 52 times the United States requirements. By way of comparison, utilities in the United States currently operate approximately 4,000,000 MW of generating capacity.

The decisions involved in choosing both the fuel source and the technologies that will be utilized to fulfill these new generation requirements will be determined largely by the prevailing views of regulators, and the public on such issues as capital cost, fuel price escalation, environmental impacts, fuel diversity, and utility rates of return. Based on the rate at which utilities are currently signing contracts for the purchase of wind powered facilities, and legislative and regulatory mandates requiring environmentally safe generating technologies, and the enactment of multinational treaties forcing the industry throughout the world to change to environmentally friendly and sustainable technologies; *WINDWALKER* believes that utilities will select *WINDWALKER* for a portion of this new and replacement generation capacity. Such selection would create a significant expansion of the windpower market, creating opportunities for rapid and substantial growth of *WINDWALKER*'s business.

Furthermore, it is the intent of *WINDWALKER* to use, not only, the standard grid transmission and distribution system that presently exists for the transmission of electricity, but to also use the wireless transmission system due to be available in the near term. The wireless transmission system will completely change, for the better, how the world receives and utilizes electrical energy.

BUSINESS

Patents

Although we are in the patents pending process, *WINDWALKER* will not only rely on patents to protect its share of the market for windpower, but also on its expertise, continuing enhancement of its existing technology, and research and development to maintain its market position.

Power Purchase Agreements ("PPAs")

WINDWALKER has received offers to engage in PPAs and power plant development projects in the United States, as well as other parts of the world.

Increasingly, utilities are meeting needs for electricity through PPAs with other utilities or third-party suppliers based on competitive bid solicitations. Other PPAs are negotiated directly with a utility or negotiated in accordance with available programs offered by the utility. *WINDWALKER* will continue to aggressively pursue these contracts.

In addition, *WINDWALKER*'s marketing efforts include the pursuit of *WINDWALKER* development opportunities under joint development agreements with large, well-capitalized partners. *WINDWALKER* believes the visibility and credibility of such partners, and the existence of local partners for international projects, increases the probability of successful development of its projects.

Target Markets

Along with the wholesale and retail market, *WINDWALKER* is targeting the Federal Government's differing agencies.

Corporate Management Style

The *WINDWALKER* Corporation, maintaining the highest standards ethically, and morally, foresees a partnership relationship among all of its associates; with everyone participating in the overall ownership and development of the company.

Philanthropy

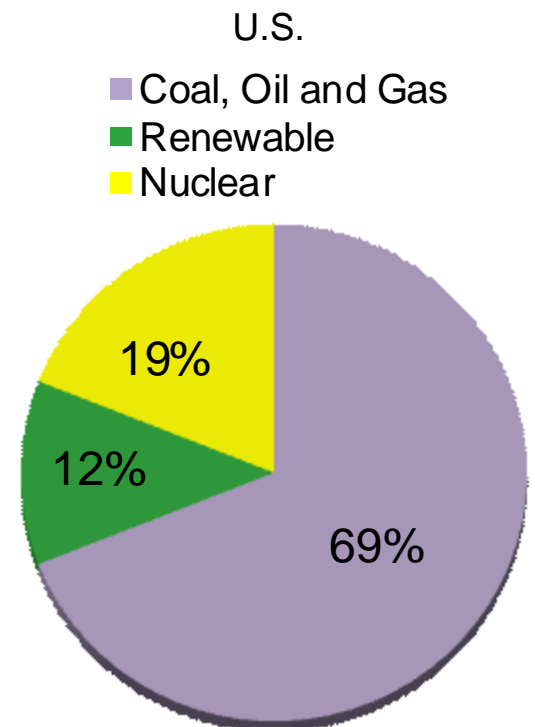
WINDWALKER believes it has a responsibility to the world community. It shall, therefore, endeavor to do all that is within its power to reflect positive change socially, economically, environmentally, and spiritually. It will endeavor to do so through the auspices of The Children's Foundation and has committed 10% of all proceeds for this purpose.

COMPETITION AND APPROXIMATE MARKET DISTRIBUTION

As the table indicates, approximately 88 % of the electrical power presently produced by United States utilities is derived from polluting, non-renewable resources which are subject to volatile market fluctuation and complete deregulation now being instituted to facilitate a free market system. This makes *WINDWALKER* superior because the entity capable of producing electricity for the lowest cost with no adverse environmental impact will be the one left standing after the dust settles.

With low unit energy costs over the life of the power plant, the *WINDWALKER* system will not be affected by fuel availability or price volatility. By contrast, combined-cycle natural gas fired power plants, the favored utility hydrocarbon-based power technology of the late 1980's and early 1990's, will be held hostage to the effects of fuel supply and demand, as well as the fact that it produces 50% as much carbon dioxide emissions as coal fired power plants. *WINDWALKER*'s ability to harness a natural, renewable source of power, while magnifying, and maximizing its efficiency, highlights the technology's economic and environmental sustainability. That alone makes *WINDWALKER* superior to nuclear or fossil fueled power technologies, and enhances its prospects for contracts.

The cost of producing electricity through the *WINDWALKER* system is substantially less than conventional means, i.e., coal, oil, nuclear, combined-cycle natural gas, etc. The Company anticipates selling its electricity at an average wholesale price of 5¢ per kilowatt hour. By way of comparison, the average wholesale cost of a kilowatt hour in the United States is 8¢, while the average utility retail price per kilowatt hour is 12¢. The anticipated capital cost for building power plants producing electricity based on cost per watt (pw) produced is as follows: nuclear—\$10.00 pw, solar— \$8.25 pw, combined cycle natural gas—\$3.50 pw, coal—\$2.50 pw, windmill—\$2.50 pw, *Windwalker*—25¢. pw.



Because of its renewable energy status, the Company expects to receive a total renewable energy incentive payment of an additional 3¢ per kilowatt hour (kWh); a 1½¢ per kWh from the state, and 1½¢ per kWh from the Federal Government (the latter mandated by Public Law 102-486). In addition, a 1½¢ per kWh Federal tax credit is available for privately produced wind power. These, as well as other tax credits will reduce *WINDWALKER*'s, as well as investors' tax liabilities.

ENVIRONMENTAL IMPACT

The *WINDWALKER* electrical energy system derives its energy from the wind, and does not produce pollutants such as acid rain which is a by-product of coal and natural gas fired power plants. It also serves as an alternative to oil, gas, and nuclear power, and its inherent liabilities.



(Beijing, China Air from Coal Fired Plant, January 5, 2014)



The estimated cost of cleaning up the air pollution in China is \$817 Billion dollars (US). \$163 Billion dollars (US) for Beijing alone



(Fukushima Nuclear Power Plant, Japan, March 11, 2013, INES Rating 7)



(Chernobyl Nuclear Power Plant,
Ukraine, April 26, 1986,
INES Rating 7)



(Kyshtym Nuclear Power Plant,
Soviet Union, September 29, 1957,
INES Rating 6)



(Windscale Nuclear Power Plant Fire,
Great Britain, October 10, 1957,
INES Rating 5)

(Three Mile Island Nuclear Power Plant, United States,
March 28, 1979, INES Rating 5)



(Tokia-Mura Nuclear Power Plant, Japan,
September 30, 1999, INES Rating 4)

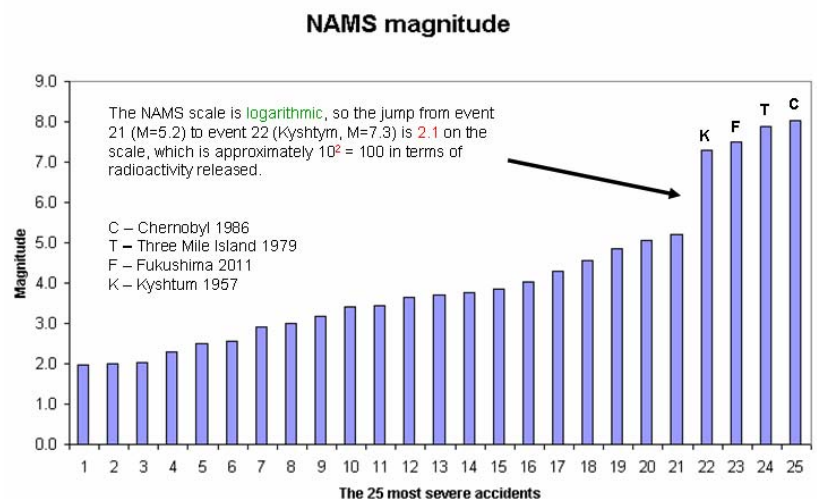


What you have observed in these photos is inevitable and will only become worse. Is this the future that you want?

(INES Scale for Nuclear Accidents)

7	Major Accident Chernobyl, Ukraine (1986) Fukushima, Japan (2011)
6	Serious Accident Kyshtym, Soviet Union (1957)
5	Accident: Wide Consequences Three Mile Island, USA (1979) Windscale, UK (1957)
4	Accident: Local Consequences St. Laurent, France (1969) Tokaimura, Japan (1999)
3	Serious Incident Sellafield, UK (2005) Paks, Hungary (2003)
2	Incident Blayais, France (1999) Forsmark, Sweden (2006)
1	Anomaly Gravelines, France (2009) TNPC, France (2008)
0	Deviation (No Safety Risk) Krsko, Slovenia (2008) Atucha, Argentina (2006)

(NAMS Scale for Nuclear Accidents)



Environmental Studies

The latest International Energy Agency (IEA) 2013 tracking report of the carbon intensity of energy supply since 1970 shows no recent improvement; and underscores the need for more conservative effort. It shows that in 2012 carbon dioxide emissions from energy reached record highs. Furthermore, this report demonstrates for a majority of technologies, that could save energy introduced carbon dioxide (CO₂) emissions, progress is alarmingly slow. The global energy supply is getting no cleaner, despite efforts to advance clean energy.

The International Energy Outlook 2012 (IEO 2013) projects that world energy consumption will grow 56% by 2040 to 820 quadrillion BTU, and that fossil fuels will continue to supply approximately 80% of the world energy use through 2040. This means that world-wide energy related carbon dioxide emissions from 31 billion metric tons will increase to 45 billion metric tons in 2040, a 45+% increase.

World net electricity generation is projected to increase by 93% from the present 20+ trillion kilowatt hours, to 30+ trillion kilowatt hours by 2040, and this in spite of the fact that 1.3 billion people in the world today don't have access to electricity. If that gap (1.3 billion people) were filled, the increase would be off the charts.

Unlike windmills which have a history of killing birds, bats, etc., the owners of which are now being prosecuted criminally for such incidences; *WINDWALKER* is an enclosed shrouded system, thereby, eliminating this potential hazard. Furthermore, because the blading and generators are enclosed in a shrouded system we eradicate the noise and vibrations associated with windmills.

Licensing & Regulations

WINDWALKER does not anticipate having to comply with any more than the standard regulations that apply to present wind energy systems; which effects at present are not adverse. City, county, state, and federal laws have already been enacted in the United States to encourage 3+¢ per kWh renewable energy incentives, and accommodate alternate energy development to help insure its success, with the added bonus of, in certain circumstances, no state or federal permitting or licensing requirements.

International Treaty Requirements

International treaties, as well as state and federal laws which have been enacted, and continue to be enforced, are compelling the industry to reduce carbon dioxide emissions; thus forcing them into renewable non-polluting types of energy production in order to meet code requirements. These mandates will not only continue to be enacted, but will be escalating throughout the next generation due to the fact that, although trillions of dollars have been spent over the past fifty years, virtually no improvement has been realized to reduce green house gases and pollutants

“PURPA” WINDWALKER with QF Status

The enactment in 1978 of the Public Utility Regulatory Policies Act ("PURPA") and the adoption of regulations, therein, by the Federal Energy Regulatory Commission ("FERC") provided incentives for the development of co-generation facilities, and small power production facilities (those utilizing renewable fuels, and having a capacity of less than 80 MW). In 1990, Congress amended PURPA to lift the 80 MW ceiling on facilities using certain renewable fuel technologies.

A domestic electricity generating project must be a qualifying facility, or "QF", such as *WINDWALKER*, in order to take advantage of certain rate and regulatory incentives provided by PURPA. PURPA exempts QFs from the Public Utility Holding Company Act ("PUHCA"), and most provisions of the Federal Power Act (the "FPA").

PURPA provides two primary benefits to QFs. **First**, QFs are relieved of compliance with extensive federal, state, and local regulations that control the development, financial structure, operation of an energy-producing plant, and the prices, and terms under which energy may be sold by the plant. **Secondly**, FERC's regulations promulgated under PURPA require that electric utilities purchase electricity generated by QFs, the construction of (energy-producing plants) which commenced on or after November 9, 1978, at a price based on the purchasing utility's full "avoided cost," and that the utility sell back-up power to the QF on a non-discriminatory basis. FERC regulations also permit QFs and utilities to negotiate agreements for utility purchases of power at rates lower than the utility's avoided costs. As a result of competitive bidding for utility power purchases, the current practice is for most power sales contracts to be awarded at a rate below avoided cost. While public utilities are not explicitly required by PURPA to enter into long-term contracts, PURPA helped to create a regulatory environment in which it has become common for long-term contracts to be negotiated.

State public utility commissions ("PUCs") have broad authority to regulate both the price and financial performance of electric utilities. Since a power sales contract will become a part of a utility's cost structure (and, therefore, is generally reflected in its rates), power sales contracts from independents are potentially under the regulatory purview of PUCs. However, many PUCs are normally favorably disposed toward independent power contractors, and will often pre-approve contracts with prices that do not exceed the avoided costs of the purchasing utility because such contracts often have been acquired through a competitive or market-based process. Recognizing the competitive nature of the acquisition process, most PUCs will permit utilities to "pass through" expenses associated with an independent power contract to the utility's retail customers.

EVALUATING THE WINDWALKER CONCEPT

Questions & Answers		
The Business Industry		
How economically healthy is our business industry or sector? It is very healthy, with an expected growth potential of 10 Trillion dollars over the next generation. With accelerated deregulation being instituted in virtually every country including the U.S. the whole world is becoming wide open for <i>WINDWALKER</i> development.	Yes	
Are the forecasts for our industry or sector positive?	Yes	
The Produce/Service		
Is our product viable?	Yes	
Can it be developed in a reasonable period of time?	Yes	
Are the costs of development prohibitive?		No
Are necessary supply and support systems established?	Yes	
The Market		
Is the market clearly identifiable?	Yes	
Is the market large enough to support our business?	Yes	
Is the market too large and the costs to reach it prohibitive?		No
Is the market growing? Estimate growth 10 Trillion dollars over the next generation.	Yes	
Is the market ready?	Yes	
Is the product/service too new for customers?		No
Do customers have strong loyalty to existing companies?		No
Does our product/service integrate easily with existing products or services?	Yes	
The Competition		
Do one or two competitors dominate the market? Coal and gas	Yes	
Is market share widely distributed, making it easier to get a foothold?	Yes	
Is there a competitor with "deep pockets" who can drive us out?		No
Is our competition formidable? It is well established, yet vulnerable to new environmentally friendly and economically sustainable systems of electrical production.	Yes	
Will our future competitors face barriers to market entry? Stiff and growing opposition from environmentalists, prohibitive plant production costs, more competition from renewable energy sources, and higher costs for fuel because of depleted resources will make it difficult.	Yes	
Pros and Cons to Environment		
Are the units harmful to wildlife? Since the systems are enclosed there is no danger to wildlife.		No
Will there be additional noise? The enclosed systems will prevent any additional noise to the environment.		No
Are the units harmful to the environment?		No

Questions & Answers		
The Suppliers / Distributors		
Are the suppliers and distributors reliable? Very reliable and long established.	Yes	
Are we dependent on one or two suppliers or distributors?		No
Are suppliers/distributors well established and dependable?	Yes	
Will we be in close proximity to sources of supplies?	Yes	
The Operation Concerns		
Does our business entail unusually difficult operational problems?		No
Will personnel be hard to find, retain, or train?		No
Is manufacturing particularly complex?		No
Must we make substantial initial capital expenditures?	Yes	
Will we need to maintain large, expensive inventories?		No
Does new technology exist that will help us to reduce costs?	Yes	
The Insurance Concerns		
Are we able to secure the necessary insurance?	Yes	
Is there a significant liability issue?		No
Will we have to carry heavy insurance premiums?		No
The Financial Concerns		
Is overhead unusually high, thus putting pressure on cash flow?		No
Will credit be hard to establish?		No
Are profit margins narrow, making the business vulnerable?		No
Will we have to carry a large amount of debt?		No
Do the principals have the expertise necessary?	Yes	
Will ongoing training be required?	Yes	
Will it be costly to retain additional experts?		No
Is the industry or market changing rapidly? “Accelerated” deregulation.	Yes	
Are there demographic or sociological factors likely to affect the market?		No
Are there rapid technological changes that will affect cost and competitiveness?		No
Permanent Jobs Created		
Stats based on industry averaging: Single Unit – 5,000 New jobs created Small Scale (4 units) – 20,000 New jobs created Full Scale (24 units) – 120,000 New jobs created Mega Scale (100 units) – 500,000 New jobs created **Please Note** These numbers do not reflect the thousands of job opportunities created in constructing the power plants, nor the support staff that will be required for the businesses that potentially will be housed “inside” the facilities once completed.		
*Please Note: For more in depth answers to the Q & A Section please send request via an email.		

BOARD OF DIRECTORS

Gonzalo Accame

Corporate Communications / Television Broadcasting & Production

While pursuing his Master of Arts degree, and teaching television production at Boston University, Mr. Accame was the recipient of the first Gerhard Wiebe Scholarship Award for his achievements in academics, and the field of broadcasting.

He received national and international recognition, and has a diverse background in the broadcasting field. His career began in 1978 at WBZ-TV4 in Boston. He was soon promoted to field producer of “Evening/PM Magazine”. In 1980 he joined the national syndicated television program “Real to Reel” as field producer; traveling extensively throughout the United States producing, and filming mini-documentaries ranging from nuclear disarmament, terminal disease, movie/television personalities, and sports. He has also participated in productions in Mexico, Venezuela, Puerto Rico, Poland, Czechoslovakia, Hungary, Israel, Greece, Italy, Brazil, St. Croix, and Peru.

In 1982 he founded Accame Productions and has provided services in the communications field to many Fortune 100 corporations, television networks, national foundations, religious organizations, advertising and public relations firms, and many more. In 1994 he co-founded Visual Edge to offer production services to his many clients.

Among some of his achievements are: The Cine Golden Eagle, The Wilbur, The Gabriel, and the All American soccer player in college.

Dr. C. Neil Beer (BD–Emeritus)

President SECON Inc.

Retired Major General United States Air Force

Dr. Neil Beer has held a variety of executive level positions in government and industry. His academic credentials include a BS in Engineering, *magna cum laude*, and a Ph.D. in operations research/mathematical programming.

From 1956 to 1985, he served in the US military as a fighter pilot, associate professor of math science at the Air Force Academy, Director of Tactical Force Studies and Analyses at the Pentagon, as well as executive assistant to the Secretary of Defense. He achieved the rank of Major General; was also cofounder of the Air Force Space Command, and was the Deputy Chief of Staff for Plans and Programs responsible for the development of military strategy, operational forces, future forces structure acquisition, program management, support and funding in the budget process.

From 1985 to 1995 he worked with Lawrence Livermore National Laboratory, Western Research Corporation, Thermo Electron Technologies Corporation, and JMAR Industries; in positions ranging from Deputy for Strategic Defense to President and CEO. In 1996 he became president of SECON Inc, an OAO company focused on spacecraft systems engineering, software design/development, satellite operations and on-orbit support of classified government space programs.

Awards and honors include the following: Tau Beta Pi, Engineering Honorary Society, Distinguished Graduate, Industrial College of the Armed Forces, Outstanding Educator in America, NDIA Medal for Outstanding Achievement in Space, Distinguished Graduates Society, and Engineering, University of Oklahoma.

Elizabeth Blackfox

Corporate Secretary

Having had over 20 years secretarial and office management experience including public relations, bookkeeping and coordinating staff, Ms. Blackfox has also taught in Special Education with emphasis on psychology/counseling, and curriculum.

BOARD OF DIRECTORS (Cont.)

W. Steven Blackfox, I

Chrm. / Chief Executive Officer / Inventor: *WINDWALKER* Electrical Energy System

Mr. Blackfox, having attended Long Beach City College, Drury College, Southwest Missouri State University, Central Bible College, and Evangel University, has spent the past 30 years in development and research of the *WINDWALKER* System. During the period of higher education he participated in project analysis of Tennessee Valley Authority in conjunction with Sen. Dole's office in Washington, DC, was a general contractor participating in the Federal Government American Indian Minority Contractors Program, and engaged in commercial, industrial, and residential development. He was also President of the Children's Foundation and served on the Governor's Steering Committee for Children and Youth Services. Honors included Who's Who in American Colleges and Universities, National Deans List, Scholastic Award Scholarships, and Member of Pi Gamma Mu International Honor Society.

David Boe

Boe Real Estate

Mr. Boe has expertise in the development of real estate projects for commercial and residential developers. He has provided financial planning and training for Native American tribes and communities and was responsible for development and implementation of loan programs. He has served as loan officer for many subdivisions in Southern California.

Jimmy V. Dunn

Entrepreneur

Mr. Dunn has a wide range of experience having worked with the Federal Bureau of Investigation in Washington, DC, the United States Postal Services, various insurance companies, as well as having served as Executive Vice-President of an interstate banking organization. He is currently involved with an Internet marketing company managing sales.

Ronald Foster

Citibank – Business Banker

Mr. Foster has extensive knowledge of treasury management, complex credit financing, investment banking, wealth management and personal banking. He is an expert witness regarding valuation of real property, and real estate appraisals for financial institutions as well as individuals. He has expertise as a marketing manager of over 250 clients, as well as a provider of in-service training to administrative staff. Mr. Foster is multi-lingual and graduated cum laude with a BA in Sociology and Psychology from LA TECH University. He is commissioned in the State of Maryland as a Notary Public.

BOARD OF DIRECTORS (Cont.)

Eric Klinefelter

Vice President - Signal Marketing

Since 1994, Mr. Klinefelter has provided project management services and support for Signal Marketing clients; overseeing the implementation of more than 60 marketing and eCommerce Web sites. As Vice President, Mr. Klinefelter supervises every aspect of client deliverables – from initial meetings through to completion of all projects. As Signal's Technical Director, he also provides IT expertise, ensuring the smooth execution of all Signal electronic communications projects, from planning to deployment. He also supervises all Web programming, applications integration, testing, and deployment. Prior to joining Signal, he served as Director of Operations and Technology for PhotoGroup; the largest commercial photography studio in the Mid-Atlantic region. Mr. Klinefelter received a Bachelor of Science degree from Rochester Institute of Technology.

Kevin Kropf

Owner - Stutzman & Kropf Contractors, Inc.

Mr. Kropf operates a successful contracting business in Oregon. He has also served on a number of boards of directors for numerous businesses and non-profit organizations in Oregon.

Dr. Ivon H. Lowsley, Jr.

Professor Emeritus – Computer Science

Civil / Environmental Engineer

Dr. Lowsley has had numerous engineering consulting projects during the years he has served as Professor of Computer Science at Southwest Missouri State University. He has been responsible for each phase of project development from conception to fruition, and has had primary responsibility for the successful achievement of project goals in a wide variety of projects. These projects have required knowledge in the areas of critical path management, air pollution, municipal waste landfills, as well as, consulting in the computer field. With over 20 years of consulting experience, Dr. Lowsley has a wide range of expertise in specific areas as well as interdisciplinary skills.

Dr. Lowsley is a registered professional engineer in Missouri, and was previously certified as a Planner-In-Charge. He has been a member of numerous engineering societies, and has made frequent presentations to professional groups; as well as having had several articles published in the professional literature.

Dr. Lowsley is a graduate of the U.S. Naval Academy; served 5 years in the Navy as an officer, earned his Masters of Engineering (Civil) from the University of Oklahoma, and received his Ph.D. in Environmental Engineering Science with a strong background in computers and operations research from the Johns Hopkins University.

BOARD OF DIRECTORS (Cont.)

Bob Marshall, CPA, PFS

Marshall & Associates, PLC

Mr. Marshall is a leader in the design and implementation of innovative tax planning strategies for high net worth entrepreneurs, and he has provided court testimony for various tax and business matters in client litigation support. He also delivers internal and external presentations on technical tax issues. He graduated summa cum laude with a BA in Accounting.

Mr. Marshall's public accounting expertise has afforded him the opportunity to advise large corporations and entrepreneurs on an array of tax, accounting, and business issues; and he has worked with KPMG, LLP in their Washington national tax office. He is Vice President of Intangible Tax Planning Corp. which provides tax planning, and business valuation services for estate and gift tax planning and compliance purposes. He assists in the purchase and sale of business enterprises. Mr. Marshall is owner of Marshall & Associates, PLC providing tax consulting, tax compliance, expert witness testimony, and litigation support to clients.

Dr. Robert B. Oetting (BD-Emeritus)

Professor Emeritus - Mechanical & Aerospace Engineering

Former Director of Continuing Education - University of Missouri-Rolla

For the last thirty seven years Dr. Oetting has taught mechanical & aerospace engineering at the University of Missouri-Rolla. His expertise in aeronautics and fluid dynamics has earned him numerous research contracts and awards. He has been affiliated with numerous jobs in industry, and with government research laboratories; and in 1972 took a one year sabbatical at the prestigious Von Karman Institute for Fluid Dynamics in Belgium.

Dr. Oetting is a member of numerous honor societies, is recognized as an outstanding engineering educator and is listed in many national directories including Who's Who in Aviation & Aerospace. He has professional affiliations with the American Institute for Aeronautics & Astronautics, is a member of numerous national committees including General Aviation Technical Committee, Society of Automotive Engineers, and Aerospace Simulation Technical Committee, serving two years as its chairman. He is an avid aviator, licensed private pilot and advanced ground school instructor.

Rev. Jeff Swaim

Corporate Chaplain

Rev. Jeff Swaim is a much sought after mentor with proven success in influencing effective change through progressive ministries. He has excellent management skills and experience in developing and mobilizing volunteers for global service. He is a nationally sought out motivational speaker and author. He is also a successful fund-raiser for non-profit organizations.

RISK FACTORS

New Invention

Although the *WINDWALKER* system incorporates and utilizes proven scientific principles of fluid dynamics and has similar characteristics of other shrouded systems, its approach and design concepts are new. It is, therefore, considered a new invention with revolutionary results. Like any other new invention it can be anticipated there may be glitches, delays, etc. that can adversely affect progress, and or development.

New Venture

As in all ventures, there exists the potential and element of risk. Although *WINDWALKER's* management believes it has a comprehensive system and approach to preclude potential risks, as a rule there always exists, even in the best laid plans, the potential for unseen peril, and impediment that could preclude successful development of any given project, and must be understood in that context.

Financing Requirements

WINDWALKER generating facilities require substantial capital investment. Arranging for the cost of such financing is dependent on numerous factors. These factors include general economic and capital market conditions, credit availability from banks or other lenders, investor's confidence in the developer and/or wind power, the success of *WINDWALKER's* projects, and tax laws affecting project ownership or profitability. While *WINDWALKER* believes that adequate sources of financing will be available, at present, fewer of the financial institutions that invest in utility-scale generating facilities invest in wind power projects than in other generating technologies.

Risk Factor Relating to Power Systems

WINDWALKER plans to develop large and complex power generation facilities. Completion of any project is subject to risks. Before a project can be financed or construction commenced, initial environmental, siting, and other governmental permits and approvals must be obtained. The permitting process is lengthy and can be complicated. In addition to permits which *WINDWALKER* is required to obtain directly, local governing authorities may also be required to take certain actions. There is risk that a project under development will be opposed by community groups in the locality of the project or by other interested third parties on the basis of environmental or other concerns which may affect the ability of *WINDWALKER* or other project participants to obtain necessary local permits. In addition, these projects require substantial initial capital investment, which may not be available for numerous reasons; political impediments, general economic conditions, and investor confidence. There can be no assurance that all permits and approvals necessary for *WINDWALKER's* project will be obtained, or that financing will be available to complete a planned project.

Dividend Policy

Although *WINDWALKER* looks forward with excitement and anticipation to the time when it will be able to pay dividends, any future declaration of dividends will be subject to the discretion of the Board of Directors of *WINDWALKER*, and be subject to certain limitations; and will depend upon *WINDWALKER's* results of operations, earnings, financial condition, cash requirements, future prospects, and other factors deemed relevant by *WINDWALKER's* Board of Directors.

Environmental Regulation

The construction and operation of power projects can be subject to extensive federal, state, and local laws and regulations adopted for the protection of the environment, and to regulate land use. The laws and regulations applicable to any given project primarily involve the discharge of emissions into the water and air, and the use of water, but can also include wetlands preservation, endangered species protection, waste disposal, and noise regulation. These laws and regulations, in many cases, require a lengthy, complex process of obtaining licenses, permits, and approvals from the respective agencies, and can prolong or preclude the development of a given project.

Windwalker International®

Windwalker@Windwalkerinc.com

This is a statement of my intention to purchase stock of the *WINDWALKER* Corporation knowing that this is a private purchase exempted from registration, which exemption is provided by Regulation D of the United States Securities Act of 1933 (The Act), and will remain so until the Registration for Public Sale is finalized.

I further acknowledge that until said securities are registered, I may not resell or make other disposition of said securities except in transactions exempted from registration. I understand that the *WINDWALKER* Corporation is relying on the statutory “exemption from registration” provided by State and Federal Securities Acts and is basing its reliance, in part, on my said representations.

It is herewith agreed that none of these shares will be sold until at least one year after *WINDWALKER*’s Initial Public Offering.

I have received and examined the Prospectus of the *WINDWALKER* Corporation which I consider sufficient to enable me to form a decision concerning my purchase, and I desire to: purchase _____ shares of preferred stock (\$25.00 per share).

Amount enclosed \$_____.

Signature Date

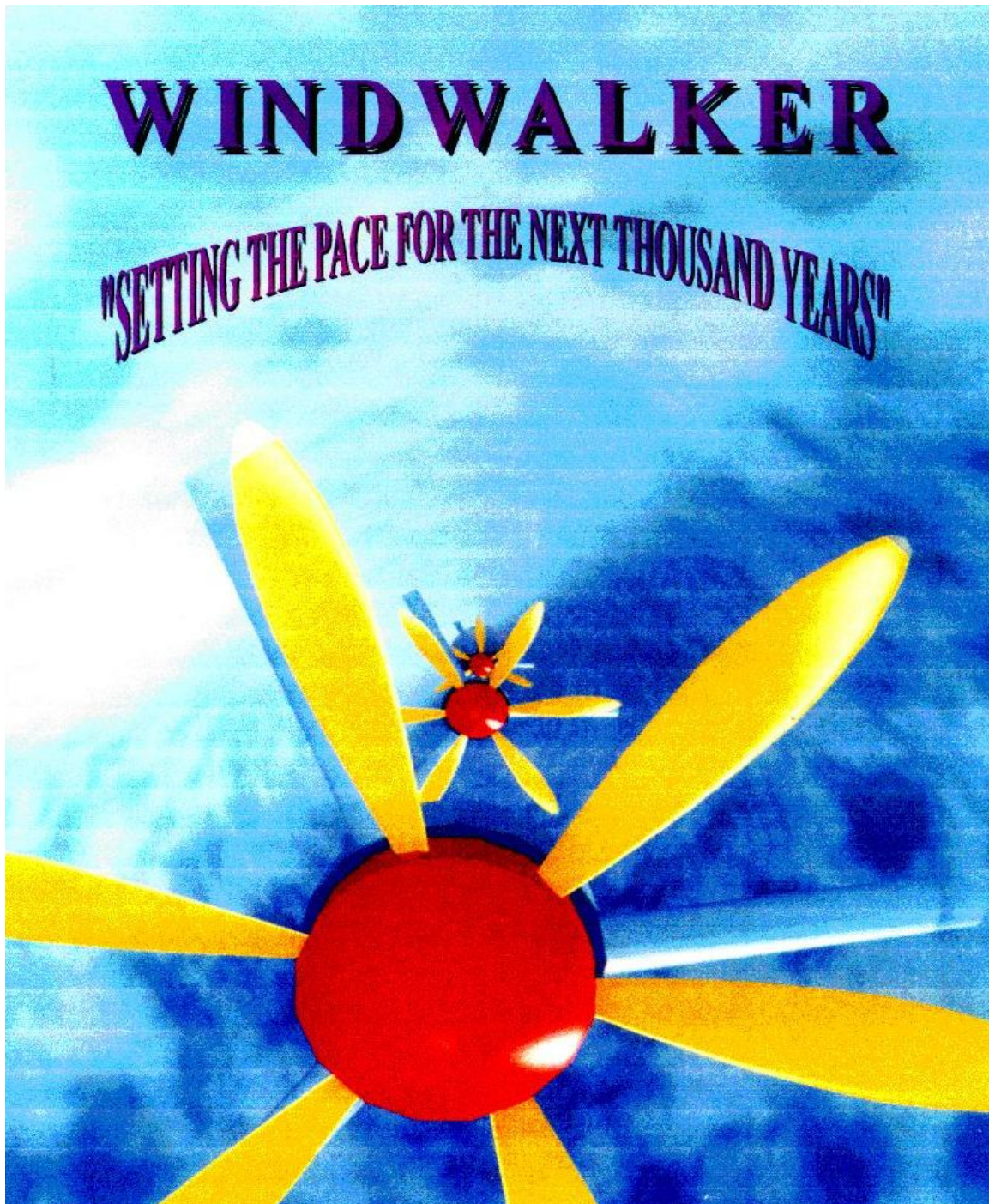
Print name

Street/Apt. #

City/State/Zip

Telephone

Email



This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, the stock in any jurisdiction where, or to any person to whom, it is unlawful to make such offer or solicitation. Neither the delivery of this Prospectus nor any sale made hereunder, shall, under any circumstances, create an implication that there has not been any change in the facts set forth in this Prospectus or in the affairs of the company since the date hereof.