

Christos Stremmenos
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Wednesday, 12th October 2011

Dear Christo,

It was with profound regret that I read your public letter and personal attacks against Defkalion. I was even more surprised by the obvious contradiction with your status as Honorary Vice President and Head of our company's R&D. In legal terms, this could be considered by ill-wishers as a breach of contract.

Please recall that we have incurred considerable damage in the recent past from inaccurate statements. For example the announcement of alleged rights of Ampenergo, which are contradictory to our contractual rights with EFA.

Christo, as you remember, the contract we signed on November 17, 2010 with EFA, clause 1.13 clearly states that our global presence excludes the USA and military applications.

As a key player involved between the contracted parties, you also signed a document relinquishing your impartiality to become a formal member of Defkalion's BoD with the position of VP of R&D, which was given to you after your personal request for this position and was unanimously agreed by our BoD.

Since June you have unfortunately missed all BoD meetings and R&D development breakthroughs. Although you and Rossi received, signed and approved our product designs for Version 3, we have made significant progress since then and are now in Version 7, which leads to a full working prototype ready for production.

Your declaration that "we don't have the technology" is in contradiction to your recent attempts to entice away our scientists which was not concluded successfully.

We stress again that it is a pity that our designs were applied wrongly, demonstrating in public, immature prototypes with wrong protocols and instruments as explained in our communication on Monday, 10th October.

In all such cases, had there been close cooperation with Defkalion to develop the technology together, as opposed to focusing and putting pressure on us to receive money, many of these unfortunate legal and technical misunderstandings could have been avoided.

As such, all these created serious delays for all contractual parties and for payment to be made according to our contract. You will safely recall that payment is based on the successful demonstration according to protocols and procedures that have been supplied to EFA, whose conditions have not been met yet.

Many will agree that this situation is confusion to the point of comic tragic. Defkalion has the science, the know-how and the ability to proceed, the team, the electronics, the engineering, as well as all the funds required to move this project forward; there is no delusion. Yet, there seems to be a strange urgency to avoid the kick-off of this project but instead just to create negative noise. Defkalion respects your position and friendship, as well as Rossi's creativity and ingenuity. However, patience has its limits and business has its goals.

It would be a shame for Defkalion to move forward in LENR either alone or with alternative technologies.

I hope you agree that such a situation of confusion can only create great consternation. However, Defkalion confirms that it has the organization and professional team, plus all necessary infrastructure in order to direct the availability of funds. I sincerely hope that we shall press the start button together.

Alexandros Xanthoulis