



## **MOLLER INTERNATIONAL FINDS ETHANOL TO BE THE PERFECT FUEL FOR USE IN ITS ROTARY ENGINES**

DAVIS, Calif.--(BUSINESS WIRE)--Aug. 3, 2006--Moller International, Inc. (OTCBB:[MLER](#)), the developer of the Skycar<sup>®</sup> aircraft, the Rotapower<sup>®</sup> line of rotary engines and the Aerobot<sup>®</sup> line of Unmanned Aerial Vehicles (UAV), today announced it has found that ethanol fuel is the perfect fuel for most applications using its Rotapower<sup>®</sup> engines. The Rotapower<sup>®</sup> engine was originally developed by Moller International (MI) for its Skycar<sup>®</sup> aircraft, a four-person Personal Air Vehicle (PAV) designed for both Vertical Takeoff and Landing Vehicle (VTOL) and high-speed (350 mph) forward flight. Moller's engine is very powerful for its weight, low cost, nearly vibration free and generates very low levels of harmful emissions. Considerable interest has been shown in its potential application in motorscooters, recreational and utility vehicles as well as hybrid cars and in portable power generators.

The Rotapower<sup>®</sup> engine is a multi-fuel compatible engine and in testing various fuels including gasoline, diesel, natural gas, and various types of alcohol, MI found that their engine ran coolest and cleanest on ethanol. In addition, the already outstanding emissions characteristics of their charged-cooled rotary engine designs were further enhanced with the use of ethanol.

Through a cooperative agreement with the Ethanol Promotion and Information Council (EPIC), MI tested ethanol under a wide range of conditions in its line of rotary engines and found that it was the best fuel choice overall. "It runs so clean that when we disassemble and inspect the engine after a test it is spotless inside...just like new," said Paul Moller. MI has developed a variety of rotary engines from 1.5 to 300 horsepower, and now recommends that they all be run on ethanol when available.

### **MOLLER INTERNATIONAL**

Moller International was formed in 1983 and recently signed a Memorandum of Agreement that is expected to lead to high volume production of its Rotapower<sup>®</sup> rotary engine in Eastern Europe. This alliance which includes MI's exclusive Rotapower<sup>®</sup> engine licensee, Freedom Motors (see [www.freedom-motors.com](http://www.freedom-motors.com)) is to be named Rotapower Limited and is anticipated to produce engines for a wide variety of applications in the world market.

MI is in the process of installing more powerful versions of its Rotapower<sup>®</sup> engines in the M400X Skycar<sup>®</sup> aircraft in preparation for a public demonstration scheduled for the spring of 2007. The Skycar<sup>®</sup> has been featured on a number of TV programs including CBS 60 Minutes, "Highway In the Sky", NBC's Today Show "Today's American Story", and History Channel's, "Greatest Movie Gadgets: Then and Now".

### **SAFE HARBOR STATEMENT**

Except for historic information contained in this release, the statements in this news release are forward-looking statements that are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements involve known and unknown risks and uncertainties, which may cause a company's actual results in the future to differ materially from forecasted results. These risks and uncertainties include, among other things, the company's ability to attract qualified management, raise sufficient capital to execute its business plan, and effectively compete against similar companies.

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