

PATENT AND PATENT APPLICATION ASSIGNMENT

THIS PATENT AND PATENT APPLICATION ASSIGNMENT (this "Assignment") is made this 6th day of March, 2007 by and between NanoDynamics, Inc., a Delaware corporation having offices at 901 Fuhrmann Boulevard, Buffalo, New York 14203 (the "Assignor"), and NanoDynamics Energy, Inc., a Delaware corporation having offices at 901 Fuhrmann Boulevard, Buffalo, New York 14203 ("Assignee").

WHEREAS, Assignor owns the entire right, title, and interest in and to certain inventions set forth in certain United States patents more particularly identified on Schedule A attached hereto (the "Patents") and the inventions set forth in certain United States, foreign, and international patent applications also more particularly described on Schedule A attached hereto (the "Patent Applications");

WHEREAS, it is the intention of the parties that Assignor assign to Assignee the Assignor's entire right, title and interest in and to the Patents, the Patent Applications and the inventions set forth therein;

NOW THEREFORE, for good and valuable consideration, the receipt for and sufficiency of which is hereby acknowledged, and intending to be legally bound:

1. Assignment.

(a) Patents. Assignor does hereby assign, transfer and deliver to Assignee, and Assignee hereby receives and accepts from Assignor, the entire right, title and interest of Assignor in and throughout the United States of America, its territories and all foreign countries, in and to the Patents and the inventions and discoveries set forth therein and all reissues, reexaminations, substitutions, and extensions thereof and all United States and foreign patents which may be issued on such inventions, all such right, title and interest to be held and enjoyed by the Assignee to the full end of the term for which the Patents have been or will be granted, renewed, substituted, reexamined, extended or reissued, as fully and entirely as the same would have been held and enjoyed by the Assignor if this Assignment had not been made, and Assignor hereby assigns any and all claims and causes for action for infringement of such Patent(s) which have accrued up to and including the date of this Assignment, including all rights to recover damages and injunctive relief in respect to such infringement.

(b) Patent Applications. Assignor does hereby assign, transfer and deliver to Assignee, and Assignee hereby receives and accepts from Assignor, the entire right, title and interest of Assignor in and throughout the United States of America, its territories and all foreign countries, in and to the inventions and discoveries as set forth in the Patent Applications, and any and all other applications which may claim priority under United States law or international convention, including, but not limited to, non-provisionals, continuations, divisionals, reissues, reexaminations, substitutions, or extensions thereof, and in and to any and all patents of the United States and foreign countries which may be issued for said inventions and discoveries. Assignor further authorizes Assignee to file patent applications in any or all countries on any or all of said inventions and discoveries in the Assignor's name or in the name

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of the Assignee or otherwise as Assignee may deem advisable, under the international convention or otherwise.

2. Registration and Issuance of Patents. Assignor hereby authorizes and requests the Director of the United States Patent and Trademark Office and the empowered officials of all other governments to record Assignee as the owner of the Patents and the Patent Applications and to issue to Assignee, in lieu of Assignor, in accordance with this instrument, all future Letters Patent, notices and any other communications and documents bearing on the Patents or on patents based on the Patent Applications.

[Signature Page Follows]

IN WITNESS WHEREOF, Assignor and Assignee have caused their respective duly authorized representative to execute this Assignment as of the 6th day of March, 2007.

NANODYNAMICS, INC.

By: Richard L. Berger
Print Name: Richard L. Berger
Title: President

STATE OF NEW YORK)
COUNTY OF Erie) SS:

On this 6th day of March, 2007, before me personally appeared Richard L. Berger known to me (satisfactorily proven) to be the person whose name is subscribed to and who executed the attached Patent and Patent Application Assignment, and he acknowledged the same to be his free act and deed.

SEAL

Notary Public: Diane McMahon

My commission expires:

DAVE J. McMAHON
Notary Public, State of New York
Qualified in Erie County
My Commission Expires 9/15/09

NANODYNAMICS ENERGY, INC.

By: Keith A. Blalock
Print Name: Keith A. Blalock
Title: President

STATE OF NEW YORK)
COUNTY OF Erie) SS:

On this 6th day of March, 2007, before me personally appeared Keith A. Blalock known to me (satisfactorily proven) to be the person whose name is subscribed to and who executed the attached Patent and Patent Application Assignment, and he acknowledged the same to be his free act and deed.

SEAL

Notary Public: Diane McMahon

My commission expires:

DAVE J. McMAHON
Notary Public, State of New York
Qualified in Erie County
My Commission Expires 9/15/09

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SCHEDULE A

Patents

<u>Title</u>	<u>Patent No.</u>	<u>Application No.</u>	<u>Issue Date</u>	<u>Country</u>
Solid Oxide Fuel Cell with Novel Internal Geometry	6,998,187	10/910,026	02/14/2006	U.S.

Patent Applications

<u>Title</u>	<u>Serial No.</u>	<u>Filing Date</u>	<u>Country</u>
Solid Oxide Fuel Cell System	10/939,185	09/09/2004	U.S.
Solid Oxide Fuel Cell System	PCT/US05/32299	09/08/2005	PCT
Textile Derived Solid Oxide Fuel Cell System	11/146,637	06/06/2005	U.S.
Textile Derived Solid Oxide Fuel Cell System	PCT/US06/22097	06/06/06	PCT
Solid Oxide Fuel Cell with Novel Internal Geometry	PCT/US04/25233	08/05/2004	PCT
Solid Oxide Fuel Cell with Novel Internal Geometry	93123678	08/06/2004	Taiwan

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Date • March 7, 2007

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Time •

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Secretary • Lori A. Calnan

Phone • 617.261.3228

Attorney No. • 5209

Client/Matter Name NDE-002 & NDE-005

Client ID/Matter No. • 0812965.0101

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