

Tuesday, July 7, 2015

Dear partners,
Herein is the periodic information from EGM.

First Shipment

We are pleased to announce that the first industrialized Meta-Alert™ system sensors had been shipped last week, and arrived to China.

This shipment is an outcome of enormous effort made by EGM team.

The activity took place in parallel fronts:

- Robust design for high reliability and quality products.
- Validation of optimal automatic manufacturing and testing capabilities (outsourcing).



These achievements put us in a position of readiness for future mass production quantities at any place that EGM chose.

Marketing

A. Further to meetings with two major Australian utilities, in which it was agreed to start the process of purchasing Meta-Alert™ system, EGM is acting as follows:

1. Technical and business negotiations with the customers
2. Discussions with officials to facilitate Governmental aid, dedicated to upgrade and enhance the (such aid is not a condition to proceed with the utilities).
3. Building the foundation for doing business in Australia by establishing local subsidiary with local partner.

The local partner is committed to bring all six Australian utilities – as customers (US\$1.5B potential market for us), and to facilitate the project finance.

B. In parallel, EGM is duplicating this model to UK, after a preliminary decision had been made by the largest UK utility.

C. Few days ago, a conference call held between Mr. Michael Pesin and EGM. Mr. Pesin was Chief Technology Advisor and Smart Grid Architect at Seattle City Light (<http://www.seattle.gov/light/>), and intend to become within two week Senior Advisor to US DoE Secretary in Washington DC.

This Conf-call, is a part of EGM activities to validate our solution advantages: technical and business-wise, in compare to the competition.



Mr. Pesin had understand our solution and business model, and stated that to his opinion, EGM solution has real technology advantages in all three major components: sensors, communication and big-data analytics capabilities.

Mr. Pesin added that EGM business model is unique (in compare to our competitors), and to his opinion will be very preferred by US customers.

I'd like to take the opportunity to draw your attention to an interesting interview by Fox news with Prof^o Yehuda Kahana, one of our major shareholder:

<http://video.foxnews.com/v/4280711216001/beyond-the-dream-yehuda-kahane/?#sp=show-clips>

Please feel free to contact me should you have any questions or need further information,

Best regards,

Amir Cohen

CEO