

Ford Motor Company

October 9, 2001

Mr. Alan L. Smith
Vice President
Polar Molecular Corporation
4600 S. Ulster Street, Suite 700
Denver, CO 80237

Dear Alan:

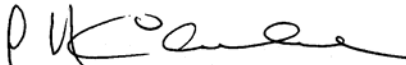
As you are aware, auto companies are working diligently on achieving simultaneous goals of decreasing exhaust emissions and greenhouse gases, while increasing fuel economy. At Ford, our comprehensive strategy to meet these goals includes both new and improved technology for vehicles, engines, exhaust treatment, and fuels.

One particular opportunity we have discussed is the reduction of engine octane requirement increase (ORI) that normally occurs with mileage. Every new engine is "de-tuned" to some extent to accommodate ORI and the extent of fuel economy lost is 3-5 per cent. Any new fuel technology that controls or reduces ORI would offer us a significant opportunity to "re-tune" our engines to gain back some or all of that fuel economy.

The data you shared with me demonstrated that PMC's principle product, DurAlt FC, has that capability when used as a gasoline additive. The data show a 55-80 per cent reduction of ORI over a range of engines and vehicles, including Ford, in both the U.S. and Europe. Your technology, if commercially available at the pump, would likely offer an immediate benefit to our customers whose engines are equipped with knock sensors. However, the greatest benefit to Ford would be when the technology is in all gasoline sold. Then we could "re-tune" all of our engines to take full advantage of the reduced ORI.

Consequently, we support your efforts to introduce DurAlt FC into the market and will work with you and others to gain the broader support necessary to achieve full market penetration.

Sincerely yours,



Jim Clarke
Director
Advanced Powertrain
Ford Motor Company