

EXHIBIT A
To
Consent Order and Judgment Dated September 12, 2014

IMPORTANT LEGAL NOTICE

REGARDING YOUR INVESTMENT IN NOVACON ENERGY SYSTEMS, INC.

September , 2014

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YOU MUST RETURN THE ENCLOSED FORM INDICATING WHETHER:
(A) YOU WISH TO RECEIVE A REPAYMENT OF A *PRO RATA* SHARE OF YOUR INVESTMENT
IN NOVACON OR
(B) YOU WISH TO REMAIN INVESTED IN NOVACON

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STATEMENT FROM THE NEW YORK ATTORNEY GENERAL

This Notice is sent to you regarding your investment in Novacon Energy Systems, Inc. and to advise you of an agreement resolving a case brought by the New York Attorney General against Novacon, its CEO, Stephen H. Baer, and its president Vivian Mook Baer. Under that agreement, you, as an investor in Novacon, may choose either to receive a repayment of your investment in Novacon *or* to remain invested in Novacon.

At the start of the Attorney General's case against Novacon, the court froze approximately \$1,200,000 in Novacon's assets, which is considerably less than the total amount investors have invested in Novacon. The agreement to resolve this case allows Novacon investors to decide, based upon each investor's proportional interest in Novacon, how those assets will be allocated.

If you choose to receive a repayment of your investment in Novacon, you will receive a bank check repaying your proportional share of the frozen funds, and when you cash or deposit the check, Novacon will retire your investment. If you choose the repayment option, you will not receive as much as you initially paid when you invested in Novacon because Novacon does not have sufficient funds to cover the full amount invested by every investor. You will receive a *pro rata* portion of the frozen funds that corresponds with the amount you invested. If you choose the repayment option, you will no longer hold any investment interest in Novacon, and thus, you will no longer share in any potential Novacon profits or losses.

If you choose instead to remain invested in Novacon, you will not receive any monies in connection with this Notice, and you will continue to hold an investment interest in Novacon. If you choose to remain invested in Novacon, a *pro rata* portion of the frozen funds that corresponds with the amount you invested will be returned to the company. Because the frozen funds are not sufficient to cover the full amount invested by each investor, Novacon will not receive as much money as you initially paid when you invested in Novacon.

BACKGROUND

This Notice and offer to all Novacon investors is part of a legal agreement ("Consent Order and Judgment") between Novacon and the New York State Attorney General's Office. Novacon agreed to the Consent Order and Judgment in order to resolve the case filed by the New York Attorney General against Novacon, Stephen H. Baer, and Vivian Mook Baer. The Attorney General sued Novacon in a civil action in November 2011, after conducting an investigation into Novacon's business.

In its lawsuit, the Attorney General alleged that Novacon and its CEO, Stephen H. Baer, together with Novacon's president Vivian Mook Baer, misled people, either directly or through a third party, Mr. William Rifkin, into investing in Novacon by means of false statements about Novacon and Mr. Baer. Novacon's technology, which the Baers claim reduces emissions in power plants and has additional advantages as stated in its patent, was not at issue in the lawsuit, and the Attorney General did not establish in the investigation or lawsuit whether the technology is valid. The complaint, the legal document that sets out the civil claims made by the Attorney General in the lawsuit, is available for you to review at <http://www.ag.ny.gov/investor-protection/legal-documents>, or you may contact the New York Attorney General to request a copy. Novacon has denied all the allegations in the lawsuit.

In October 2013, the court ruled that at least certain of Novacon's statements constituted repeated and persistent fraudulent business practices under a New York law that does not require the Attorney General to prove intent, and granted partial judgment in favor of the Attorney General as to those statements. In particular, the court determined that Novacon violated civil provisions of New York law by representing to investors that Mr. Baer possessed two academic degrees, when in fact he did not. The court found that Mr. Baer dishonestly represented himself as a "doctor," though he has never received a doctorate. In addition, the court found that the Baers used some of Novacon's corporate funds, including investor assets, for their personal benefit. The court ruled that this conduct violated New York law. Additionally, the court ruled that Novacon had violated New York law by failing to register with the Attorney General before selling securities. The judge ruled that a trial would be necessary to determine whether the Attorney General could prove certain additional allegations fraud. The judge made these rulings in court on October 21, 2013. A transcript of the judge's findings is available for you to review at <http://www.ag.ny.gov/investor-protection/legal-documents>, or you may contact the Attorney General to request a copy.

THE CONSENT ORDER AND JUDGMENT

To avoid further litigation over the Attorney General's remaining claims, the Baers, Novacon, and the Attorney General entered into a Consent Order and Judgment, which is attached to this Notice. The Consent Order and Judgment is a court order that reflects the agreement entered into by the Baers, Novacon, and the Attorney General to resolve this case.

THE ATTACHED FORM

You must return the enclosed form within 60 days, indicating whether:

- (A) you wish to receive a repayment of a *pro rata* share of your investment in Novacon, or
- (B) you wish to remain invested in Novacon.

You must sign the form before a notary public.

If, within 60 days from the date of this Notice, you have not completed and returned the enclosed form, your *pro rata* portion of the remaining Novacon funds will be held by the Office of the New York Attorney General on your behalf and may be remitted to the New York Office of the State Comptroller Office of Unclaimed Funds (www.osc.state.ny.us; (800) 221-9311).

IF YOU HAVE QUESTIONS

The Attorney General cannot provide you with legal or other counsel concerning the advisability of accepting repayment of a *pro rata* share of your investment in Novacon or remaining invested in Novacon. If you feel

that you need advice of this kind, you should retain and consult with a lawyer or other business or investment professional.

While the Attorney General cannot provide you with legal or other counsel concerning the advisability of accepting repayment or remaining invested, if you wish to request any of the documents described in this Notice, you may contact the New York Attorney General as follows:

Investor Protection Bureau
Office of the New York State Attorney General
120 Broadway, 23rd Floor
New York, NY 10271
(212) 416-8222

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STATEMENT FROM STEPHEN H. BAER AND VIVIAN MOOK BAER

Novacon, through Steve and Vivian Baer, remain of the belief that its TAMS process is viable, particularly with this proceeding resolved as it has now been. The proceeding, which addressed the question of whether the Baers violated the New York General Business Law and Executive Law, did not call into question the validity of Novacon's technology, and the court did not consider or address the validity of the process for clean burning coal or other applications. The Attorney General has taken no position on the technology itself. The Baers themselves stand by the efficacy of Novacon's products and its potential for financial viability. The Baers regret that their fundraising was not in compliance with New York law, which they admit, but they deny that they intended to deceive anyone about their product or its future.

Any money remaining in the company because of investors who wish to continue to support Novacon will be used only to further Novacon's business activities, most specifically in the securing of a long-term contract for the use of Novacon's technology in one or more applications as set forth in its patent and embodied in its trade secrets and for the purchase of equipment and supplies necessary to demonstrate the technology and secure contracts for its use.

Recently, two separate provinces in China have expressed interest in Novacon's technology. There has also been interest by the Ukraine, Brazil, the State of Wyoming, and several plants in Pennsylvania.

INFORMATIONAL CALL

On September __, and October __, at 12 noon, Eastern Time, the Baers and their attorneys will host an informational telephone call to which all current investors are invited to call in for up-to-date information about Novacon. You may call in at that time to hear about and ask questions about the Baers' plans for the company and Novacon's products. *The Attorney General's case against Novacon will not be discussed.*

To join either call dial (617) ____ ____ and then, when prompted once your call is answered, dial _____ and press pound (#).

The Baers look forward to speaking with those investors who wish to participate in the call.

Novacon, the Baers, and their attorneys cannot provide you with legal or other counsel concerning the advisability of accepting repayment of a *pro rata* share of your investment in Novacon or remaining invested in Novacon. If you feel that you need advice of this kind, you should retain and consult with a lawyer or other business or investment professional.

Enc.

Date: _____

John J.E. Markham, II, Esq.
One Commercial Wharf West
Boston, MA 02110

**FORM RESPONSE TO NOTICE REGARDING INVESTMENT IN
NOVAACON ENERGY SYSTEMS, INC.**

Dear Mr. Markham,

I, _____, have received and read the Notice Regarding Investment In Novacon Energy Systems, Inc. dated September __, 2014.

I am aware that neither Novacon nor the Attorney General can provide legal or other counsel concerning the advisability of accepting repayment of my investment in Novacon or remaining invested in Novacon, and that Novacon and the Attorney General have stated that if I feel I need advice I should consult legal or other professional counsel concerning this matter. I have either done so or have independently concluded that such advice is unnecessary.

Circle the option you wish to choose and cross out the option you wish to reject:

OPTION A: I wish to receive a repayment of a *pro rata* share of my investment in Novacon.

OPTION B: I wish to remain invested in Novacon.

If you choose Option A, please provide the following information:

Date on which I invested in Novacon: _____/_____/_____

Amount invested: \$ _____

Did you ever sell or transfer your investment in Novacon, in whole or in part, to any other person or entity? _____ Yes _____ No

If "Yes," to whom did you sell or transfer your investment?

Name: _____

Address: _____

Your current contact information:

Name and address under which investment was made (if different):

Name: _____

Address: _____

Telephone: _____

Email address: _____

PLEASE ATTACH TO THIS FORM **PHOTOCOPIES** of any documents you have to demonstrate the amount you invested in Novacon, for example bank statements or cancelled checks. **DO NOT SEND ORIGINALS.**

Very truly yours,

Signature: _____

Date: _____

Print Name: _____

State of _____ }

County of _____

Subscribed and sworn to before me this _____ day of _____, 2014.

_____, Notary Public

My commission expires: _____