Green Baron New Focus Report

Upgrade to New Pick

Axial Vector Engine Corporation

(OTCPK: AXVC - .50 per share)

Also traded on Frankfurt symbol BAE1

www.axialvectorengine.com

Common Shares Outstanding / 49.18 million
Current Market Cap / $24.09 million
52-Week High / $1.28 per share
52-Week Low / $.112 per share
Three year high / $6.80 per share
Average Price / $.5136 (50-day) $.5896 (200-day)
Average Volume / 45,400 (50-day) 65,500 (200-day)

Axial Vector to Demonstrate and Take Orders for its Revolutionary Portable Low Cost Power Generators at WETEX March 11-13 in Dubai

Deliveries of Multi-fuel GENSETS are Backed by Project Finance Agreement of $45 Million; Green Baron Expects AVXC to Break Out Any Day!

The Green Baron Report has watched Axial Vector trade for years. We have monitored developments closely and seen huge run ups on hope for commercially ready product and pullbacks following more delays. Although technology developed by Axial Vector always appeared state-of-the-art, we wanted to be assured that the Company could produce a finished, working product and have the ability to deliver. **Finally, we are convinced the wait is over, and now is the perfect time to suggest our members grab this stock due to timely events going on this month!**

The Green Baron Report is proud to announce that Axial Vector Engine Corporation (OTCPK: AXVC) is officially our 67th fully profiled stock and will be added to our storied list of previously profiled stocks on our home page.

Results compiled from the most recent trade possible prior to dissemination of this report to the subsequent high will be monitored at www.thegreenbaron.com. Although we have very aggressive short and long term expectations for this stock, we still suggest our members try to accumulate shares as close to today's profile price as possible.

Axial Vector Engine has four separate technologies: 1) A multi-fuel "workhorse" engine, 2) Marine / Aviation "Gas Cam" engine, 3) 200kw GENSETS that combined create 1 megawatt of portable power, and, 4) A line of "ultra efficient small electric motors" for use in all major appliances. These technologies generally consume less fuel, require fewer moving parts, and are considerably smaller than existing engines that produce the same power. The first commercially marketed product will be the 200kw GENSETS and will be shown at the WETEX 2008 Conference March 11-13 in Dubai.

Last week, **The Green Baron Report** initiated coverage of Axial Vector as a new stock alert. We anticipated that developments announced through a conference call after the close of trading on Wednesday, February 27 deserved the attention of our members. Upon further review of those comments and discussions with many people who fully understand the magnitude of those developments, we have decided to upgrade Axial Vector Engine Corporation to a fully profiled stock pick.

The Green Baron Report believes that the following represents our top reasons for our members to accumulate right now:

- Demonstration of fully functional GENSETS at the Dubai WETEX Conference next week will validate its technology and demonstrate that the Company has corrected previous setbacks. This proof is expected to dazzle attendees from around the world.

- Financial commitment and support from EICA who has already purchased 10% of the outstanding stock and has rights to purchase another 15%. This Dubai based advisory firm is chaired by a member of the Royal Family of Dubai, United Arab Emirates. It should go without saying that EICA has deep pockets and tremendous world contacts.

- EICA is also purchasing Adaptive Propulsion Systems in Detroit, Michigan for cash and injecting millions to expand the facilities. It was just released that closing of the purchase is expected to happen by the end of March 2008

- Huge benefits of AVEC's GENSETS over competition include lower installation and operating costs, an estimated 40,000 hours of run-time between overhauls, remote monitoring, small size and easy mobility, use of cheaper and more environmentally-friendly bio-fuels, multi-fuel capable, and the ability to bring electrification to remote regions without extending the power grid. High-value markets include backup generator systems, emergency generation during catastrophes, electrification programs in Third World countries, and military applications.

- February 28, 2008 announcement that $45 million is committed to project finance for GENSET development.

- One mega-watt price is set at $274,500, which is 25% less than the current market leaders. In addition, buyers can earn "carbon credits" for each megawatt of power produced.

- The ability for user of AVEC genset to receive carbon credits if using eco-friendly fuels adds a completely new dimension to power generation.

The Green Baron Report believes AXVC will begin moving up literally any day. The stock traded the entire years of 2005 and 2006 at prices between $1 and $5 per share without any revenue generating orders and without the support of an institution with Royal Family ties. Now that Axial Vector is on the verge of a major commercially viable product and has huge financial support to deliver, **we believe the stock should now trade at a minimum of $2 per share in the near-term even in this challenging market. This would represent a more than 200% gain from current prices.**

This pick really appears to be a no-brainer. Do not let the pink sheet listing keep you from considering a purchase. It appears to us that the Company's recent listing on the Frankfurt in late November 2007 was done to focus on European interest in the company. We understand that Axial Vector has plans for a respected DAX listing in Germany. The stock will rise in the U.S. as it goes up in Europe. We want our members to win here!

About Axial Vector Engine Corporation

Axial Vector(TM) Engine Corporation is a publicly traded company (OTC Pink Sheets: AXVC.PK) that owns, develops and licenses proprietary intellectual property regarding unique internal combustion engine technologies. AVEC is applying these technologies to develop an exciting, new, smaller and lighter internal combustion engine that produces significantly greater horsepower and three times more torque on less fuel than conventional engines of similar size.

About Emirates International Capital Advisory

Emirates International Capital Advisory (EICA) http://www.emiratescapital.net is a Dubai based advisory firm chaired by His Royal Highness Sheikh Marwan bin Mohammed bin Rashid Al Maktoum. The firm provides advisory services on investments in the United Arab Emirates and abroad on behalf of its clients in various aspects of commerce.

The firm actively seeks out opportunities to invest its capital by taking positions in ventures that have promising returns. EICA continuously seeks out niche markets that have been overlooked and targets best in class solutions and groundbreaking technologies to bring to market.

EICA's highly professional staff, coupled with its vast network of resources, provides it with agility to quickly mobilize resources to secure strategic positions. Drawing upon 25 years of financial and advisory expertise, EICA is able to methodically and successfully execute, establishing a position as one of the leading 'home bred' advisory firms in the region.

Technologies

THE AXIAL VECTOR ENGINE

The revolutionary Axial Vector Engine is AVEC's flagship technology and will serve as the core of the company's initial market applications. This incredibly powerful, lightweight, and highly efficient radial-design engine is capable of producing significantly higher horsepower and torque with considerably lower fuel requirements than is the case for conventional engines of similar size. At the same time, the Axial Vector Engine is less costly to manufacture and operate, and provides significant environmental advantages over standard internal combustion engines.

Specifically, the Axial Vector Engine:

- Is lighter and smaller than conventional engines
- Incorporates about 80% fewer parts as you no longer need a transmission
- Requires less maintenance
- Has a high power-to-weight ratio
- Is less costly to produce
- Is considerably cleaner with fewer emissions
- Is capable of using multiple fuel type, including diesel, JP5 and JP8 military fuels, kerosene, bio-diesels, ethanol, any oily vegetable oil, and

other blends of these fuels, with a special conversion kit available for the combustion of natural gas or propane

- Can be controlled electronically from remote locations via satellite

- Employs remote diagnostics, warms when replacement of parts is necessary before complication occurs.

The first production engine built using the advanced AVEC engine technologies is the "Workhorse 7.2", a multi-fuel, low-emission, high-horsepower, high-torque engine with multiple commercial, military, and vehicular applications that is designed to be the best engine available in its class. This engine produces 3.14 torque per horse power, so the 352 hp workhorse engine produces 1140 torque!

POWER GENERATORS AND GENSETS

In addition to its engine technologies, AVEC has designed a revolutionary new family of high-power "Axial Flux" coreless electric generators that reach 98.5% efficiency in converting mechanical to electric energy. AVEC's Axial Vector Engine is designed to be seamlessly integrated with two 100 kW Axial Flux generators in order to create a 200 kW generator set (GENSET) that is expected to become AVEC's first commercially marketed product.

Because of their advanced design and high native fuel efficiency, AVEC's GENSETs have tremendous potential in the high-end generator market, with the capacity to become one of the most versatile and lowest-cost power generators in the world. Some of the advantages of AVEC's GENSETS are:

- Lower installation and operating costs
- Computerized monitoring systems that continually identify and enforce ideal engine speeds and other engine parameters
- An estimated 40,000 hours of run-time between major engine overhauls
- Remote monitoring and diagnostics
- Small size and easy mobility
- Use of cheaper and more environmentally-friendly bio-fuels
- Multi-fuel capable, reducing the dependence on foreign oil sources

- Ability to bring electrification to remote region without extending the power grid

There are numerous potential high-value markets for AVEC's GENSETS, including backup generator systems, emergency generation during catastrophes, electrification programs in Third World countries, and motor power systems for high-energy-use consumer and commercial appliances like refrigerators and air conditioners.

MILITARY AND COMMERCIAL APPLICATIONS

Military Applications

Military and commercial applications represent an enormous, near-term market opportunity for the AVEC engine and GENSETs. The Axial Vector engine is ideal for military applications for a variety of reasons; including greater fuel efficiency, smaller size, significantly lower weight, the presence of fewer operating parts, and an unmatched weight-to-horsepower and weight-to-torque ratio. The Axial Vector Engine is currently being tested for use on mobile military platforms and for fulfilling various military propulsion and other needs. The ability to join 5 lightweight 200kw gensets, to make one megawatt of portable, multi-fuel power platform is unrivalled today.

Multi-Fuel Capabilities

Unlike most existing, gasoline-fueled engine technologies, the Axial Vector Engine was designed to run efficiently on multiple types of fuels, a significant benefit to the US military since the military has been directed to phase out use of all gasoline-powered engines within the next few years. Significantly, the Axial Vector Engine can run on diesel fuel, kerosene, bio-diesels, JP5 and JP8 military fuels, ethanol, and blends of these fuels. A special conversion kit is also available for the combustion of natural gas or propane. It can also run on bio fuels such as ethanol bio diesel and palm oil.

Digital Control and Remote Diagnostics

One of the most important benefits that the Axial Vector Engine and AVEC GENSETs offer in military deployments is the GENSETs' top-level control system. Known as the FADEC (Full Authority Digital Engine Control) system, this control regime enables fully integrated digital control of the GENSET, including a wide variety of operating parameters like ideal engine speed. Because the system is satellite-communication capable, the GENSETs can be remotely monitored and diagnosed — critical feature for geographically wide-ranging and often inhospitable military environments.

Commercial Applications

The commercial applications dwarf T6 military ones. The entire small ICE market is looking for more efficient industries which include but are not limited to refrigerators, washing machines, dryers, and most household appliances. The market size and AVEC's ability to sell any or all of its products to anyone make its market penetration capability truly staggering.

The consumer automobile market also offers significant potential for deployment of AVEC engine technologies. Important benefits like improved gasoline mileage and reduced emissions will be compelling reasons for the technologies' adoption. Further, the same digital FADEC control system employed in military versions of the engines can be used in automotive applications to constantly monitor and maintain optimal engine performance. In vehicular settings, AVEC engine technologies also can be used in a number of non-automotive applications, including tractors, loaders, forklifts, and farm and forestry vehicles.

Versions of the AVEC engines and GENSETs also can be deployed, in scaled-down fashion, in a variety of consumer and commercial appliance applications, like refrigeration and air conditioning, in which substantial amounts of electric power are currently being used. These small electric motors use 50% less electricity than conventional induction motors. This is an enormous advantage considering that 50% of all power produced today in The United States goes through an electric motor.

Recent Key Announcements

February 28, 2008 – Forty Five Million Dollars Committed in Project Finance for GENSET Development - DUBAI, United Arab Emirates - Axial Vector Engine Corporation announced that its project finance agreement with a Dubai Consortium has now been set at an initial investment of forty five million USD for its new "ultra efficient multi-fuel GENSETS." This long-term construction commitment is payable at LIBOR plus 6%. Payments are interest-only for one year after facility completion and may be prepaid against a 4% penalty after two years.

Other major points updated by management include:

- One mega-watt price set at $274,500, which is 25% less than the current market leaders

- "Carbon Credits" for each megawatt of power produced per year equals $127,000. This added value has been packaged by Emirates International Capital Advisory, "EICA" (http://www.emiratescapital.net), to provide customers and government entities wishing to purchase AVEC GENSETS the opportunity to do so by signing "power purchase" agreements.

- Income streams will then be hedged and guaranteed by third party agencies and institutions currently affiliated with EICA. Income from these power sales will be divided 60% to EICA and 40% to AVEC during the first five years. The remaining fifteen years of the agreement, net profits shall be distributed 50% EICA and 50% AVEC

- With the completion of the production model of the AVEC GENSET now finished, final due diligence is being completed quickly by EICA concerning its purchase of Adaptive Propulsion Systems in Detroit, Michigan USA. Plans call for a March 2008 closing and a substantial expansion of these facilities to enhance other products to market using the family of AVEC. Site reviews for additional engineering and factory

space are also being studied in Jebel Ali Free Zone in Dubai as well as an expansion of the Detroit, USA facilities.

Ahmed Khalifa, Chairman of AVEC, stated, "On Monday, March 3rd we will post on our website a transcript of yesterday's conference call, as well as pictures and photo history of our newly completed GENSET as it is shipped to Dubai for our Global premier March 11-13 at WETEX in Dubai."

February 14, 2008 – Shipping of Production Unit Sent to Dubai, United Arab Emirates for Premier Low Cost MULTI FUEL GENSET Production Units to be Introduced at Dubai WETEX 2008 Conference March 11-13 in Dubai -

Axial Vector Engine Corporation announced that the company's finished production unit will be on hand at the WETEX 2008 (Water, Energy Technology and Environment Exhibition in Dubai March 11-13 2008). http://www.wetex.ae/.

Ahmed Khalifa, acting CEO, stated, "On Demand Portable Power is now affordable with our ultra efficient, multi fuel, 200 KW units. These GENSETS are the only ones with the ability to 'join' up to five units, creating one megawatt of portable low cost power, which is deliverable anywhere using the first true multi-fuel system. A fraction of the weight of competitors and very low cost of the energy produced will go a long way to alleviating power shortages in many parts of the world. Coupled with the fact that we shall be using a competitive pricing structure for our GENSETS, we believe that our products will be received favorably in the marketplace."

All systems will have additional outside performance verifications done in order to penetrate the power market and provide peace of mind to our customers. Dealer and distributor negotiations have commenced with much interest from the world's 'power players'.

AVEC will schedule a "Global Conference Call" in February to update investors on numerous material events as they happen and announce pricing, delivery and a unique "Carbon Credit finance program".

Production suppliers and all needed subcontractors have now been sourced for large unit production capability.

December 6, 2007 – Emirates International Capital Advisory to Purchase Adaptive Propulsion Systems -

Axial Vector Engine Corporation today announced that one of its largest shareholders Emirates International Capital Advisory has signed a Letter of Intent to purchase in an all cash transaction Adaptive Propulsion Systems LLC.

Adaptive is the military licensee and technology development contractor for Axial Vector on its "\workhorse" multi fuel engines and its "coreless generators".

This additional multi-million dollar investment by Emirates is designed to secure all aspects of the Axial technology to the benefit of Axial shareholders and future customers. Axial Vector Board of Directors has consented to this purchase and the transfer of limited military licensing rights from Adaptive Propulsion Systems to Tactronics Holdings LLC.

This transfer of Axial technology military sales rights applies to the United States Military and the militaries of the United Kingdom and Australia under the same 20% gross royalty payments being made to Axial.

The proposal of EICA is to expand the staff of Adaptive Propulsion Systems in its 18,000 sq ft facility in Detroit Michigan, USA in order to gain market entry faster into the next generation of its technology as well as a quicker rollout of larger and smaller engines and Gensets.

November 29, 2007 – Trading Begins on Frankfurt Stock Exchange - Axial Vector Engine Corporation today announced that trading has commenced on the Frankfurt Stock Exchange. Ahmed Khalifa Director stated "this approval is in line with our intentions to provide European and Gulf Cooperation Council Investors with better access and information regarding our company."

The company also confirms that Emirates International Capital Advisory has filed form 13 D concerning its investment and intentions regarding Axial Vector.

Arash Masom, EICA Managing Director said, "Our continued investment in Axial shows our commitment to vastly increase our shareholder base while simultaneously adding value by deploying our hybrid engines and gensets to an electricity needing world.

"We are prepared to invest in or acquire any businesses that will assist us in a rapid global rollout of the Axial Vector Engine and gensets."

November 26, 2007 - Emirates International Capital Advisory Acquires an Additional 10% of Axial Vector and Options to Acquire an Additional 15% - Axial Vector Engine Corporation today announced that Emirates International Capital Advisory has acquired an additional 10 percent of the company's common stock in a series of private transactions. Further, Emirates has signed an option agreement to purchase up to an additional 15 percent of the company's common shares at any time within the next 12 months.

The company also announces the retirement of Samuel Higgins as an officer and Director. Arthur Deane Preston has been appointed to fill the unexpired term of Mr. Higgins as Director. Mr. Higgins has signed a one-year consulting agreement to assist in the transfer of the company's business to new management.

Ahmed Khalifa has been appointed acting CEO and will head the recruitment committee for a new CEO and CFO as well as other personnel needed for the commercialization phase of the company's products.

At the signing of the transaction agreement, EICA Managing Director, Arash Masom, stated, "In Axial Vector Engine Corp. ("AVEC") we have uncovered a disruptive technology in engine design and efficiency. In today's ever increasingly populous world the benefits of more efficient, mobile, on-demand power generation is unlimited. With skyrocketing costs associated with producing engines and generators coupled with rising costs of fuel, AVEC has a unique

solution that addresses both these problems. The engines and gensets are more efficient in terms of production as well as operational costs.

In today's hydrocarbon consuming environment, where we are still a long way from running our vehicles with fuel cells or hydrogen, it seems the most logical first step is to improve on our gas consuming engines and generators and to reduce their emissions, AVEC has achieved that goal with proven technology."

Mr. Masom further stated, "We are committed to provide the human and capital resources to maximize the commercial potential of AVEC technologies and we will begin the steps to do so immediately."

Green Baron Conclusion

Axial Vector could easily surpass the gains of even our greatest stock picks. The Company has retained the interest and financial support of an institution backed by one of the richest families in the world. It is not just about winning here, it is about a legacy. Axial Vector has products that can bring power to people that have never had it, and significantly improve the way engines are powered today.

The 200kw GENSETS on display next week in Dubai should confirm Axial Vector’s viability and future success. We expect the Company to receive orders and begin commercial production. News confirming the purchase of Adaptive Propulsion Systems in Detroit shortly thereafter ought to bring even more attention to Axial Vector as a great stock investment, and should gain the interest of larger institutions. At that point, members that own AXVC can just sit back and enjoy the ride!

For Further Information Contact:

Axial Vector Engine Corporation

avec@emiratescapital.net
One World Trade Center
121 SW Salmon Street, Suite 1100

Portland, Oregon USA
(503)471-1348
www.axialvectorengine.com