

Faketoshi, The Early Years — Part 1

[MyLegacyKit](#)



Gregor Sailer: Carson City VI/Vågårda, Sweden, from the series "The Potemkin Village", 2016

Written by Arthur van Pelt, with assistance from CryptoDevil

ABOUT EDITS to this article: as more material might become available after publication of this article, it will have edits and updates every now and then. In that sense, this article can be considered a work in progress, to become a reference piece for years to come.

Intro

How did Craig Wright (full name Craig Steven Wright) become one of a plethora of modern day Satoshi Nakamoto pretenders — of whom Jorg Molt, accused of defrauding \$214 million from 50 investors, [was finally arrested a few weeks ago](#)?

Let's try to find an answer to this question, and map out what we know about the years 2003–2013 (Ryan v Wright lawsuit, and aftermath) and 2011, when Craig apparently first learned about Bitcoin, up till the very end

of 2015 when *Wired* and *Gizmodo* magazines published their now infamous articles about Craig Wright possibly being Satoshi Nakamoto. And let's not forget about the ATO raids that quickly followed the next day! Are these events related after all, or not?



-----Original Message-----

From: Craig S Wright [mailto:craig.wright@information-defense.com]

Sent: Wednesday, 12 March 2008 6:37 PM

To: dave kleiman

Subject: FW: Defamation and the difficulties of law on the Internet.

I need your help editing a paper I am going to relase later this year. I have been working on a new form of electronic money. Bit cash, Bitcoin...

You are always there for me Dave. I want you to be a part of it all.

I cannot release it as me. GMX, vistomail and Tor. I need your help and I need a version of me to make this work that is better than me.

Craig

One of the most infamous Craig "Faketoshi" Wright forgeries backdated March 2008, created after April 2013. The domain information-defense.com was only registered in January 2009, for example.

In this series of three articles, we will learn everything about the Ryan v Wright lawsuit that ran from 2003 to 2006, including all appeals, but had an aftermath till 2013 which almost caused Craig to go bankrupt. Then there's the fraudulent 2013 New South Wales Supreme Court claims, the extremely thorough ATO inquiry in 2013 — 2015, and we will of course show the reader a fair number of the numerous forgeries that Craig Wright created in 2013, 2014 and 2015 to support his Bitcoin fraud and false Satoshi claims.

Part 1 will cover November 2003—February 2014.

Part 2 will cover February 2014 — December 2014.

Part 3 will cover January 2015 — December 2015.

Disclaimer: You will see many times the \$ symbol being used. Since Craig Wright lived in Australia in the period of these articles, the \$ symbol used in numbers related to Craig will always refer to the Australian dollar (AUD), except where indicated otherwise.

The Run Up

In 1999, Craig raised one Australian company:

- *Vin De La Terre Pty Ltd (June 9, 1999)*
- *which morphed into DeMorgan Information Security Systems Pty Ltd (December 17, 2001)*

In 2001, Craig raised another Australian company:

- *Ridges Estate Pty Ltd (December 17, 2001)*

Let us begin, at the outset, by framing both the character and the historical behaviour of Craig Wright, in providing you a summary of his legal 'difficulties' arising from a breach of contract and subsequent contempt of court in 2003.

[*Original hearing October 30, 2003 and resulting Judgement November 6, 2003*](#)

Craig and Lynn Wright were, in a personal capacity and through ownership of a corporate entity shareholder, the majority owners of the Australian company DeMorgan Information Security Systems Pty Limited.

"The company's business includes the provision of information technology consulting services in general, and specifically the monitoring of computer systems to guard against "hackers" or other unauthorised intruders."

Its main customers were the Australian Stock Exchange (ASX), Craig's former employer, along with the Rail Infrastructure Corporation (RIC) and a

number of other businesses. At the end of June 2003, the shareholders of DeMorgan entered into an agreement with Michael Ryan, to sell 5% of the company shares to him for \$50,000. Part of the agreement included a non-compete clause which, it doesn't take a law degree to understand, precludes those involved from attempting to poach the company's clients should they subsequently leave its employ.

One month later, following their new investor's all-too-late discovery of questionable spending within the company, Craig and Lynn Wright resigned as directors and, you guessed it, Craig set about approaching DeMorgan's clients for business, including his former employer the ASX, where he still maintained a good relationship with its employees, with him being cited as claiming he would "spend over a million dollars to see DeMorgan go under".

Ironically, it would turn out that Craig would, indeed, be found liable for a little under half that amount following the resulting liquidation of DeMorgan arising from his damaging behaviour. A \$425,000 bankruptcy notice being charged against Craig Wright in recovery actions sees him eventually settle to avoid the inevitable in 2013.

DeMorgan's new shareholder, clearly smarting from having invested in a business he'd not been given the full truthful picture of, only to see its board members abandon ship one month later and set about damaging the value of his investment further, took them to court, where they were found guilty of a breach of contract and instructed to cease and desist from further contact with the company's clients.

This is the part in the movie where a narrator would cut in with a wry, "Craig Wright did not cease and desist from further contact with the company's clients".

Fast forward to 2004 and Mr Ryan has now had Mr and Mrs Wright dragged back into court for their nefarious activities in contravention of the original court's judgement.

HEARING DATE(S): July 26, 2004, July 27, 2004, August 28, 2004

[JUDGMENT DATE: August 31, 2004](#)

The long and the short of this contempt of court case is that email records from Craig's accounts, telephone logs from his mobile number, visitor sign-in logs at DeMorgan client, ASX offices, as well as actual invoices he issued, served to chart a damning record of numerous and persistent efforts by him to secure business after he had left DeMorgan and after he had been told by a court judgement to stop contacting its clients.

Craig's attempted defence, a low-tech version of his oft-repeated mantra he would come to rely on in the coming years, "It wasn't me, I was hacked".

56 It was submitted that a reasonable doubt existed in the absence of direct proof that Mr Wright sent the emails or conducted the telephone conversations charged to his mobile. It was submitted that anyone with access to the internet could have sent the emails using Mr Wright's email address. It was submitted that anyone with access to his mobile could have made the telephone calls.

But the judge, like those who would follow in later years, saw through his absurd excuses:

58 When the evidence is viewed as a whole the inescapable inference is that Mr Wright sent the emails and Mr Wright made the telephone calls. He was the party with the interest in performing services for ASX, RIC, News, Val Morgan and HREOC. He was the person who signed himself in at ASX on behalf of Ridges. He was the person identified by ASX and News as providing services to them.

59 There is no reasonable doubt in my mind that someone else made the telephone calls. The pattern was persistent and no one else could reasonably be supposed to have had the interest and established the pattern of calls revealed by the evidence. The numerous calls charged to the mobile account between Mr and Mrs Wright establishes beyond reasonable doubt that he spoke with her. If someone else had the mobile, Mrs Wright would not have been party to so many calls to and from Mr Wright's mobile.

Subsequent sentencing demonstrated that judges do not take kindly to defendants who brazenly lie to them and ignore their rulings, "In my view Mr Wright's deliberate flouting of his undertaking makes this a serious offence. His lack of contrition exacerbates its seriousness. There is a need to bring

home to a contemnor the seriousness of his contempt. For the purposes of the Crimes (Sentencing Procedure) Act 1999, s 5(2) these are my reasons for my determining that a sentence of imprisonment is required in this case. I propose to sentence Craig Wright to a term of imprisonment of 28 days."

This sentence of 28 days imprisonment was suspended on condition that Craig would perform 250 hours of community service, and he was ordered to pay the costs of the proceedings.

In a subsequent 2005 appeal against this judgement, Craig did, in fact, attempt to challenge one particular email amongst the overwhelming evidence against him, citing a slew of claimed IP address differences and disputed access to proxy servers as 'proof' it was not he who had sent it, in desperate hope it would magically exonerate him in the face of all other evidence and reason.

It did not.

40 The disputed email was found on a computer at the appellant's home during the Anton Pillar raid on 16 September 2003 (blue 109). It was found on a temporary Internet file opened and viewed during the raid when a copy to self folder used to store email messages online was accessed (blue 107, 108, 109). It had not originated on that computer, but had been sent from a remote location. However its presence in a "copy to self" file supported an inference that it had been sent by the appellant.

Source: <http://www8.austlii.edu.au/cgi-bin/viewdoc/au/cases/nsw/NSWCA/2005/368.html>

So, it is this record of dishonesty and desperate reliance on refusing to recognise the validity of evidence which serves to expose his lies and fraud, through his attempts to claim that 'it cannot be proven that somebody else was not responsible for them', namely, his "I was hacked" go-to, we will see repeated again and again throughout his subsequent entanglement in the following years with the ATO, the Kleiman case, the media and the wider Bitcoin community as a whole.



Craig Wright obtained quite a few IT/Cybersecurity related certificates during his career.

From Craig's current blog, [we learn that he received a "golden handshake"](#), by the end of 2008 from his employer BDO, which indicates he was not leaving voluntarily.

"When I worked at BDO, I took the idea further, and was involved with the development of computer-aided audit tools (CAATs). I was constantly surprised by the level of fraud and corporate misappropriation within every organisation I ever audited. Most issues were very small and added up to be a material amount.

The launch of Bitcoin occurred when it did not as a response to the global financial crisis but as I was offered a golden handshake and could leave in December 2008 and start working on the project in 2009."



Profile



“

Business Security is about managing risk, if you believe, technology alone will solve all your problems, than you have just defined your first it dilemma.

”

Craig Wright

Craig S Wright
CAS Manager,
Computer Assurance
Sydney

Qualifications

- Master of Management (Information Technology)
- Master of Network and Systems Administration
- Certified Information Security Manager (CISM)
- Certified Information Systems Security Professional (CISSP)
- Information Systems Security Architecture Professional (ISSAP)
- Information Systems Security Management Professional (ISSMP)
- Associate Fellow – Australian Institute of Management (AFAM)
- GCFI – GIAC Certified Forensic Analyst

Craig joined BDO at the end of 2004. During his career Craig has had extensive experience within the information security and risk fields. His involvement includes assignments ranging from Information Systems audit, threat and risk assessment, information and complex systems research and development to business information systems design. Craig has provided assistance to a large number of clients in a variety of fields including finance,

Practice Responsibilities

- Manager Computer Assurance Services

Recent Experience

- Sarbanes Oxley compliance reviews for a multinational recruiter.
- Sarbanes Oxley s.404 compliance consulting and controls based gap analysis for a multinational manufacturer
- Development of a training program and review systems for an ISMS
- Computer systems and audit
- Threat / Risk methodology development
- CAATS analysis of a financial systems database using Benford analysis methods

Recent Experience

- M&C Saatchi
- Hudson Highland
- Sydney Swans
- BEIERSDORF
- Schering Pty Limited
- JPP Integralfica
- Henry Schein – Regional Health
- Craig Mostyn, CNVA Project

Highlights

- Critical Network Vulnerability Assessment (CNVA) as per the AGD's programme for Craig Mostyn
- One of the largest Network and Risk Assessments in Australia
- The 2nd CNVA Project in 2 Years to be approved.

Specialities

- ISMS, ISO 7799 Consulting and Audit/Review
- Computer Forensics
- Information Security Design and Review
- Threat/Risk Analysis and Review
- Information Risk and Management (ANZ4500)
- Data Mining
- Intranet Networks
- Anomaly Detection Systems
- CAATS
- Technology Related Business Continuity Planning (BCP) and Disaster Recovery Planning (DRP)
- Cryptography

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BDO Assurance Services

BDO Assurance Services provides independent auditing services that can be relied upon to meet the requirements of stakeholders and other shareholders.

Our audit methodologies are 'state of the art' and derived from our internationally developed computerised methodology and audit manual. This ensures a uniform BDO approach and standard from all BDO offices.

Our emphasis is not only on the quality of our work, we pay particular attention to client service that emphasises our general experience and expertise in identifying possible improvements in financial and other areas.

Through our technical and training group, Sydney office provides training on corporations law requirements and accounting standards to clients as well as BDO staff nationally.

The scope of audit services provided includes: external audit; internal audit; forensic auditing; agreed upon procedures audits; special investigations; systems reviews; compliance reviews and audits; and due diligence assignments.

Advisers to growing businesses

WORK EXPERIENCE

Senior Manager, Information Systems

Manager Statistical and Quantitative Analysis Computer Assurance Manager – BDO Kendalls (Nov 2004 – Current)

Management of a portfolio of CAS audit clients, Digital Forensics and design of statistical tests for accounting and financial systems

This has included the development of an ISMS business plan to offer security review and audit services and ISO 7799 training.

In IT Craig,

- Manages the NSW IT audit and consulting team
- Provides reviews, audits and consulting on a wide range of IT Disciplines
- Provides Training and educational services
- Analysis of Technology contracts and legislative implications of IT policy
- Digital Forensic Services / Expert Witness

In Risk and Analysis, Craig manages and consults on:

- SAS consulting
- Management, Financial and Accounting Systems design
- Data Mining
- Quantitative risk analysis and actuarial design
- Marketing survey analysis
- Analysis of Account for Fraud Detection
- Continuous Audit
- AML/CTF (Anti-Money Laundering / Counter Terrorism Funding) Consulting
- BASEL II Risk Reviews

Some of his recent client engagements include

- Static Code analysis for Centrebet
- Business analysis using DATs (Digital Analysis Technology) for a Marine Sales Company in NSW
- BCP reviews for a number of Credit Unions
- Data Conversion testing for a number of Credit Unions
- IT Security and Risk reviews for several Credit Unions
- SOX IT review and audit for GTN

Security Research – Ridges Estate

Implemented an AusIndustry approved Research Program involving the integration of technical solutions to the information security and agribusiness arenas.

Craig has completed the following assignments;

- Creation of Firewall and Authentication Procedure documents for News Ltd
- Staff Mentoring at News Ltd in Security Technologies
- Risk Assessments for News Ltd based on AS/NZS 4360
- Audit and review activity for News Ltd of the Internet systems and Firewalls
- Staff training and documentation of the SecurID Authorisation systems
- Network Security audit of the Rail Infrastructure Systems Internet Gateways

Craig Wright worked at BDO from November 2004 till December 2008

In 2009, Craig raised two Australian companies:

- *Information Defense Pty Ltd (January 29, 2009)*
- *Integyrs Pty Ltd (May 11, 2009)*

Bitcoin: A Peer-to-Peer Electronic Cash System

Satoshi Nakamoto
satoshin@gmx.com
www.bitcoin.org

Abstract. A purely peer-to-peer version of electronic cash would allow online payments to be sent directly from one party to another without going through a financial institution. Digital signatures provide part of the solution, but the main benefits are lost if a trusted third party is still required to prevent double-spending. We propose a solution to the double-spending problem using a peer-to-peer network. The network timestamps transactions by hashing them into an ongoing chain of hash-based proof-of-work, forming a record that cannot be changed without redoing the proof-of-work. The longest chain not only serves as proof of the sequence of events witnessed, but proof that it came from the largest pool of CPU power. As long as a majority of CPU power is controlled by nodes that are not cooperating to attack the network, they'll generate the longest chain and outpace attackers. The network itself requires minimal structure. Messages are broadcast on a best effort basis, and nodes can leave and rejoin the network at will, accepting the longest proof-of-work chain as proof of what happened while they were gone.

1. Introduction

Commerce on the Internet has come to rely almost exclusively on financial institutions serving as trusted third parties to process electronic payments. While the system works well enough for most transactions, it still suffers from the inherent weaknesses of the trust based model. Completely non-reversible transactions are not really possible, since financial institutions cannot avoid mediating disputes. The cost of mediation increases transaction costs, limiting the minimum practical transaction size and cutting off the possibility for small casual transactions, and there is a broader cost in the loss of ability to make non-reversible payments for non-reversible services. With the possibility of reversal, the need for trust spreads. Merchants must be wary of their customers, hassling them for more information than they would otherwise need. A certain percentage of fraud is accepted as unavoidable. These costs and payment uncertainties can be avoided in person by using physical currency, but no mechanism exists to make payments over a communications channel without a trusted party.

What is needed is an electronic payment system based on cryptographic proof instead of trust, allowing any two willing parties to transact directly with each other without the need for a trusted third party. Transactions that are computationally impractical to reverse would protect sellers from fraud, and routine escrow mechanisms could easily be implemented to protect buyers. In this paper, we propose a solution to the double-spending problem using a peer-to-peer distributed timestamp server to generate computational proof of the chronological order of transactions. The system is secure as long as honest nodes collectively control more CPU power than any cooperating group of attacker nodes.

Digital Forensic Services

E-Discovery

How To Guide for Data Analysis and Fraud Detection

Data Integrity Validation

Fraud Detection and Prevention

Litigation Support

**Information
Defense Pty Ltd**
Eternal Vigilance is the cost of Liberty

UPDATE: From one of the damning ATO reports filed January 2022 (after the Kleiman v Wright trial) we learn a few interesting tidbits about three of the companies that Craig raised so far, being Ridges Estate, Information Defense and Integryrs.

"many where the ATO has disallowed R&D claims and imposed penalties"

Experience with R&D tax offset

13. Dr Wright has been a director, public officer and majority shareholder of numerous companies that have claimed the R&D Tax Concession and R&D Tax Incentive dating back to 2001-02. Dr Wright's involvement has included:

<< snip >>

- 13.4. representing a number of the companies in a number of audits and objections by the ATO relating to their R&D claims, including many where the ATO has disallowed R&D claims and imposed penalties.⁶

⁶ Ridges Estate Pty Ltd in 2001-02, 2002-03 and 2003-04;
Information Defense Pty Ltd in 2008-09;
Integyrs Pty Ltd in 2008-09 and 2009-10.

Source: <https://www.courtlistener.com/docket/6309656/878/12/kleiman-v-wright/>

Notably, visible at footnote 6, there's a gap between 2004 and 2008. This was the period that Craig Wright was employed by BDO and had abandoned his R&D claims scheme, which he would pick up again after he left BDO in December 2008. More about that later.

Now, it should be noted a 2019 article written by Murray Distributed Technologies called "[Forensic Report Raises Questions about Australian Tax Office's Handling of Craig Wright Probe](#)" attempts to claim that 'exclusively obtained' correspondence from the ATO serves to refute those who claim that Craig's business history is predominantly centred around him seemingly earning more from tax rebates than legitimate business activities(1). Their attempted refutation involves citing correspondence from the ATO to Craig Wright relating to an audit the ATO had conducted into Craig's tax filings for the 2008/2009 year, which also included two instances of him claiming to have personally sold Intellectual Property to the above two companies for \$1,350,000 and \$896,000 in September 2009 and December 2009, respectively as capital disposals which, when offset against a number of claimed deductions for that tax year, resulted in a net capital gain of \$34,713 for the tax year.

(1) while they cite a hand-wavy 'many claims', this charge actually originates

from the ATO's very own findings:

170. For the past 2 years, based on information available from your bank accounts and accounts of entities you control, 94% of your income or money to which you have access is comprised of GST or income tax refunds.

Source: <https://www.courtlistener.com/docket/6309656/547/3/kleiman-v-wright/>

Interestingly, in [a blog post Craig made very recently](#) in his usual attempt to 'set the record straight' along the lines of his tried-and-trusted "what people fail to understand is..." tangled web of obfuscation he likes to weave, he himself addresses this first conflict with the ATO and claims it relates to the sale of rights to the 'Bitcoin database' and related Bitcoin IP to these two Australian companies he owned, through an "overseas company and associated trust" as the seller and Info Defense and Integrys as the buyers.

The difficulty I had from July and August 2009 followed the filing of my tax returns. I claimed the transfer of intellectual property, which included rights to the database and other aspects of Bitcoin, from an overseas company and associated trust to the Australian company. I paid the GST on both sides of the transactions. I valued the intellectual property and database at around US\$1.3 million. The amount was transferred to two companies. My accountant applied the required GST amount, with Information Defence having a balanced amount with the registered trust entity. The resulting argument was based on rather obscure laws, concerning transfers between hobbies or organisations that are not designed for profit and ones that are profit-making and hence have to pay GST.

Yet the ATO, when referencing the content of the meeting they had with Craig about this matter, state that he is claiming to have sold 'Intellectual Property' in a personal capacity to these two business entities, hence the capital disposal appearing on his 2008/2009 personal income tax filing that they had flagged up for investigation. There was no 'overseas company and associated trust' mentioned at all in this matter, meaning this is a retrospective 'amendment' to the story Craig is now telling and is not reflected in the supposed facts as presented in the 'exclusively obtained' documents Murray Distributed Technologies attempted to exonerate him with:

Second Audit

On 13 October 2009 you lodged your 2008-09 income tax return which included the following:

Item	Claim
Salary and Wages - BDO	\$91,049
Tax withheld	\$1,973
Eligible Termination Payment (ETP)	\$10,938
D1 Work related car expenses	\$57,763/B
D2 Work related travel expenses	\$39
D3 Work related uniform expenses	\$182/P
D4 Self education expenses	\$40,222/K
D5 Other work related expenses	\$43,778
D7 Interest and Dividend deductions	\$86,410
D8 Gifts or Donations	\$1,700
D9 Cost of managing tax affairs	\$1,105
Total deductions	\$231,119

On 11 February 2010 we commenced an audit into your 2008-09 income tax return.

On 19 July 2010 an interview was held. During the interview it was found that during the 2008-09 income year you purportedly sold your personal intellectual property to Information Defense and Integrys. You claimed that research and development activities were conducted from 1999, as part of your university studies and that there was no patent lodged. You reported sales of \$1,350,000 in the September 2009 activity statement and \$896,000 in the December 2009 business activity statement representing the contended sale of your intellectual property to your related companies. You also reported these sales as capital disposals in your 2008-09 income tax return, which resulted in net capital gains of \$34,713.

Source: <https://britevue.medium.com/forensic-report-raises-questions-about-australian-tax-offices-handling-of-craig-wright-probe-138843251ef5>

Remember, the issue was about Craig's personal income tax, not an overseas company and trust transaction, which is fully attested to in Craig's own response to the ATOs investigation at the time:

R& D intellectual property sold by Craig Wright to Integyrs Pty Ltd

- You have valued the market value of your intellectual property as \$2,246,000 (data from your BAS (Craig Wright) for the tax periods July – Dec 2009) which you sold to two of your companies where you are the Director.
- You have to provide documents to substantiate that you have incurred these costs during the course of your research and development of your intellectual property.
- Please provide substantiation of the above costs by providing the tax invoices with full details of the supplier, date, description and the amounts stated for the purchases.

Sale of Capital Assets to Integyrs Pty Ltd 95 137 033 535

Transfer of code, designs and assets from CSW to Integyrs as of June 30, 2009.

Contracts created by Mitchie Shehadie and Co.

I have attached these documents on the disk and with each sale contract. This includes a schedule as what IP was transferred.

I have attached a spreadsheet with the breakdowns of loans by Lynn Wright for total for a 7% interest rate. The total comes to \$815,803.61 as of 01 Jul 2009.

The amounts are covered as follows in the spreadsheet under the following headers:

Conferences and Travel

Lynn paid monies for my attendance at conferences

These where for my business and education (e.g. SANS)

Monthly Contributions

Lynn helped me pay the loans used for the legal costs.

Source: <https://www.courtlistener.com/docket/6309656/24/4/kleiman-v-wright/>

These are his words specifically relating to the substantial total value of those claimed personal IP transfer transactions, along with his additional explanations concerning the nearly-as-substantial personal expense deductions where he has claimed such things as a large amount of money loaned from his wife to cover his conference attendances and education expenses etc.

Murray Distributed Technologies describes the resultant personal tax liability arising from that net capital gain, on which he would have had to pay an amount of tax, as serving to prove that Craig was not, in fact, abusing the Australian tax system for fun and profit.

It's noteworthy that Wright's initial tax return claimed a net capital gains upon which he would have owed taxes — refuting many claims that Wright was trying to get money out of the Australian Tax Office. After audit, the ATO took up issues with Wright's claimed deductions to which he filed an objection. While the objection was initially disallowed, the objection decision was later reversed (as shown in another document dated 11 February 2013) and the deductions were finally granted to Wright. It is noted that "the Tribunal is requested to note that this decision is in favour of the Applicant":

Source: <https://britevue.medium.com/forensic-report-raises-questions-about-australian-tax-offices-handling-of-craig-wright-probe-138843251ef5>

Except, of course, it isn't that cut-and-dry and, certainly when it comes to Craig Wright, we shall see that nothing ever is. For example, sure, he would have had to pay some income tax on this net gain which, for the 2008/2009 tax year was calculated as per the following rates:

Tax Rates 2008-2009 Year (Residents)

The 2008-2009 tax year was from 1 July 2008 to 30 June 2009

Taxable income	Tax on this income
\$1-\$6,000	Nil
\$6,001-\$34,000	15c for each \$1 over \$6,000
\$34,001-\$80,000	\$4,200 + 30c for each \$1 over \$34,000
\$80,001-\$180,000	\$18,000 + 40c for each \$1 over \$80,000
\$180,001 and over	\$58,000 + 45c for each \$1 over \$180,000

Which, as we can see, isn't a particularly large amount of Australian dollars, albeit we do concede that, for the tax year in question, Craig does not seem to have warranted a tax rebate... personally. But, even though we can see within the correspondence presented in the Murray Distributed Technologies article that the ATO eventually relented and withdrew their objection decision, they don't quite tell the whole story clearly shown within these facts, namely, of a very large amount of value assigned to this 'Intellectual Property' derived, according to Craig during his interview with the ATO, from the previous ten years of University studies which, even though it apparently did not seemingly warrant patenting, would have seen these two, newly formed, business entities, reporting high-value costs incurred for said purchases on their Business Activity Statements, the basis by which rebates for GST (Australian Sales/VAT tax equivalent), R&D, et al are calculated.

All Craig would have had to ensure is that there was a sufficient amount of personal expenses he could offset against the apparent income he would have received from these two companies in payment for these transactions, in order to avoid being exposed to an excessively high personal tax liability for that period. Which is exactly what he was able to do.

So now Craig is the proud owner of two Australian business entities which are holders of intellectual property of significant value... as attested by the sale by him to them... for the price he dictated.

All that's needed is for a business owner to ensure that they make sure to file for any GST and/or R&D rebates these business entities might now be entitled to as a result of their expenditure on this Intellectual Property, right?

Indeed.



Craig Wright in China, December 2010

With that said, Craig raised three more companies in 2011:

- *Cloudcroft Pty Ltd (March 3, 2011)*
- *Panoptcrypt Pty Ltd (June 2, 2011)*
- *Strasan Pty Ltd (July 21, 2011)*
— *renamed to C01n Pty Ltd (February 14, 2014)*

Also important to keep in mind is that on [February 14, 2011 W&K Info Defense Research LLC is being raised](#) by Dave Kleiman in Palm Beach

Gardens, Florida, USA. Craig Wright and Dave Kleiman tried to land four cybersecurity related projects at Homeland Security in the USA, however, that failed. Homeland Security did not intend to use the services of the two men, and politely but firmly rejected all four of their proposals.

U.S. Department of Homeland Security
Science & Technology Directorate
Washington, DC 20528



May 31, 2011

W&K INFO DEFENSE RESEARCH LLC
ATTN: Craig S. Wright
4371 Norhtlake Blvd #314 Palm Beach, FL 33410-6253

Subject: Notification Regarding BAA 11-02-TTA 01-0127-WP

Dear Craig S. Wright:

This letter is in reference to the subject White Paper submitted in response to the Department of Homeland Security (DHS), Science and Technology (S&T) Directorate, Broad Agency Announcement (BAA) 11-02, which was initially published on the Federal Business Opportunities website on January 26, 2011.

The subject White Paper has been evaluated by a panel of experts in accordance with the criteria set forth in BAA 11-02. Based on this review, it has been determined DHS is not interested in pursuing the technology development described in the submitted White Paper. As a result, you are not invited to submit a Full Proposal for this technology.

Source: <https://www.courtlistener.com/docket/6309656/24/21/kleiman-v-wright/>

None of these aforementioned companies, nor their activities, were Bitcoin related, initially. But in later years, Craig would make them part of his (as we will learn, empty) Bitcoin fraud empire.

January 1, 2011: Paper "[Using Checklists To Make Better Best](#)".

Dated January 1, 2011, this paper written by Craig Wright and Tanveer A Zia, kicks off Craig's diary running from 2011 to February 2014. It is relevant in that it frames the primary area of the industry sector Craig focused on for these years: Information Technology and Cybersecurity.

USING CHECKLISTS TO MAKE BETTER BEST

Craig S Wright and Tanveer A Zia
School of Computing and Mathematics
Charles Sturt University
Wagga Wagga, NSW, Australia
{crwright,tzia}@csu.edu.au

Abstract

The more routine a task is we see the greater the need for a checklist. Even the smartest of us can forget where we parked our cars on returning from a long flight. So, the question is, why not create a straightforward checklist that will improve system management and security? In Information Technology operations, the vast majority of skilled people have re-built servers, but in an incident response situation, it can be unforgivable to overlook a serious security configuration simply because in the stress of the environment causes one to lose track of which stage they were on while being interrupted and multitasking. We show that the use of standard checklists and flowcharts created by the individual make for better results even in daily tasks. This paper presents the results of an experiment into the use of checklists by incident responders. It demonstrates how basic checklists can improve an organisation's security.

Keywords

Security, Checklists, Incident handling, Incident response

February 4, 2011: Let's introduce Craig's blog "Cracked, inSecure and Generally Broken**".**

While Satoshi Nakamoto left the epoch-defining, revolutionary, decentralised and trustless Bitcoin project to Gavin Andresen et al in December 2010 and "moved on to other things", Craig was merely rehashing tired old ideas based on thoroughly non-revolutionary technologies. On Craig's personal blog we find him proposing an extremely un-Satoshi-like 'new revolution in payments' idea.

"I am interested in talking with others who may be interested in starting an online gold trading system alone [sic] the lines of a PayPal."

*On a related sidenote: it is not unlikely that the hearsay nothingburger around Ira Kleiman testifying in *Kleiman v Wright* that during a Thanksgiving dinner in 2009, Dave Kleiman had purportedly told his brother Ira that he, Dave, was working with a 'wealthy foreign man to develop digital currency and that it would be bigger than Facebook' is related to this clunky, everything-but-revolutionary payments idea of Craig.*

Cracked, inSecure and Generally Broken

The ravings of a SANS/GIAC GSE (Compliance & Malware) For more information on my role as a presenter and commentator on IT Security, Digital Forensics Statistics and Data Mining; E-mail me: "craigswright@acm.org".

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FRIDAY, 4 FEBRUARY 2011

Looking for people interested in starting a new revolution in payments.

Central banks, government treasury and government in general have discredited their ability to manage the economy and maintain a steady currency. The constant currency debasement through the printing of more and more money has devalued all of our savings and capital investments.

This has again led to the gold standard regaining attention.

Gold's increasing value when measured against paper has come into prominence following the 2008 US exercise in printing till we hurt.

A monetary system based on allocated gold has a unique ability to retain its purchasing power.

A system built on allocated gold can limit any government's capability to steal your hard earned capital or even to debase and devalue it.

A gold standard stops the havoc that governments have been setting on the global economy whilst also fixing inflation to natural means and not arbitrary measures created by politicians with rent seeking in mind.

A payment measure in the form of PayPal that offers a currency exchange mechanism and a gold based currency is a solution. Allocated gold can be held and traded. When it is necessary to buy and pay for goods with those in the offline world, an exchange to the local currency could be arranged. When transmitting value for purchase and sales to networked entities, the gold currency can be used and trade could be enacted in gold certificates.

I am interested in talking with others who may be interested in starting an online gold trading system along the lines of a PayPal.

nginx/1.15.8

Posted by Craig Wright at [Friday, February 04, 2011](#) [2 comments](#)

Source: https://web.archive.org/web/20150525051150/http://gse-compliance.blogspot.com/2011_01_30_archive.html

While Craig is desperate for us all to take his word that he is Satoshi Nakamoto, it is of course utterly, and laughably, inconceivable that the mind

which brought us Bitcoin would move on to something as clunky and unimaginative as an online-gold-trading-with-a-PayPal-rip-off a mere one-and-half months after departing.

Craig will use his blog in the years 2014 and 2015 to drop (backdated) hints and clues, some subtle, some quite obvious, about his self-declared Satoshi-ness. A handful of these forgeries will be showcased later.

Talking about Craig Wright being interested in payment systems, there's also this video. Shot around the same era (in the video, largely shot at Woolworths supermarkets, an promotional stand for the "Woolies Earn & Learn" programme is visible, that started running in 2011), we see Craig wearing a hoodie and using a "NFC payment glove".

Wait, do we notice Craig Wright wearing a hoodie in this clip? Yes, we notice Craig Wright wearing a hoodie in this clip.

On October 30, 2021, Craig would categorically deny such thing ever happened.

 **Craig S Wright**
el 30 oct. a la(s) 19:46

In a few days, you will hear about the true story of the origins of bitcoin. Not the story that people want to have you hear, or others want and would like me to say but the true one.

Not the mythology.
Not Satoshi the cypherpunk because I was never cypherpunk, and I don't even own hoodies. I was working in an accounting firm. I wore three-piece suits. If you go back to pictures of me in the 1990s, I wore three-piece suits. In fact, I will suits when I was fifteen.

Yes, I own polo shirts, and when I'm dressed casually in a hot climate, I will wear shorts and a polo shirt but, that is not anything like a hoodie.

When I was fifteen, I saved up my money, and I purchased a tailored three-piece suit. To extend its use, I purchased it with a different vest and a different set of trousers. When I was a teenager, I would go to school wearing a tie on days that did not require school uniform.

So, when you hear claims that Craig Wright was ever in hoodies you will instantly know that these are complete and utter lies that other people want to use to create a false story

there are no pictures of me ever wearing a hoodie

as a reason for that, because it never happened



July/August 2011: The Conversation comments

At the moment of writing, it is exactly 10 years ago that Craig Wright apparently first learned about Bitcoin. In late July and early August 2011 Craig initially referenced Bitcoin, for what appears to be the first time in his life, through comments he wrote on 'The Conversation' website. Examples of which can still be found online:



Craig S Wright

PhD; Adjunct Lecturer in Computer Science,

Charles Sturt University

In reply to [Mischa Tropp](#)

Mischa,

I have written a little on this as a result of the belief that there is no choice.

<http://gse-compliance.blogspot.com/2011/08/more-dns.html>

Basically, I know of over 50 alternatives to PayPal. Some are close to PayPal in size and we also have to remember that WikiLeaks was the site that selected PayPal and not one of the alternatives. WL could have selected BitCoin, but it did not.

Should PayPal be penalised for WL's poor choice (esp. given that PayPal has closed many sites where there is a level of cointraversy in the past)?

I say not. If you want to look at anything to blame, look to WL's stupidity in selecting PayPal as a provider over BitCoin and others like them when PayPal is known to shy away from controversy.

Choice... There was a heap of choice.

almost 10 years ago • Report

Source: https://theconversation.com/are-anonymous-and-lulzsec-about-to-hack-paypal-for-wikileaks-2582#comment_6261

WikiLeaks can get payments from other sources. It CAN get money transfers. It can get bit coins it can do many things if it wants. There are MANY options that allow people to send money to WL.

Now let's have a look at Satoshi Nakamoto's writings. On no public forum where he was active in the 2008–2010 era (Bitcoin Forum, P2P Foundation forum, other message boards), did Satoshi ever spell:

- *BitCoin*
- *Bit Coin*
- *(Bit Coin)*
- *bit coins*

And remember, Satoshi wrote Bitcoin (or bitcoin) hundreds and hundreds of times on these public forums!

However, to be fair, there is one known instance where Satoshi Nakamoto wrote 'BitCoin'. Hidden in the dungeons of early Bitcoin code releases, we can find a readme file on SourceForge where he left this typo untouched for a while in 2009.

BitCoin v0.01 ALPHA

Copyright (c) 2009 Satoshi Nakamoto
Distributed under the MIT/X11 software license, see the accompanying
file license.txt or <http://www.opensource.org/licenses/mit-license.php>.

BitCoin v0.1.5 ALPHA

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file license.txt or <http://www.opensource.org/licenses/mit-license.php>.

BitCoin v0.1.6 BETA

Copyright (c) 2009 Satoshi Nakamoto
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file license.txt or <http://www.opensource.org/licenses/mit-license.php>.

Bitcoin v0.1 released

Satoshi Nakamoto [satoshi at vistomail.com](mailto:satoshi@vistomail.com)

Thu Jan 8 14:27:40 EST 2009

- Previous message: [\[moore at seas.harvard.edu: \[fc-announce\] Financ](#)
- Next message: [MD5 considered harmful today, SHA-1 considered ha](#)
- Messages sorted by: [\[date \]](#) [\[thread \]](#) [\[subject \]](#) [\[author \]](#)

Announcing the first release of Bitcoin, a new electronic cash system that uses a peer-to-peer network to prevent double-spending. It's completely decentralized with no server or central authority.

See bitcoin.org for screenshots.

Download link:
<http://downloads.sourceforge.net/bitcoin/bitcoin-0.1.0.rar>

Windows only for now. Open source C++ code is included.

[bitcoin-list] Bitcoin v0.1 Alpha release notes

[bitcoin-list] Bitcoin v0.1 Alpha release notes

From: Satoshi Nakamoto <satoshi@vi...> - 2009-01-12 20:20:47

Release notes for Bitcoin v0.1 Alpha

Bitcoin is a new electronic cash system that uses a peer-to-peer network to prevent double-spending. It's completely decentralized with no server or central authority.

You can find screenshots and the download link at:

<http://www.bitcoin.org>

Windows only for now. Open source C++ code is included.

About Bitcoin

Bitcoin version 0.1.1 Alpha

Copyright © 2009 Satoshi Nakamoto.

This is experimental software. Do not rely on it for actual financial transactions.

Distributed under the MIT/X11 software license, see the accompanying file license.txt or <http://www.opensource.org/licenses/mit-license.php>.

This product includes software developed by the OpenSSL Project for use in the OpenSSL Toolkit (<http://www.openssl.org/>) and cryptographic software written by Eric Young (ey@cryptsoft.com).

OK

Mockup of 2009 images clockwise: readme files, release notes, About page Bitcoin client, message board

Within the red box top left, a few snippets from the January/February 2009 readme files are shown, and the October 29, 2009 readme file when Bitcoin changed from Alpha to Beta. Since this file, and the text within, is copied forward to the next Bitcoin code release (and is mildly edited to reflect the release version it supports), it can be considered a one time typo. On November 4, 2009 Satoshi Nakamoto himself corrected this anomaly on SourceForge.

So basically, not once did Craig Wright spell it in 2011 like Satoshi Nakamoto did in public in 2008–2010. One exception is the hardly used readme files with a 'BitCoin' typo. Making this finding even more remarkable is the fact that Satoshi's last known private correspondence with some of the main Bitcoin developers at the time (Gavin Andresen, Martti Malmi and Mike Hearn) is dated end of April 2011, which is just 3 months before Craig made his public comments on the The Conversation website!

*For example, Satoshi wrote on April 23, 2011 to Mike Hearn: "I've moved on to other things. It's in good hands with Gavin and everyone. I do hope your **BitcoinJ** continues to be developed into an alternative client."*

Is this the reason why Craig Wright never mentions these online comments on The Conversation website, as they clearly prove his non-Satoshi-ness? One can make an educated guess.

satoshi
Founder
Sr. Member
●●●●●

Activity: 364
Merit: 2820

 Ignore

Re: BitDNS and Generalizing Bitcoin
December 10, 2010, 05:29:28 PM
Merited by BitcoinFX (1), darosior (1)

quote #246

Piling every proof-of-work quorum system in the world into one dataset doesn't scale.

Bitcoin and BitDNS can be used separately. Users shouldn't have to download all of both to use one or the other. BitDNS users may not want to download everything the next several unrelated networks decide to pile in either.

The networks need to have separate fates. BitDNS users might be completely liberal about adding any large data features since relatively few domain registrars are needed, while Bitcoin users might get increasingly tyrannical about limiting the size of the chain so it's easy for lots of users and small devices.

Fears about securely buying domains with Bitcoins are a red herring. It's easy to trade Bitcoins for other non-repudiable commodities.

If you're still worried about it, it's cryptographically possible to make a risk free trade. The two parties would set up transactions on both sides such that when they both sign the transactions, the second signer's signature triggers the release of both. The second signer can't release one without releasing the other.

[Report to moderator](#)

Source: <https://bitcointalk.org/index.php?topic=1790.msg28917#msg28917>

To recap, Satoshi Nakamoto always, without exception, wrote "Bitcoin" or "bitcoin" on all public forums where he had an account, like the cypherpunk mailing list on Metzdown, P2P Foundation, SourceForge and the Bitcoin Forum linked to the official Bitcoin website (since late 2009 a Simple Machines Forum template, this whole template was moved to the Bitcointalk domain in June 2011 with a simple DNS change). Also from private emails with developers that have been revealed over the years, and we just showed an example, we know that Satoshi Nakamoto always used the same spelling for Bitcoin. And we only know of a 'BitCoin' typo in the 2009 SourceForge readme files accompanying the Bitcoin source code releases.

On a related sidenote, in the December 10, 2010 post of Satoshi Nakamoto shown above, a post that he wrote a few days before he left the public eye forever, Satoshi also made clear that putting large amounts of arbitrary data in the Bitcoin blockchain was not advisable, as that "doesn't scale". And

Satoshi is right, [it doesn't scale, for example when it comes to verification and propagation times.](#)

Craig's latest brainchild BSV, a remote derivative of the original Bitcoin blockchain, which is by Satoshi Nakamoto's original design only used as a decentralized ledger for the bitcoin token, only remotely resembles something Bitcoin. For example, BSV, which is factually a highly centralized November 2018 minority fork of Bitcoin Cash (who split from Bitcoin in August 2017), allows every type of data to be pumped into their blockchain, against Satoshi Nakamoto's explicit "Piling every proof-of-work quorum system in the world into one dataset doesn't scale" advice.

As BSV will likely find out longer term, presuming they will not collapse earlier for other reasons, their blockchain will come to a grinding halt at some point, as they listened to Satoshi Nakamoto pretender Craig Wright, and not to the real Satoshi Nakamoto.

Let's return to Craig Wright, the wannabe Satoshi Nakamoto.

Source: <https://www.courtlistener.com/docket/6309656/83/24/kleiman-v-wright/>

Email, taken from a much longer thread of emails, from Craig Wright to Ira Kleiman, April 23, 2014. Although the email is loaded with lies, the era that Craig mentions here as being where he started his Bitcoin business journey (without Dave Kleiman, of course) appears truthful, as it will be confirmed by another source: Jamie Wilson, Craig's CFO in 2013 who was deposed in the Kleiman v Wright lawsuit on November 8, 2019.

2012, The silence before the storm

After August 2011, Craig Wright did not mention Bitcoin in public ever again as far as we know now. However, from [aforementioned deposition of Jamie Wilson](#) in the Kleiman v Wright lawsuit, we learned that somewhere late 2012, early 2013 Craig was trying to set up a Bitcoin related business, [a Bitcoin Banking System according the 2013 design document.](#)

System scope

The Bitcoin Banking System (BBS) is a simple system in the functional as well in the technical sense. It covers all basic operations of banking but not more. The Bitcoin Banking System is built on one component, which is the relational SQL database. The database will be easy to maintain, requiring a minimum of technical staff. To make the system easy to operate, advanced technical features are not used. The Bitcoin Banking system will become available as open source public domain software as a prior release. This will make it possible to find bugs another issues faster, so the system will become mature in a shorter timeframe.

Small banks should not have to consider organizational design and systems design. Those issues should be straightforward and standard solutions should be provided. Therefore the basic operations of a bank in the BBS should be standardized. This makes it possible to operate a small bank in a cost effective way. Simple solutions are often cheaper and more robust. Limiting the scope of a system will make it more manageable. The BBS will become a basic system with minimal functionality that only performs the essential functions of banking.

SQL database? Huh?

It can be logically concluded that after casually mentioning Bitcoin a few times on The Conversation website, Craig had started to study the Bitcoin subject, and it is probably fair to say that his Bitcoin related business plans have an initial appearance of being legit. However, as it turned out, the Bitcoin Banking System would only be used as a series of Potemkin Village building blocks for a massive Australian tax fraud in which Craig tried to obtain tens of millions in GST, Income Tax returns and R&D tax rebates. As we will discover, Craig's Modus Operandi will be to cover every call out with a new, more brazen, lie or forgery, until the inevitable next implosion.

Dr. Craig S Wright
GSE

Craig Wright

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Status:
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SATURDAY, 21 JULY 2012

Metadata

As organizations create documents, the software that they use to create these documents embeds an enormous amount of information in the document files. A good deal of metadata is also included in the file. Much of this metadata is associated with formatting and display of the other data in the file. Besides this formatting metadata, a lot of file creation and editing tools include additional metadata entries that can be very useful for penetration testers during our reconnaissance phase, such as:

- ⊗ **User names:** Penetration testers often need user names for exploitation and password-guessing attacks
- ⊗ **File system paths:** Knowing the full path of the original file when it was created can reveal useful tidbits about the target organization
- ⊗ **E-mail addresses:** This data can be useful if the penetration test scope includes spear phishing tests
- ⊗ **Client-side software in use:** Given that client-side exploitation is such a common attack vector, it can be helpful to penetration testers to know which client-side programs are in use

Almost every document type has some form of metadata, but some are richer in metadata than others. The following types of documents, generated and used by most enterprises, are of particular interest to penetration testers:

- ⊗ **pdf files:** These files are associated with Acrobat Reader and a variety of other pdf creation and editing tools.
- ⊗ **doc/docx, xls/xlsx, and ppt/pptx files:** These files are associated with Microsoft Office suite, but are also used by several other related tools.
- ⊗ **jpg and jpeg:** These image files often contain a significant amount of metadata, including data about the camera used to take a picture, the file system of the machine where the image was edited, and details about the image-editing software.
- ⊗ **html and htm:** These file types contain web pages, and may at first seem uninteresting. However, their comments and hidden form elements could contain metadata that is very useful to a penetration tester. Additionally, scripts embedded in the HTML may reveal sensitive information or undocumented features of a web application.

Posted by Craig Wright at [Saturday, July 21, 2012](#) [0 comments](#)

Craig Wright knows a few things about "metadata", he shows on his blog on July 21, 2012

After meeting Jamie Wilson somewhere late 2011 or early 2012, and first

helping Jamie with his business called CryptoLoc/YourDocumentFile, it appears Craig Wright had been discussing some of his Bitcoin related business ideas with Jamie too over the course of (late) 2012. Which lead to Jamie turning around to start working for Craig's startup endeavor.

The only other notable events happening in 2012 are the formalization of Craig's divorce from his wife Lynn Black and the [dissolution of W&K Info Defense Research LLC](#) on September 28, 2012. The company was dissolved by default Administrative Dissolution because Dave Kleiman did not file an Annual Report for 2011, most likely because he had no further use for the business after their four proposed projects were rejected by Homeland Security, which had been the sole purpose for the incorporation of the LLC in the first place. It would not be reinstated again until after his death.



Don't let "2012" fool you: this forgery was created early 2014 after Craig actually bought these 2 UK companies

These type of forgeries showcase the extreme lengths Craig Wright is willing to go to deceive his audience in and outside the courts of law.

January 8, 2013: *Craig hires Jamie Wilson.*

As said, Craig Wright teamed up with Jamie Wilson, who would be hired as CFO to help Craig set up his business endeavors. However, Jamie would not stay long in that position, as he eventually realised that Craig was executing a multi-million-dollar fraud over the course of 2013. More about that later.

[Jamie Wilson recalls:](#)

“Q: And you started in August of 2013, right?”

A: No, no. I didn’t. If you have a look it was January, 8 of January, 2013. So that Christmas party that we asked before —

Q: Hold on, go ahead.

A: That would have been in December. So that does work out.

Q: So, the date on this, this goes, the date then the month then the year?

A: Yes.

Q: So, why is your resignation say here then November, 2013, if you resigned in October?

A: That would have been Craig or who, or his bookkeeper who looked after the accounts. I would not have processed my own termination pay because I never received the payment.

Q: Okay. But you were scheduled to be one of the highest employees, paid employees of this company, correct?

A: Yes.

Q: So, it is January, you are saying that you were employed January 8th of 2013.

A: Yes.

Q: And how many people started the company, well I guess with you?

A: Well Ramona Watts. His wife. Myself and Craig.

Q: Okay.

A: And then I would live in Brisbane; Craig lives in Sydney. All of the business was done out of Sydney. I was flying back and forward. Craig was then on-boarding other people around him to start up Hotwire PE.

Q: Okay. So, for nine months — strike that. So in April Dave dies?

A: Yes.

Q: You stay on with Hotwire in May, right?

A: Yes.

Q: You stay on in June, right? You stay on in July. You stay on all of the way until October or November?

A: 23rd of October my resignation." — Vel Freedman, Jamie Wilson

February 11, 2013: *Craig wins administrative appeal against ATO.*

Since Craig Wright produces forgeries by the boatloads, and then some, we are always sceptical when new material supporting Craig's case 'leaks'. But, as we explained earlier, when it comes to fakes and forgeries being exposed by investigators, it is always 'I didn't do that, I was hacked' or, in this particular case with the ATO, 'You were hacked, here's where your network has vulnerabilities, let's focus on those instead of my fraudulent rebate claims'.

Let's presume for the moment though that the screenshots below are genuine. They come from the same February 18, 2019 article by Murray Distributed Technologies, discussed earlier. They try to claim that Craig Wright had been fighting with the ATO since 2009, furthering his 'the ATO knew about my Bitcoin since 2009' lie and, in a peculiar case of 'the dog ate YOUR homework', asserts the ATO was relying on evidence forged by themselves or a third-party, as a result of the 'forensically proven' network vulnerability, in order to discredit Craig. In Part 2 of this series we will see ATO coming back to these accusations.

Note that the Murray Distributed Technologies article was written before the full ATO reports became known, as these reports were only filed in the

Kleiman v Wright lawsuit in June 2020. The ATO reports will be quoted a lot in this article, and, unsurprisingly, they contain a full debunk of Craig's 'forensic evidence'.



Australian Government
Australian Taxation Office

Dr Craig Wright & Mr John Chesher

*By email: jchesher@bigpond.net.au;
craig@panopticopt.com*

Reply to: GPO Box 4889
SYDNEY NSW 2001

Contact officer: Vivek Raj
Phone: 02 9374 2987
Fax: 02 9374 2698
Email: vivek.raj@ato.gov.au

11 February 2013

Dear Dr Wright & Mr Chesher,

**Re: Craig Wright v Commissioner of Taxation
Administrative Appeals Tribunal Ref: 2012/0375**

1. We refer to the above matter and enclose the 42C agreement, as discussed in our phone call of 11 February 2013.
2. If the Applicant chooses to resolve the matter on this basis, the 42C agreement will need to be signed and returned to:

ADMINISTRATIVE APPEALS TRIBUNAL ACT 1975

**IN THE ADMINISTRATIVE
APPEALS TRIBUNAL**

Tribunal Ref: 2012/0375

BETWEEN:

CRAIG WRIGHT
Applicant

AND:

THE COMMISSIONER OF TAXATION
Respondent

The parties, having reached an agreement, request the Tribunal, pursuant to section 42C of the *Administrative Appeals Tribunal Act 1975*, to make a decision in accordance with the following terms:

1. The objection decision dated 2 December 2011 is set aside; and
2. In substitution:
 - a. A deduction of \$43,042 is allowed for motor vehicle expenses;

Source: <https://britevue.medium.com/forensic-report-raises-questions-about-australian-tax-offices-handling-of-craig-wright-probe-138843251ef5>

It is in our opinion not a stretch to presume that this 'win' against the ATO's attempted objections concerning his personal 'Intellectual Property' sale scheme which, by his own recent words asserting that GST was paid 'on both sides', would have netted him the opportunity to file for a not-insubstantial rebate, in early 2013 may have emboldened Craig Wright to think that he could push the tax authorities in Australia much more, especially when it comes to ramping up the number of 'events' that never happened, and at the same time substantially ramping up the monetary valuation of these 'events'.

April 2013

Let's move forward to April 2013, a pivotal month in Craig Wright's Bitcoin fraud career. No less than three notable events happened in the second half of April 2013.

- *The Coin-Exch Pty Ltd company was raised in Australia, the first of a series of Bitcoin fraud related companies that, together with a few companies that Craig raised in 2009 and 2011, would form the Hotwire Group of companies.*
- *Craig Wright bought his first few handfuls of Bitcoin on Mt Gox. This is, as far as we know, the first time Craig actually touched Bitcoin. But just like the *The Conversation* comments, Craig never talks about this*

moment in his life. Telling?

- *Dave Kleiman, his once-partner in the short-lived and failed 2011 business endeavor called W&K Info Defense Research LLC in the USA, passed away.*

At first glance, these three events appear unrelated to each other, but in the following 12 months we will learn how they intertwine nevertheless. First, let's break down the month of April 2013 day by day.

April 17, 2013: *Craig raises Coin-Exch Ltd Pty in Australia.*

April 22, 2013: *Craig buys 42.3 BTC on Mt Gox.*

April 24, 2013: *Craig, on balance, sells 27.6 BTC on Mt Gox.*

Craig Wright really started testing MtGox this day. He is using the withdraw functionality twice for 1.8 BTC each, he buys 10 BTC, he sells a lot more, and he deposits 0.57 BTC back into his Mt Gox wallet on this same day.

April 25, 2013: *Craig buys 18 BTC on Mt Gox.*

April 26, 2013: *Dave Kleiman passes away.*

"About two weeks before his grisly death, there was a change in Dave Kleiman. The formerly generous and lively computer forensics expert became confrontational and bitter. Around that time, Kleiman left the Veteran's Affairs hospital where he'd been a patient, and called his close friend and business partner Patrick Paige to let him know. "They've decided to release you? That's great," Paige remembers asking.

"No," Kleiman responded. "I told the doctors to go fuck themselves.""

Snippet from a great piece from Gizmodo: "[The Strange Life and Death of Dave Kleiman, A Computer Genius Linked to Bitcoin's Origins](#)"

April 27, 2013: *Craig buys 25.5 BTC on Mt Gox.*

April 27, 2013: Craig publishes his first blog post about Bitcoin "[A diatribe on Bitcoin](#)".

A revealing part of Craig Wright's first Bitcoin post: "I've placed my bet".

Bitcoin is not the only solution but it is the leading one.

Hold fast to your beliefs if you wish and I will place my bet is you did yours. For this is what it is. You may bet on currency controlled by state player and I will bet on something that is decentralized and which cannot be devalued at a whim. A currency that can be trusted by all.

Bet your way and there is a simple way of testing what will occur. It is time. I've placed my bet and it is against all of those who believe that trust requires a central authority. My bet relies on the individual as a collective whole. That we all have value in that society does not need to be ruled centrally through monetary control. In the next couple decades we will see who is right and if I'm wrong my words will be here as a marker and a lesson.

Snippet from "A diatribe on Bitcoin".

April 27, 2013: Craig publishes his second blog post about Bitcoin "[Is hoarding really an issue with bitcoin?](#)".

April 28, 2013: Craig publishes his third blog post about Bitcoin "[Why Bitcoins?](#)".

April 29, 2013: Craig publishes his fourth blog post about Bitcoin "[Is Bitcoin volatile?](#)".

Because these four blog posts about Bitcoin in April 2013, after Craig Wright got redpilled on Mt Gox owning his first Bitcoins ever, reveal a lot about Craig's mood and status with Bitcoin at that specific moment in time, he has (again) never mentioned these posts in public. Like his first noob comments on Bitcoin in July/August 2011, Craig clearly doesn't want you to know that

these early Bitcoin scribblings from his hand exist.

April 30, 2013: *Craig receives message that Dave Kleiman has passed away.*

April 30, 2013: *Craig posts video "[Dave Kleiman — RIP \(1967–2013\)](#)" on YouTube.*

Above is a link to the original video on Craig Wright's YouTube account, however, only available on WayBack Machine as Craig had deleted his YouTube videos at some point. Below is a copy of this same video, uploaded in 2018 by YouTube user Crypto Me!, still available on YouTube.

And again we have found another public outing that Craig Wright never refers to in his conversations. Because, notably, and knowing what will come next (Craig creating an impressive amount of backdated emails, fake contracts and other forged digital documents, retroactively linking himself and Dave Kleiman to the early days of Bitcoin), in this video Craig doesn't mention Bitcoin even once, let alone his supposed "partnership" with Dave Kleiman in creating Bitcoin.

Under Craig Wright's original YouTube video on WayBack Machine we can find the comment below (posted May 8, 2013), with a reply from Craig himself on the same day. Kursten (Merie) Karr is now one of the Fact Witnesses in the Kleiman v Wright lawsuit, and she is likely to make an appearance in November 2021 during the Jury Trial.

Kursten, who knew Dave Kleiman intimately since 1998 till he died in April 2013, [is known to have stated](#):

"During the whole time I knew David [= Dave Kleiman], he never mentioned or spoke to me about Bitcoin or cryptocurrency. [...] David never described Craig Wright as his business partner or mentioned that they had business interests together."

April 30, 2013: Craig posts an In Memoriam about Dave Kleiman on his blog, simply called "Dave Kleiman".

Cracked, inSecure and Generally Broken

The ravings of a SANS/GIAC GSE (Compliance & Malware) Security, Digital Forensics Statistics and Data Mining. I mined Bitcoin in the past and write code.

The Charity I Support

Uniting Care Burnside

Their Vision

A just and safe society for all children young people and families - because children matter.

What I do

Each year I donate a christmas party for the families in the NSW Hastings region supported by Burnside.

[We have been doing this for a while now.](#)

On top of this I recycle computers. To do this I take 1.5 to 2 year old corporate lease computers and refurbish them so that they can run the most current programs.

The question is - what do you do to help?

If you do not have the time, have you though about a donation?

This blog has been monetarised. This is where the money goes. By clicking and purchasing on this site, you help Burnside and [Hackers for Charity](#). All monies earned here are split 50/50 between these two charities.

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TUESDAY, 30 APRIL 2013

Dave Kleiman

Last night a good friend of mine passed away. He is a friend to many people.

Dave Kleiman was more than a friend. For the last decade or so we've sparred verbally as friends about many topics in security and digital forensics. Dave tempered many of my wacky ideas and provided the grounding to make them come to fruition.

We did many things that people would consider out there. It was with Dave that I took an electron microscope and tested the theory of whether you could recover data from an overwritten hard drive. This was long and time-consuming project that ate 18 months of my life. It was Dave's support that allowed me to finish it. Dave was my sounding board and in some ways my muse. Whenever I became stuck Dave would help me step through the issues until we came up with a solution.

Dave was my person on the ground for DoD research contracts. Dave shared many of my secrets and I some of his. He knew me better than most people, better than nearly any other.

Mostly and most importantly Dave was my friend.

When I thought that my cancer had come back it was Dave who offered me strength. When my marriage broke down, it was Dave who offered a shoulder. Dave and I are a long way apart physically but I was always close to him and he always had a part of my heart.

We helped fund long-distance communications with our talks that would go for hours. We discussed anonymity and ways to both forensically recover data as well as means to ensure non-recovery.

The world was a better place with Dave in it. Every time I came back injured I remember Dave's strength. Dave was a remarkable man.

Whenever I was in pain I would think of him. There are few people who would hop out of their wheelchair, board a plane and skydive. That was the type of man Dave was.

He was a man. He was a Vet and knew what it means to serve.

Dave was strong, Dave is resilient and Dave had a large heart. In the decade and a half I've known Dave I've come to love him.

Anyone who knew Dave, knew a friend.

Dave will be sorely missed.

Posted by Craig Wright at [Tuesday, April 30, 2013](#)

2 comments:

- ▶ May 26 - June 2 (1)
- ▶ May 19 - May 26 (3)
- ▶ May 12 - May 19 (2)
- ▶ May 5 - May 12 (6)
- ▼ April 28 - May 5 (5)
 - [For the CSG opposition](#)
 - [Today's manifesto...](#)
 - [Dave Kleiman](#)
 - [Is Bitcoin volatile?](#)
 - [Why Bitcoins?](#)
- ▶ April 21 - April 28 (3)
- ▶ April 14 - April 21 (4)
- ▶ April 7 - April 14 (10)
- ▶ 2012 (96)
- ▶ 2011 (178)
- ▶ 2010 (37)
- ▶ 2009 (77)
- ▶ 2008 (262)
- ▶ 2007 (74)

 **Patrick Paige said...**

Thanks for posting this Craig, I to have many similar experiences. Dave was my best friend... He got me started in computers many years ago while I was his training officer. I hope and pray that he has finally found peace.

Rest in peace my friend
Patrick

30 April 2013 at 08:04

 **Craig Wright said...**

For Dave
<http://www.youtube.com/watch?v=pGmZ7v3TB2Y&feature=youtu.be>

30 April 2013 at 16:44

[Post a Comment](#)

Source: <http://web.archive.org/web/20151123050253/http://gse-compliance.blogspot.com/2013/04/dave-kleiman.html>

While, sure, apologists for Craig Wright will claim that all of the above could be explained away as exceptionally good OpSec, intentionally devised to maintain distance between himself and any connection to Satoshi. What they can't explain however is why NONE of the myriad of forged documents and false emails, backdated contracts and conflicting statements which Craig would later try to pass off as evidence of him being Satoshi Nakamoto, withstands even basic scrutiny.

Now, let's circle back for a moment to Arthur van Pelt's previous article (which could be seen as the sequel to this series of two articles) "[The Craig Wright May 2016 Signing Sessions Debacle, In Full Context](#)". Those of you who read that epistle about another noteworthy timeframe in the Faketoshi saga (May 2015—May 2016), might remember the following quote that was penned down:

"On a related sidenote, while talking about or examining Craig Wright's forgeries, a list that has grown into the hundreds if not thousands by now, there is a rule of thumb that never fails so far.

This rule of thumb is:

Everything Craig Wright and Bitcoin dated before April 2013 is a forgery created after April 2013 (except for a handful of public comments online in July/August 2011 when Craig apparently had just learned about Bitcoin)."

And indeed, we have now arrived at the end of this, as said, pivotal month in Craig Wright's Bitcoin fraud career. What follows is something we can touch upon somewhat indirectly, and only make educated guesses about. But fact is, "something changed", something that made Craig feel confident enough to unleash a massive tax fraud with Bitcoin as a scam tool, and during which he slowly started to roleplay Satoshi Nakamoto, the inventor of Bitcoin. This roleplay, called out numerous times by a plethora of experts in all kinds of linguistic, technical, legal and social fields, unfortunately lasts till today. It is fair to say, we guess, that Craig Wright still needs to meet his master, most likely in one of the impressive amount of lawsuits he's currently involved with.

It appears that the death of his former friend, combined with the fact that he owned his first Bitcoin in the same period, had clearly sparked an illicit idea for a Bitcoin scheme in Craig Wright — a scheme he believed would net him millions of dollars in R&D tax rebates and other refunds from AusIndustry and the Australian Taxation Office. But, first, he would need to craft a basis through which he could claim the group of Australian companies he'd incorporated had been funded for this supposed R&D expenditure in the first place, namely, he could resurrect the US based company Dave Kleiman had incorporated for their failed Homeland Security project pitches a couple of years earlier, assert that it had held extremely valuable Intellectual Property derived from millions of dollars in funding that he had personally loaned it, and then file a legal claim for 'return' of said valuable investments and assets. We will learn, of course, that said investments and assets never existed in the first place.

With Dave Kleiman dead there would be nobody to dispute his wild claims and with his burgeoning interest in Bitcoin, Craig Wright would have known exactly how to get around the fact there would be no bank records of actual cash having been paid to W&K Info Defense Research LLC. Thus began Craig's practice of claiming ownership, without any evidence, of large amounts of Bitcoin, by simply searching the Bitcoin blockchain for suitable transactions and public addresses to fit the needs of his fraudulent enterprise.

May 3, 2013: *Craig withdraws 43.9 BTC from Mt Gox.*

June 2, 2013: *Craig raises Hotwire Preemptive Intelligence Ltd Pty in Australia.*

[Jamie Wilson recalls:](#)

"Q: Can you talk to me about the type of intellectual property Craig was developing in 2013?

A: So, we set up Hotwire PE and it was all about setting up a banking platform, working with Rubik out of Sydney. The challenges were that it went to a decimal six spaces instead of what we have today being four. So unfortunately it couldn't go ahead. At the time of October, so we started that around about June/July of 2013. And by October I actually had finished and resigned. All projects were related to Bitcoin, also setting up exchanges.

Q: Okay. So, was Craig involved in Bitcoin related intellectual property development in 2013?

A: Yes."

June 26, 2013: *Craig emails Jamie all the 2011 W&K projects info.*

Remember, not one of these US Department of Homeland Security projects they pitched were Bitcoin related. DHS rejected all four of them and absolutely did not hire Craig Wright or Dave Kleiman, or fund them or the US business entity they had incorporated for the purpose, 'W&K Info Defense

Research LLC: Craig, however, now begins his re-writing of their shared history to suit his new plans following Dave's death.

From: Craig S Wright
Sent: Wednesday, June 26, 2013 6:06 AM
To: Jamie Wilson; Ramona Watts
Subject: Some history
Attachments: BAA 11-02-TTA 14-0025-WP Software Derivative Markets Cover Sheet A Page.pdf; Proposal White Paper1.pdf; Proposal White Paper2.pdf; BAA 11-02-TTA 01-0127-WP Software Assurance Cover Sheet A Page.pdf; BAA 11-02-TTA 05-0155-WP Scada Cover Sheet A Page.pdf; BAA 11-02-TTA 09-0049-WP Risk Quantification Cover Sheet A Page.pdf; Proposal White Paper3.pdf; Proposal White Paper4.pdf

This is where this started.

All has started to move much faster now. Dave passed a couple months ago, so I am no longer waiting for him to get better.

June/July 2013: *Craig changes his hoodies for fancy suits.*

After Dave's passing, a remarkable change is visible in Craig Wright's appearance. Jamie Wilson describes what happened.

“Q: Did you notice a change in Craig from before and after Dave died?

A: Yes.

Q: Okay. Can you expand on what that change was?

A: The change was from Craig, as I stated before, being a developer, security, hoodie, you know, very much —

Q: Sorry.

A: You know, wearing hoodies and things like that, when I would have meetings down in Sydney, he would turn up and we'd go to a little cafe shop and things like that where the train station was. Once Dave had passed away and things started to get kicked off with these new companies, there was a matter of all of a sudden he had to dress in flash suits, you know, wear the best watches, shoes, fascination with socks. Even down to vehicles. He moved from his normal Subaru which was beaten up and went and got a brand new car. It was just a massive change in lifestyle. It wasn't the Craig I originally met.

Q: So, I want to drill down on that a little bit more. Before Dave died you said Craig dressed in hoodies?

A: Yes.

Q: Can you expand a little bit more?

A: Yes, tee shirts, normal sort of developer sort of clothes. You could tell — I mean Craig is a very bright, very smart man.

Q: Right.

A: As I have said before, one of the greater futurists I have actually come across. But it was just disappointing to see the way the business was handled moving forward. And his arrogance, believing that he has got to change himself, I think just caused him a lot of problems.

Q: Beyond the physical change of going from hoodies to suits and expensive watches, did you see a change in his attitude at all?

A: Yes.

Q: Did he suddenly have confidence? What was the change?

A: Oh, the confidence went through the roof. It was a matter of I'm the man, I'm going to do this, this is the way I'm going to go about it. Whereas a lot more humble prior to Dave's passing.

Q: And, how quickly after Dave's passing did this happen?

A: I would have said June/July.

Q: Did you understand, did you ever come to have an understanding of why there was this sudden shift in his personality? Did it have to do with money or any, I mean, tell me, did you see any — strike that. Did you ever come to have an understanding of why there was a sudden, a massive shift in Craig's outward appearance?

A: No.

Q: Okay.

A: It was only when time has gone by.

Q: Beyond flashy watches, suits, new cars, did you see any other sudden displays of wealth?

A: Yes.

Q: Can you expand on that?

A: I did have a Christmas party and Craig and Ramona joined us at the event that night. I mean, Craig was very much, you know, the best of the Champagne, top shelf, and out of a team of around about ten, there was

about \$15,000 spent on the evening, all paid by Craig.

Q: Was that something Craig would have done prior? Is that something you had seen Craig do prior to Dave's death?

A: No, absolutely not. I mean, prior to Dave's passing, I was the one buying the coffees and spending the money travelling back and forward.

Q: And then thereafter?

A: It was a matter of he would even fly his team up to Brisbane. We would all go out together. Craig would actually pay for everyone who came along.

Q: Did it appear to you that after Dave died, Craig had access to massive amounts of assets that he did not previously have before?

A: The money came from somewhere.

Q: Sorry, go ahead?

A: I believe that there was a change, and overnight he had a lot of wealth.

Q: Okay.

A: But, at the same time I know that he was in the very early stages of Bitcoin as well." — *Vel Freedman, Jamie Wilson (deposition November 8, 2019)*

Now where did this "overnight wealth" in June/July 2013 come from?

Perhaps we can find an answer to that, knowing Craig Wright would be in the business of claiming massive tax returns in the upcoming years. When did Craig start receiving these tax refunds?

Source: <https://www.courtlistener.com/docket/6309656/547/3/kleiman-v-wright/>

In one of their reports issued in 2014, the ATO provides an unambiguous hint, looking at the screenshot above, it suggests where Craig's sudden wealth halfway through 2013 might have originated from.

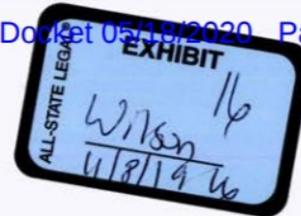
"For the past 2 years [...] 94% of your income or money to which you have access is comprised of GST or income tax refunds."

Another clue is coming from a July 2, 2013 email from Craig Wright to Jamie Wilson, where they discuss the very early days of Hotwire, the NSW Supreme Court fraud, bookkeeping matters and...

"have done the initial GST [...] processed and accepted by the ATO".

It appears Craig had just prepared, and lodged, the first GST BAS refund for his new company 'group' headed by Hotwire PE, derived from the 'valuable' Intellectual Property he'd 'recovered' from W&K Info Defense. This Intellectual Property, remember, is not Bitcoin related but he has managed to convince Jamie Wilson that it is related to his 'Bitcoin Banking System' scheme.

Case 9:18-cv-80176-BB Document 511-9 Entered on FLSD Docket 05/18/2020 Page 198 of 214



From: Craig S Wright
Sent: Tuesday, July 2, 2013 11:07 PM
To: Jamie Wilson; Ramona Watts
Subject: Initial Accounts

Attachments: Accounts_all.pdf; Balance Sheet 2013.pdf; Balance Sheet 2014.pdf; General Ledger.pdf; General Ledger2013.pdf; P and L 2013.pdf; Trial Balance.pdf; Trial Balance2014.pdf; Accounts.pdf

Hi Jamie
I have done the initial transfers etc.

As the assets to come in from the US are not Au, there is not GST on supply. These are dated from 01July 2013 and have been entered contingent of the NSW Supreme court action as of that date.

I have done the initial transfer to the company for licensing as of the 30th June 2013.

I have attached the existing accounts. I need to get these setup online so we can both access live as well as the book keeper.

Have a look at the accounts list and tell me what you want added / changed.

have done the initial GST and all that so we can have the year closed. The following have been processed and accepted by the ATO:

G10 Capital purchases	\$	8253633
G11 Non-capital purchases	\$	3206412

GST is only \$14 and is in credit - party huh :)

We may have to make an adjustment - but that will be based on the ATO and the private ruling. If it is adjusted, it is still set at 2013 tax year.

This initial amount is lodged and validated and processed by the ATO. We just need to ensure that the Court judgement is completed by August 30.

Accounts Attached

Regards,
Craig

On the same day, Craig Wright sends an email to his wife (with CC to Jamie Wilson), indicating that he is already thinking about spending "that money"...

All in all, it is not unlikely that the first (fraudulent) GST returns started to come in in the course of July 2013. In this case we have to presume that Craig Wright indeed lodged his first GST BAS on July 1, 2013 as he indicated in his email to Jamie Wilson on July 2, 2013. [Since the ATO takes 12 days](#)

max to process GST BAS returns, and advises up to 5 days extra before refunds appear on the taxpayer's bank account, then consequently Craig started to notice, to his pleasure, that his tax fraud appeared to be working as planned well before the end of the month of July 2013.

Lastly, what might have lifted his spirits also around this time was in narrowly avoiding bankruptcy in the aftermath of the 2003 — 2006 Ryan v Wright case, in which Craig was “chased through the courts” since 2006 by Mr McArdle.

Unknown in which month exactly, but in 2013 Wright settled the \$425,000 bankruptcy notice with McArdle [with the first tax refunds maybe?], according to the December 11, 2015 The Australian—Business Review section—article below. And is it a stretch to suggest that this ‘Sword of Damocles’ hanging above Craig’s head since 2006 might have pressed him into thinking harder and harder of questionably legal, or outright criminal, ways to get rid of this debt?

In any event, the evidence shows that his tax refund schemes were certainly serving as remarkable income streams and disproportionate to any legitimate business activity his companies may have conducted, it certainly appears to have provided for a sufficiently large amount of disposable income, that he was finally able to meet his long-standing legal obligation to his DeMorgan debt.

Bitcoin 'creator' Craig Wright faced bankruptcy

EXCLUSIVE

By LEO SHANAHAN,
11:00PM DECEMBER 11, 2015

The man outed as a possible creator of the digital currency Bitcoin was at the centre of a bankruptcy dispute and had a restraining order issued against him after a dispute with a former employer.

Craig Wright, who was named by prominent IT magazines *Wired* and *Gizmodo* as being the possible creator of the online currency Bitcoin — and therefore potentially worth hundreds of millions of dollars — was issued with a bankruptcy notice for more than \$400,000 for debts in a liquidated company he was associated with in 2003.

The Weekend Australian can reveal that Mr Wright had a history of disputes with a former company he was associated with, which led to him having a restraining order issued against him, being found guilty of contempt of court and having the bankruptcy notice valued at \$425,000 issued against him.

Mr Wright avoided bankruptcy after settling with Sydney lawyer Chris McArdle.

Mr McArdle told *The Weekend Australian* yesterday he was shocked by the claims about Mr Wright's outing as the possible founder of the online currency, saying Mr Wright "existed within his own fantasy world".

"I don't know whether Craig Wright started Bitcoin, but I believe Craig Wright believes he started Bitcoin," Mr McArdle said.

The Australian IT entrepreneur and security expert, was named by the magazines this week as the possible Bitcoin creator, a man previously only known by the pseudonym Satoshi Nakamoto.

There has been a worldwide hunt for the elusive Nakamoto since the launch of Bitcoin in January 2009. The currency has grown in value to be worth \$US5 billion.

This week Australian Taxation Office officials accompanied by the Australian Federal Police executed a warrant at Mr Wright's Sydney home as part of an ongoing tax dispute associated with his companies.

The dispute with his former employer started when questions were raised by the company's former managing director and chief investor Mike Ryan about spending in the company in 2003 by Mr Wright, who was then head of development and services in Demorgan.

Mr Ryan came to an agreement with Mr Wright that he would not approach clients of the original company to join a new entity created by Mr Wright.

Mr Wright had a restraining order placed upon him but was found to have continued to have approached clients and was found guilty of contempt of court and given a suspended 28-day jail sentence and ordered to do community service. Mr Ryan did not wish to comment on the speculation around Mr Wright being the creator of Bitcoin, but confirmed the legal action.

"For the record, we were successful in securing a restraining order against Wright and had him tried and convicted of contempt of court for actions he committed following his removal from the operations of Demorgan Information Security Systems Pty Ltd," Mr Ryan said.

Not long after the dispute Demorgan went into liquidation and the debt was bought from liquidators on 2006 by Mr McArdle, who was Mr Ryan's lawyer.

Mr McArdle has been chasing Mr Wright through the courts for the amount since 2006 which culminated in a bankruptcy notice being issued to Mr Wright for \$425,000. The pair settled in 2013 and Mr Wright avoided bankruptcy. Mr Wright has since started a series of IT companies, including several new companies called Demorgan.

In documents filed with ASIC Demorgan claims to have paid-up shareholdings valued at just over \$200 million.

Mr Wright has claimed in online profiles to possess a PhD and be an adjunct professor in computer science at Charles Sturt University.

Yesterday the Charles Sturt University issued a statement saying Mr Wright had been issued with three masters degrees from the university but no PhD. It is unclear whether Mr Wright possesses a PhD.

"Mr Wright has not been awarded a Doctor of Philosophy (PhD) by CSU. Between May 2011 and May 2014 Mr Wright was an adjunct academic at CSU. Adjunct academics undertake unpaid academic work and are not formally employed by the university," the university said in a statement.

Mr Wright appears to have access to large amounts of Bitcoin, with a McGrathNicol administrators report into one of his companies, Hotwire, saying the company received \$30 million worth of equity "in paid-up capital and this was injected via Bitcoins".

The company reportedly claimed to be eligible for a \$54m rebate in R & D credits from the federal government for its research into supercomputers and cryptocurrency.

Cryptocurrency expert Ian Grigg, who claims to have been in contact with friends and family of Mr Wright, tweeted yesterday the entrepreneur had been the target of an extortion plot.

"For some time, CW has been victim of an extortion plot for money and other outrageous things," he tweeted.

Share this article



July 1, 2013: *Craig admits backdating invoices to July 1, 2013.*

A rare occassion where Craig Wright admitted he wasn't hacked, or where ex-staff or Greg Maxwell or Ira Kleiman or Anonymous (or whoever suits the occasion) altered his documents. Obviously this backdating by Craig

“against Jamie Wilson’s advice” happened a bit later. But to understand the magnitude of Craig’s Potemkin Village early on:

- *Tens of millions are created from thin air (as ATO would find out) by making up fake invoices. Some of these invoices would be addressed to DeMorgan (not to be confused with another DeMorgan company discussed earlier), a company that didn’t even exist yet.*
- *When the issuing company claims to have incurred deductible ‘costs’ (again created from thin air, as the ATO would also discover), then they reduce or entirely eliminate their tax liability from the income derived from the invoices issued.*
- *The receiving companies (also owned or otherwise controlled by Craig Wright) who will have no, or hardly any, income revenue, now have \$9,619,869.29 GST in total to claim back as GST BAS refunds derived from the sales tax they claim they paid on those invoices.*
- *To give this fraudulent construction the appearance of legitimacy, Craig would start hiring staff, supposed to be paid from the first tax returns, hence the backdating needed to receive these GST BAS refunds as soon as possible.*
- *Rinse, and repeat. The tax fraud set up is born.*

Source: <https://www.courtlistener.com/docket/6309656/547/3/kleiman-v-wright/>

July 18, 2013: *Craig sends email to ATO with ‘evidence’ of his Bitcoin holdings.*

This is Wilson Exhibit 11 from the Kleiman v Wright lawsuit. Let’s have a look at how this email was discussed in court.

“Q: Mr. Wilson, I’m handing you what has been marked as Wilson 11. It was produced in this litigation as Defense 30127. Do you recognize this e-mail as an e-mail Craig sent to — with a cc: to you?

A: Yes.

Q: It is also sent to Mr. Dempster at the ATO?

A: Yes.

Q: And the subject is Evidence?

A: Yes.

Q: And in it there is a listing of companies, a Coin Exchange and CSW Personal?

A: Yes.

Q: With the Bitcoin holdings of 438,000 and 57,000?

A: Yes.

Q: The value of those Bitcoin on Mt. Gox which totals to 53.8 million.

A: Correct.

Q: Okay. And then, "My wallet is listed below." Do you see that?

A: Yes.

Q: Did you take this e-mail to — did you take this e-mail to tell you that — sorry, strike that. Did you understand from this e-mail that Craig owned and controlled over \$53 million worth of Bitcoin?

A: Yes.

Q: In fact, close to 500,000 Bitcoin?

A: Yes.

Q: Do you remember receiving this e-mail?

A: Yes.

Q: Did you ever talk to Craig about this e-mail?

A: It was ongoing conversations.

Q: Okay. All consistent with the story that, what?

A: All of these Bitcoin holdings.

Q: Okay. Did he ever tell you that this Bitcoin was locked in an inaccessible file to him?

A: No.

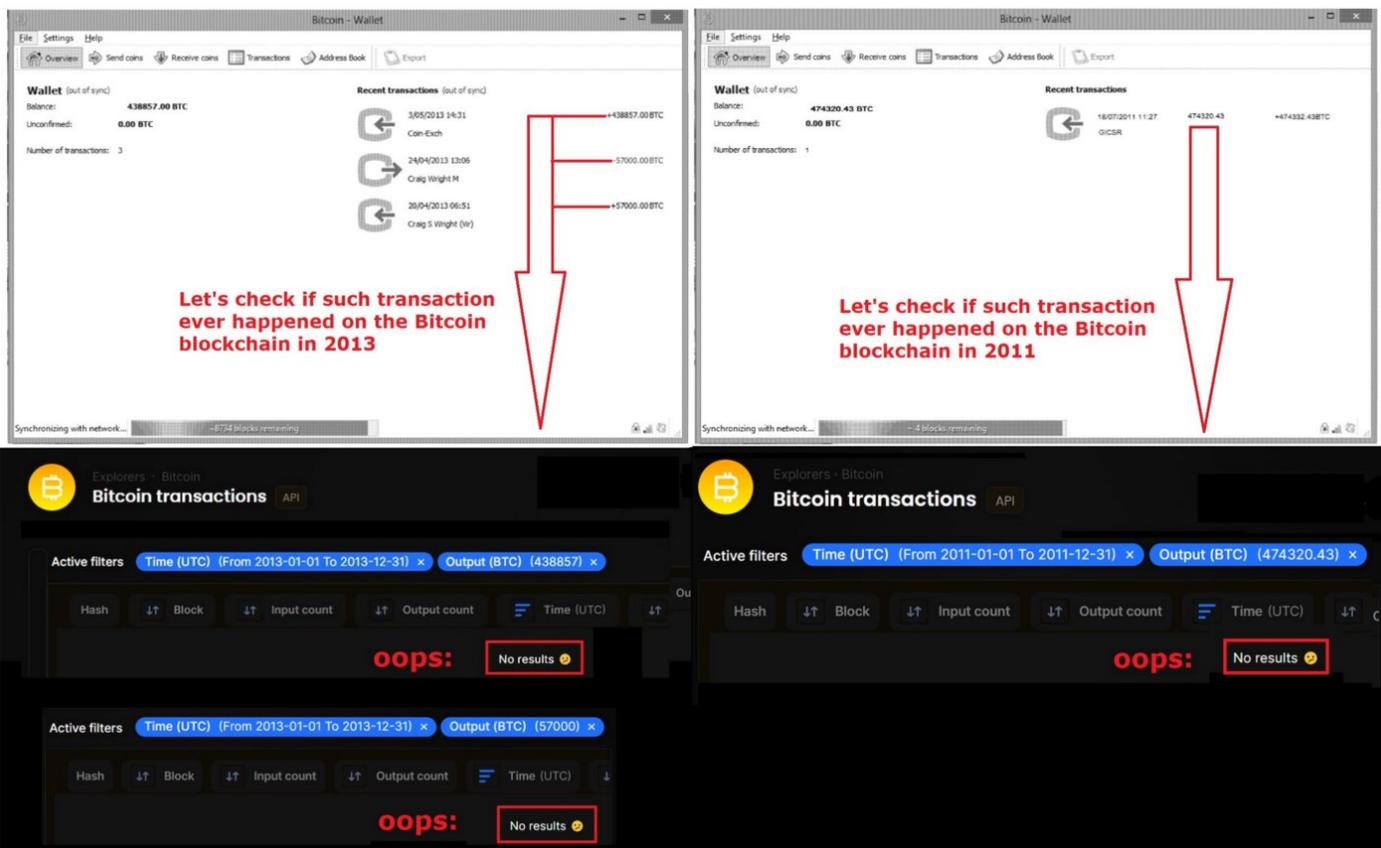
Q: Thank you, Mr. Wilson. So I can stop asking the question a million times, Mr. Wilson, did Craig ever tell you that Bitcoin he owned or controlled was locked in a file that he could not access?

A: No." — Vel Freedman, Jamie Wilson ([deposition November 8, 2019](#))

Note that Craig Wright now claims to personally own and control 57,000

Bitcoin 'not locked in a file'. Now let's go back to April and May 2013, the only times so far, at this point in time, that Craig had traded a bit on Mt Gox. What we notice: at no point did Craig ever have more than some 50 Bitcoin in that timeframe! So that number 57,000 is made up, just like the number 438,857 for Coin-Exch, of course.

Another reason we know that these numbers have been made up, and Craig Wright never controlled a single Bitcoin of them, is the fact that he, apparently in support of his email, created two Bitcoin Wallet screenshot forgeries with transactions that never happened on the Bitcoin blockchain, according the BlockChair explorer.



Source wallet screenshots: <https://www.courtlistener.com/docket/6309656/878/12/kleiman-v-wright/>

Based on these forged images we can make an educated guess about one of the addresses, namely 1eHhgW6vquBYhwMPPhQ668HPjxTtpvZGPC, that Craig Wright took from the Bitcoin rich list, and used to create these forgeries. The 1eHhg address never had one transaction on July 18, 2011, but as it happens, the total transacted on that address (474,320.43 BTC) is

exactly what Craig claims happened in one transaction in his 2011 wallet forgery!

However... Oops.

"That address was confirmed to be a MtGox address by Mark Karpeles moving 424,242.42424242 on June 23, 2011. Absolutely zero to do with CSW." — Twitter user Jingles



Potential proof that Mt. Gox still has all our bitcoins.

June 23, 2011, 07:09:09 AM

In response to a challenge that Mt. Gox was insolvent, MagicalTux, on IRC, decided to do a transfer of a pre-chosen number to prove they still had bitcoins.

"<MagicalTux> anyway, going to send to 1eHhgW6vquBY... the 424242.42424242 btc"

Here they are:

<http://blockexplorer.com/address/1eHhgW6vquBYhwMPHQ668HPjxTtpvZGPC>

Source: <https://twitter.com/JinglesBTC/status/1488939366030647296>

We will soon learn more of these Bitcoin rich list addresses that Craig randomly picked and used in his scammy. Keep reading...

The \$57 million NSW Supreme Court fraud kicks off

We've now entered the phase where Craig Wright really starts executing on his fraudulent Bitcoin scheme that would continue with a Satoshi Nakamoto cosplay starting some six months later.

July 25, 2013: *Craig files the first of two fraudulent claims of \$28 million against W&K Info Defense Research LLC at the New South Wales Supreme Court.*

And here we find Craig Wright unleash the most outrageous nonsense over the dead body of his 'friend' Dave Kleiman. The following screenshot is an exemplar of how the rest of the Faketoshi saga, a fascinating fairy tale of epic proportions, will unfold.

- *There were never "contract labour services".*
- *Craig Wright never loaned money to Dave Kleiman.*

- *There was never a “contract dated 27 October 2008”.*

It goes on and on like this in the filing. It is sad and disturbing to realize how readily Craig Wright is rewriting and exploiting a dead person’s reputation for his own financial benefits. And this will not remain the only time either in this timeframe, unfortunately. In Part 2 we will meet another dead person that is also being actively exploited after he passed away: Professor David Rees.

Source: <https://www.courtlistener.com/docket/6309656/24/11/kleiman-v-wright/>

August 1, 2013: *“a W&K shareholders meeting was called”.*

This event is mentioned in an [Affidavit](#) that Craig Wright filed at the NSW Supreme Court early November 2013 to support his \$57 million in claims case against W&K Info Defense Research LLC. Let’s unravel the dirty trick that Craig is executing here.

- *Craig Wright is falsely claiming he is 50% shareholder of W&K. In reality, Dave Kleiman always had been 100% shareholder.*
- *The shareholders meeting was not about W&K but about Hotwire (but, as Jamie Wilson recalls, some matters around W&K were indeed discussed).*
- *Jamie Wilson, without his consent as he had resigned already by November 2013, was retroactively made Director of W&K by Craig Wright.*
- *Unbeknownst to Jamie Wilson, who no longer worked for or with Craig at this point, he is the person Craig claims ‘approves’ the winding down of W&K and the acceptance of the debt positions (the \$57 million in contrived IP that Craig was needing to magic up for his Australia-based tax rebate fraud).*

And indeed, Jamie Wilson was not aware this had all happened in this capacity, as he [declared under oath](#) to Ira Kleiman’s head lawyer Vel

Freedman during his deposition on November 8, 2019:

“Q: Mr. Wilson, I’m handing you what has been marked as Wilson 14. It is Document 83–4. If you open that up Mr. Wilson and take a look, do you recognize this as an affidavit Craig Wright submitted to the Supreme Court of New South Wales?”

A: Yes.

Q: Can you turn to Paragraph 23?

A: Yes.

Q: In it Craig writes, “On first of August 2013 a shareholders meeting was called for W&K Info Defense LLC to be held on the 16th of August 2013. “The meeting was e-mailed to the company address as well as sent to the address of the shareholders and company.” “The shareholding of W&K Info Defense LLC was Craig S. Wright 50 percent; David A. Kleiman 50 percent.” And in Paragraph 24, “The meeting from Point 23, the meeting was held on the 16th of August 2013. “The following people were present. Jamie Wilson, Craig S. Wright.” Do you see that?”

A: Yes.

Q: Did this meeting ever occur?

A: Yes.

Q: What happened at that meeting?

A: Craig said to me that with David’s passing that we needed to do the paperwork for him to turn around and take full control and resolve the issue of David being on the, as a shareholder. To be honest, at that stage I had no, I didn’t have the knowledge or understanding of what it all meant, because the motions were already happening with the Supreme Court of New South Wales.

Q: So, if you look at the next page, “The following points were moved at the meeting: “One, Jamie Wilson will act as a director for purposes of consenting to orders and the company to be wound down. The vote was Craig Wright yes; no other parties. It was agreed that filing the motion to accept the debt owned by company W&K Info Defense LLC would be closed.” Do you recall this happening?”

A: This is my first knowledge that I was acting as a director of the U.S. company.

Q: So, this is the first time — so, let me break that down a little bit. You do recall the meeting happening; is that correct?

A: It was part of our meeting that day and it was around Hotwire PE.

Q: Okay.

A: Not so much W&K.

Q: So, you remember the meeting happening. Is it accurate to say that you remember the meeting happening, but you don't remember being made a director of W&K?

A: Absolutely.

Q: Okay. So then you would agree with the characterization in 24, Paragraph 24 that there was a meeting. Present, Jamie Wilson and Craig S. Wright were there?

A: Yes.

Q: But is it accurate to say you would disagree with what happened in Paragraph 26?

A: Yes. This is my first that I am being made aware that I was a director of the LLC company."

"Q: Mr. Wilson, can you take a look at Plaintiffs' Exhibit 1 for me, or Wilson 1 for me. And, those are the resignation letters?

A: Yes.

Q: Can you read the companies you resigned from?

A: Coin Exchange, Hotwire Preemptive Intelligence, Interconnect Research and Integers.

Q: I noticed that, and actually you noticed, Mr. Wilson, during a break you mentioned this to us, that there was missing, W&K was missing from the resignation.

A: That's correct.

Q: Why is that?

A: Because I didn't even know I was a director.

MR. FREEDMAN: No further questions.

MR. PASCHAL: No further questions. All right, I think we are done."

Ultimately, this fraudulent set up by Craig Wright of a line of events that had never happened — followed by boatloads of other lies, false promises and meanwhile providing more forgeries to the Kleiman estate in the course of 2014 to 2017 by Craig — in his desperate attempt to claim the title of Satoshi so he could convince a, now extremely sceptical ATO, that he did, indeed, own hundreds and hundreds of thousands of BTC, will lead to Ira Kleiman, brother and heir of the deceased Dave Kleiman, igniting a multi-billion fraud lawsuit against Craig Wright in February 2018. At the moment of writing, this case is still running, with jury trial to be expected in November 2021.

August 11, 2013: *Jamie Wilson emails a business status overview.*

At first glance, this all appears pretty legit. If only the way of funding was legit too... But Jamie Wilson makes one thing clear about this email. What's the common theme, Jamie?

From: jamie.wilson@hotwirepe.com
Sent: Sunday, August 11, 2013 9:47 PM
To: jamie.wilson@hotwirepe.com; ramona.watts@hotwirepe.com; craig.wright@hotwirepe.com
Subject: Projects - To plan

Importance: High

I will call today to discuss

These are things for us to start:

Research and Development Agency

<http://www.ausindustry.gov.au/programs/innovation-rd/RD-TaxIncentive/Forms/Pages/ApplicationForRegistrationAsAResearchServiceProvider.aspx>

We need to decide on Coin-Exch or HotwirePE and register.

This is for other work.

Bitcoin

- o ForEx (Foreign Exchange Project)
- o YDF based Bitcoin wallet
- o Bitcoin Hedge and Arbitrage system
- o Bitcoin Trading Platform (Such as Bloomberg was)
- o Mobile wallet (Wallet in YDF but we have a secure web interface)
- o Currency escrow (for sales and trade – also contracted services)
- o Bitcoin PayWave card

Training Engine

- o Patent
- o Adaptive Learning System
- o Network Cohorts
- o Mind Mapping and Search System
- o Course publishing system



- o Course publishing system
- o Course rating system (See Spotify and/or Netflix)
- o Agreements for content under way with publishers (Subscriptions)
- o Video system (See project below)
- o Misc. – recording studio

Reputation System

- o Think Linked in – but with tracking against training
- o Employment and job trading
- o Micro payments
- o Job validation and completion system

Video System

- o A replacement for Adobe and Goto Meeting
- o Record lectures – all web based
- o Mobile as well as desktop

Business Systems

- o Like Harvest / Tax software – Merged (Expense and time tracking)
- o Sales
- o Driving logs (and tax recording – simplified)
- o Reporting and financials tracking
- o Risk System (See Below)
- o In time – this can become a suite of managed systems (even the desktop as a service)

Risk Engine

- o Simple drop and drag risk platform
- o Project calculations
- o Monte Carlo Sim and Heteroscedastic
- o Set of algorithms – linked to training – no need to do maths

Security Project

- o Next Gen Diversion system (Firewall/IDS)
- o Big Data Intelligence tracking system
- o IP and system mapping (To application engine)

Internal Systems

- o Email/Collaboration etc. (MS Exchange)
- o SVN system
- o File system, Windows Domains
- o NAP
- o Etc.

Let me know if there are any early projects we need to add to the list.

“Q: Mr. Wilson, I’m handing you what has been marked as Wilson 15. It was produced in this litigation as Defense 43726. Take a moment. Do you recognize this as an e-mail you sent to Craig and Ramona Watts?

A: Yes.

Q: Can you explain to me what this e-mail is?

A: These were all of the projects that Craig wanted to work on. 5/5, Hotwire and the increase in staff in a short period of time.

Q: So, these were all intellectual property projects?

A: Yes.

Q: And they all related to Bitcoin? What did they relate to? What did all of the projects relate to — strike that. Was there a common theme between all of

these projects?

A: Yes.

Q: What was the common theme between all of the intellectual property projects that Hotwire was working on?

A: It was Bitcoin." — Vel Freedman, Jamie Wilson ([deposition November 8, 2019](#))

August 12, 2013: *Craig raises Integyrz Pty Ltd in Australia. An ever-so-slightly different spelling of a previously incorporated company of his, 'Integyrz'.*

August 13, 2013: *Craig files the second fraudulent claim of almost \$29 million against W&K Info Defense Research LLC at the New South Wales Supreme Court.*

The two false claims against W&K now total almost \$57 million. Meanwhile, more lies and nonsense is added to the list:

- *Craig Wright loaned Bitcoin to Dave Kleiman. Never happened.*
- *Software and SDK (Software Development Kit) development. Another false claim. Never happened.*
- *We notice a contract being mentioned, dated January 8, 2009, that never could have existed.*
- *And we find Craig's signature spelling mistakes, identifiers of his sloppiness ("to the defendant to the defendant").*

We're sure the reader now, while only looking at the tip of an immense fraud iceberg, gets a feeling for why Ira Kleiman, the brother of the deceased Dave Kleiman, was not amused anymore at some point, and decided to drag Craig into court early 2018 for all this fraud because, after all, if Craig was Satoshi and, as he'd previously claimed in his initial emails to the Kleiman estate, had developed Bitcoin with Dave, even sharing mining rewards which would now be worth fantastically large amounts of money, it was apparent that Craig may be subsequently guilty of robbing the estate of their rightful Bitcoin and

IP!

Source: <https://www.courtlistener.com/docket/6309656/24/11/kleiman-v-wright/>

August 23, 2013: *Craig raises W&K Company Pty Ltd in Australia.*

This appears to have been done in support of his scheme to obtain the non-existing Intellectual Property of W&K Info Defense Research LLC. In the end, Craig Wright didn't need this Australian company and never used it for anything, as far as we know.

August 25, 2013: *Craig raises Interconnected Research Pty Ltd in Australia.*

August 26, 2013: *Craig raises another four companies in Australia.*

- *Pholus Pty Ltd*
- *Denariuz Pty Ltd*
- *Zuhl Pty Ltd*
- *The Trustee for the Wright Family Trust*

By now, the foundation has been laid for the Hotwire group of companies, that Craig will use to attempt to defraud AusIndustry and ATO for millions of multiple types of tax rebates for projects that only existed on paper. We will learn that Craig's original ideas around the "Bitcoin Banking System" have been pulled apart and are spread over the several entities that Craig had raised in the course of 2013. The common theme is, as we learned from Jamie Wilson earlier: Bitcoin.

September 15, 2013: *Craig announces the Hotwire Group on his blog.*

Cracked, inSecure and Generally Broken

The ravings of a SANS/GIAC GSE (Compliance & Malware) For more information on my role as a presenter and commentator on IT Security, Digital Forensics Statistics and Data Mining; E-mail me: "craigswright @ acm.org".

Dr. Craig S Wright

SUNDAY, 15 SEPTEMBER 2013

GSE

Craig Wright

facebook



Name:
Craig S Wright
Email:
craigswright@acm.org
Status:
None

Create Your Badge

Followers

My Profile

 [My LinkedIn Profile](#)

[My CV](#)

[My Podcasts](#)

Share it

Independent, creative and innovative thinking should be celebrated and encouraged.



To this end, we have devoted:

- ⊗ Fifteen years of planning;
- ⊗ Four years of development;
- ⊗ Ten companies in a consolidated group;
- ⊗ A five year, \$x million development budget.

And so far.... It is still secret.

In the next nine months, secrets will start to come out.

Our Mission

Our Roadmap starts with our mission, which is enduring. It declares our purpose as a company and serves as the standard against which we weigh our actions and decisions.

- ⊗ To make the world wiser and better...
- ⊗ To inspire enduring optimism and trust...
- ⊗ To create value and make a difference.

To do this we will be hiring the best we can find:

- ⊗ First here in Australia;
- ⊗ Next in Singapore;
- ⊗ Next in The USA and UK;
- ⊗ And then everywhere else. Wherever we can find the best people.

In the next couple weeks, I will be blogging from the new site and things will slowly be revealed.

We are creating 100's of jobs now and in the not so distant future, who knows?

A few corporate policies...

The following are a few official corporate policies within Hotwire PE:

- ⊗ All user computers owned by the company are replaced within the second tax year and donated to a suitable charity that can use these systems for educational purposes.
- ⊗ No paper-based document is to be used or stored for more than three (3) months. Any documents are to be scanned electronically and stored online.

Posted by Craig Wright at [Sunday, September 15, 2013](#) [0 comments](#)

Source: <http://web.archive.org/web/20140602192717/http://gse-compliance.blogspot.com/>

With several hints like "Fifteen years of planning;" (starting 1998), "Four years of development;" (starting 2009: note that this is somewhat of a

crippled link to Satoshi Nakamoto, as Satoshi started development of Bitcoin in 2007, while Craig indeed raised Information Defense in 2009 as the reader might remember, a company that Craig apparently incorporates in the Hotwire group at this point in time) and "In the next nine months, secrets will start to come out.", Craig is apparently slowly preparing the world for his Satoshi Nakamoto cosplay. However, we will learn that the world, to Craig's frustration, didn't pay attention too much to this cosplay for at least two years from here...

September 20, 2013: *Email from Jamie Wilson to Craig Wright.*

The screenshot of this email is added to this article as an example of how Craig was setting up his multi-million tax fraud. It appears that around this time, Craig "I am adding BTC as inventory for now" Wright had been researching the Bitcoin blockchain for public addresses with large, sometimes dormant, holdings already.

Also, have a look at the numbers being discussed. Amount paid totals to shy of \$78.5 million.

September 23, 2013: *Craig claims to control a little over 1 million Bitcoin.*

And notable, at this point in time, these "little over 1 million Bitcoin" (which were allegedly the mined Bitcoin, we will learn during an ATO hearing on February 26, 2014 in Part 2) are not locked away in inaccessible, encrypted, multi-layered Shamir Secret Sharing Scheme files send to offshore Panamanian, sorry UK, sorry Singapore, sorry Seychelles it is, trusts with Craig Wright as beneficiary, sorry, not beneficiary it is, and about a dozen "I am lawyer" trustees who forgot that Dave Kleiman told them they had to send bonded couriers with one, no five, no seven, no seventeen, whatever, we lost count how many encrypted key slices in January 2020.

Instead, Craig had "control" over them. Interesting.

From: Craig S Wright [craig.wright@hotwirepe.com]
Sent: 9/23/2013 12:56:01 PM
To: Roger Manu [roger.manu@rubik.com.au]; Jamie Wilson [jamie.wilson@hotwirepe.com]
Subject: RE: Advice

XBT.
Bitcoin is a currency.

There are 11 million Bitcoin.

Look at the exchange rate in Xe.com

We control what is all up a little over 1 million Bitcoin.

I will leave you with the math

Craig

Which is also confirmed by another source. Because, what did Jamie Wilson tell Vel Freedman during his deposition on November 8, 2019?

“Q: Mr. Wilson, I am handing you what has been marked as defense, sorry, as Wilson Exhibit 10. It was produced in this litigation as Defense Australia 113043. If you take a look, do you see the e-mail at the top of the page, this is a — do you recognize this as an e-mail that Craig sent to you?

A: Yes.

Q: It also went to Roger Manu of Rubik?

A: Correct.

Q: In it Craig says, “XBT Bitcoin is a currency. There are 11 million Bitcoin. Look at the exchange rate in XE.com.” And then, “We control what is, all up, a little over 1 million Bitcoin.” Do you see that?

A: Correct.

Q: Do you recall receiving this e-mail?

A: Yes.

Q: Did you believe by receiving this e-mail that Craig controlled over 1 million Bitcoin?

A: Yes.

Q: Was this statement that he controlled, all up, a little over 1 million Bitcoin consistent with other statements that Craig had told you?

A: Yes.

Q: Did Craig ever tell you that this over 1 million Bitcoin was locked in a file that he could not access?

A: No." — Vel Freedman, Jamie Wilson ([deposition November 8, 2019](#))

Coincidentally, highly anticipated discussions about the possible holdings of Satoshi Nakamoto had started five months earlier, in April 2013, ignited by [Sergio Demian Lerner on Bitcointalk](#). It is not unlikely that Craig Wright had come across these discussions, as his email contains the exact same number that Sergio mentions.

"My estimation is that [Satoshi Nakamoto] owns more than 1M BTC, or 100M USD at current change."

A few days later, on April 17, 2013, [Sergio repeats the same estimation in a blog post](#).

"I estimate at eyesight that Satoshi fortune is around 1M Bitcoins, or 100M USD at current exchange rate."

To add, Sergio's research into the Satoshi stash is an easy inference to draw for another reason too: during the Kleiman v Wright lawsuit, when Craig Wright was requested to come up with a list of public addresses that he supposedly mined in 2009 and 2010, he (incompetently) copied the same filtering criteria that Sergio had been using in previous years. Craig's nChain colleague Steve Shadders then used these crippled Lerner criteria in 2019 for the creation of the so-called "Shadders List". The full breakdown of the Kleiman v Wright lawsuit is, of course, another story for another day.

September 25, 2013: *Craig sends email about Sukuriputo Okane project.*

This email can be found in a [June 3, 2019 post on Craig's blog](#). At first glance, it's an impressively smart looking email from a very bright Bitcoin architect-level developer. But is Craig Wright even such person?

No, of course not. He never was, and he never will be. Because at second glance, one finds out that the meat of this email is simply copied from the Bitcoin Wiki. For example, some of the text is taken — both in paraphrase and verbatim form — from the [Bitcoin Wiki Contract page](#), set up in 2012.

Contract

A **distributed contract** is a method of using Bitcoin to form agreements with people via the block chain. Contracts don't make anything possible that was previously impossible, but rather, they allow you to solve common problems in a way that minimizes trust. Minimal trust often makes things more convenient by allowing human judgements to be taken out of the loop, thus allowing complete automation.

By building low trust protocols that interact with Bitcoin, entirely new products can be created:

- **Smart property** is property that can be atomically traded and loaned via the block chain.
- **Transferable virtual property** are digital items that can be traded but not duplicated.
- **Agents** are autonomous programs that maintain their own wallet, which they use to buy server time. Money is obtained by the agent selling services. If demand exceeds supply the agents can spawn children that either survive or die depending on whether they can get enough business.
- **Distributed markets** are a way to implement peer to peer bond and stock trading, allowing Bitcoin to evolve into a full competitor to the international financial system.

You will find basically this whole text mixed in Craig's email below

The screenshot of the email from Craig's blog:

This is, plain and simple, plagiarism, of which Craig once, in June 2008, said "Plagiarism is more serious than most people think. It is a criminal breach of both the copyright act and is also a criminal fraud." in the comments to his blog article "[Tisk, tisk, tisk...](#)" (scroll down a little for the comments section).

*And now that we're on it anyway, this exact same text has been re-used by Craig in a (backdated to April 5, 2013) chat correspondence with Mark Ferrier to support the false MJF Mining story (see **September 27, 2013** after the next image).*

September 27, 2013: [Australian news media report](#) that Mark Ferrier, the son of a prominent insolvency expert has been arrested for a year-long series of frauds which netted him several hundred thousand dollars.

We will see in Part 2 that Craig, never one to pass up an opportunity to re-write history, after learning in the press of Mark Ferrier's litany of fraudulent business dealings, conjures up a series of purported business deals of himself with Mr Ferrier, during his efforts to convince the ATO of his totally-not-made-up Bitcoin holdings.

That last part should be read with a healthy dose of irony, of course.

Son of solvency expert investigated for fraud

Posted Fri 27 Sep 2013 at 5:00am, updated Fri 27 Sep 2013 at 8:40am



WA police arrested the man in the Perth suburb of Subiaco. (ABC)

Fact is, there is no evidence to show that Craig even had contact with Mr Ferrier at all, let alone conducted sizeable business deals with him. What

there is, instead, is a trail of evidence discovered by the ATO of Craig spinning off another arm of his complex web of lies, through pretend contracts and contacts, fake software and supposed business partners who, when questioned, confirmed they absolutely had nothing to do with any of the supposed deals with Craig or his Potemkin Village companies. What you will read, in Part 2 of this magnum opus, is how Craig was even caught out buying domain names he then pretended were the legit support desk operations for the fake banking software he pretended he'd paid for with some of his vast Bitcoin wealth.

And to give the reader a taste already of how that works with Craig Wright's forgeries, here's an example of what appears to be an email send to Craig from the 'Accounts' department of MJF Mining on August 15, 2013.

Source: <https://www.courtlistener.com/docket/6309656/550/4/kleiman-v-wright/> (page 266)

However, the domain 'mjfminingservices.com' was only (re-)created on November 22, 2013. Recreated? Yes, recreated. On October 16, 2012, this domain was created for the first time (allegedly by Mark Ferrier himself) but after a year abandoned without ever any activity related to it. As it appears, when Craig Wright started to ride along the MJF Mining news to create another Potemkin Village to advance his Australian tax fraud, he obtained this domain and started creating forged emails on them.

September 27, 2013: *Craig informs about three upcoming private rulings.*

It is currently unknown which three private rulings Craig Wright is referring to, as the evidence only provides information about only one private ruling around this timeframe: an ATO ruling about the nature of Bitcoin. This private ruling was indeed expected in September, but was according Craig only provided in December 2013, causing another point of friction and obfuscation between Craig Wright and the ATO in 2014.

From: "Craig S Wright" <craig.wright@hotwirepe.com>
To: "Robert Urquhart" <robert.urquhart@hotwirepe.com>, "Jamie Wilson" <jamie.wilson@hotwirepe.com>, "Ramona Watts" <ramona.watts@hotwirepe.com>, "Allan Pedersen" <allan.pedersen@hotwirepe.com>
Cc: "Steven Lipke" <steven.lipke@hotwirepe.com>, "Dez Blanchfield" <dez@blanchfield.com.au>
Subject: ATO Ruling
Date: Fri, Sep 27, 2013 11:16 AM

Hello,

I have been informed that the primary three ATO private rulings I have been seeking will be issued next week.

A private ruling is anonymised and then it is published on the ATO website. The ATO will be swarmed with press after this and we expect the quanta of the ruling to be global news. A five million dollar Bitcoin fund was world news and TV globally, we make this look like a mum and pop operation from the Winkly bros.

That stated, we want this to be global news without our name being noted as yet. I do not know how many and how deep the journalists will be coming, but I know I have had Forbes and the WSJ already digging. Right now, we are sitting on one of the biggest stories globally and we are not going to talk.

Next year we do go live, but this has to be a planned and coordinated process.

Regards,

Dr. Craig S Wright GSE LLM
Chief Executive Officer
Hotwire Preemptive Intelligence (Group)
Mobile: + 61 417.683.914
craig.wright@hotwirepe.com



October 2, 2013: *Craig wants to teach ATO how BTC works.*

At the same time, he declares that "The group I head has a holding of \$AU 100,000,000 in XBT (Bitcoin)."

The numbers are growing fast, it appears. Did Craig find enough dormant Bitcoin addresses on the blockchain in the meantime to back this claim up?

October 4, 2013: *The ATO troubles for Hotwire start.*

An ATO Refund Integrity audit involving Hotwire (the ABN number 48 164 068 348 mentioned) has started, it appears. This is only 3 months after the first lodgement of GST, and only within 3 weeks after the startup of the Hotwire group! We accuse the ATO sometimes of being slow, but here they obviously make up for that. Or was Craig Wright already a taxpayer with a special status at ATO based on experiences with his tax claims in previous fiscal years? At all times, this late 2013 Refund Integrity audit turned out to be the kickoff of a years long, extremely thorough inquiry into Craig's tax claims and overall business dealings, ultimately leading to a total dismantling of his Bitcoin fraud empire. And this case is very likely still not closed either for Craig, as in 2018 he was still under criminal inquiry by the ATO Criminal Investigations unit.

From: Italia, Mark [mailto:Mark.Italia@ato.gov.au]
Sent: Friday, 4 October 2013 1:18 PM
To: Craig S Wright
Subject: Notification of audit ABN 48 164 068 348

Hi Craig,

Further to our discussion, attached is a letter outlining the information we require as part of the audit.

<<Confirm - audit - post issue SR.pdf>>
<<Acrobat Document.pdf>>

Regards

Mark Italia
Indirect Tax | Refund Integrity
Australian Taxation Office
Phone 03 9275 4243

ATO Centenary | *Working for all Australians*

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October 6, 2013: *Craig responds to the Refund Integrity audit.*

Only two of apparently seven emails are provided in the public court docket of the Kleiman v Wright lawsuit. Email one:

And the numbers keep growing again in email two:

"We have a capitalisation in the group of \$230 million [...] We control \$165 million in XBT (Bitcoin)."

Wow. Craig Wright goes from almost bankrupt, in need of settling a debt of

\$425,000 with Mr McArdle, arising from the decade-long pursuit of the amount he owed following the 2003 DeMorgan debacle, to a capitalisation of \$230 million, within a few months. Amazing.

Except for the fact that, in the absence of any evidence to the contrary, it looks simply like Craig has been merely handpicking random public Bitcoin addresses from the Bitcoin rich list, and claiming "I own this". Truth is, even to this day Craig has yet to demonstrate anything to the contrary.

From: Craig S Wright
Sent: Sunday, October 6, 2013 1:07 AM
To: Italia, Mark <Mark.Italia@ato.gov.au>
CC: Jamie Wilson; Ramona Watts; Hardy, Michael <Michael.Hardy@ato.gov.au>
Subject: Email 7: RE: Notification of audit ABN 48 164 068 348
Attachments: SaaS Master Agreement Hotwire Final.pdf

SysUserProp: 88334F2CCA0D8E51C8530404366F9B82

Hello Mark,

This is the 7th email.

Jamie can get you the original signed copy of the Rubik agreement if you require it. It applied to the following:

<http://www.rubik.com.au/Products/Temenos-T24.aspx>

This should provide you with an idea of what we are and what we are doing. We have a capitalisation in the group of \$230 million and will be filing as a Large Entity and ADI in June 2014. We control \$165million in XBT (Bitcoin). We are becoming a regulated and licensed bank.

As you will have noted, all other XBT companies globally are not seeking regulation. The business will be live soon and we have a job and a half ensuring we are ready for the media circus that will ensure. I hope you understand the need for secrecy.

I will call tomorrow (Monday) to ensure that you have all you require.

We can get you more project charters, Ausindustry Advance findings, etc. Just let me know, we have voluminous quantities of documents here.

You should have received 7 emails in total.

Regards,

Craig

October 7, 2013: *Craig's first Bitcoin supercomputer "Sukuriputo Okane" enters the scene!*

Here we find the first of several (fake) projects that Craig Wright set up to scam the ATO. ATO however was quick to find out that "much of the application is taken from internet sources, without acknowledgement" and that the examples of the R&D activities were also "taken, unacknowledged, from an internet source".

The reader only needs to scroll back to September 25, 2013 to know what ATO is talking about.

And these are signature moves from Craig Wright again, as we will see this type of plagiarism, literally copy-pasting from internet sources, is going through Craig's fraud career as a fine red thread. And would the

supercomputer disaster stop here? Don't count on it...

October 9, 2013: *Craig is being notified by the ATO that a refund is being retained.*

Now that would have hurt, we're sure. Only a few months into the tax fraud, with Hotwire ramping up hiring personnel and Craig living the dandy life, and suddenly ATO starts cutting Craig's most important source of income (94%, remember?) already. This signal from the ATO will have substantial consequences within a matter of months. We will come back to this in Part 2.

From: Italia, Mark [mailto:Mark.Italia@ato.gov.au]
Sent: Wednesday, 9 October 2013 2:14 PM
To: Craig S Wright
Subject: Notification of audit ABN 48 164 068 348

Hi Craig,

Please refer to our notification to retain refund letter.

<<Notify - refund retained.pdf>>

Regards

Mark Italia
Indirect Tax | Refund Integrity
Australian Taxation Office
Phone 03 9275 4243

ATO Centenary | *Working for all Australians*

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October 9, 2013: *Craig opens up about the Bitcoin addresses he claims to control.*

This email is for a plethora of reasons hilarious. Read it, and weep.

Just a few of the notable things:

- *“The addresses are in my control now as a matter of fate and circumstances.”*
- our *Faketoshi* unraveled in one simple quote.
- *The address “16cou” has been signed “Craig is a liar and a fraud” in 2019. Evidence of that signing a little further down this article, as the “16cou” address will pop up in more forgeries.*
- *The address “1Feex” contains the Bitcoin stolen from Mt Gox on March 1, 2011. We will come back to that too. But it is hilarious to note that as early as 2013, Craig already claimed ownership of this address, without knowing its history (as [Mt Gox database research would only start in 2014](#), and publications about the origins and history of the “1Feex” address would only follow much later).*

And as if this wasn’t enough already, the ATO figured also something out about this email (see red box in the email). Craig was not only shamelessly lying in the content of the email, he also put a forged image inside the email, as a digital cherry on top of the fraud cake.

194. Dr Wright sent an email to Michael Hardy on 10 October 2014 with details of addresses controlled by the taxpayer and related entities.²⁴⁸ This included a screenshot of Bitcoin wallet software. One address, 1933, is written in a different font to the rest of the text within the software.

²⁴⁸ Email from Craig Wright to Michael Hardy dated 10 October 2013 with subject 'Discussion' [C44]

October 10, 2013: *Craig speaks at DATACON Sydney conference.*

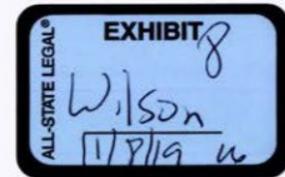
Remarkably, this speech at the Hilton, Sydney appears not to have been Bitcoin but cybersecurity related, although Craig advertised this event on the Hotwire website.

*Note how Craig called himself “Vice President” of Australia—Asia Pacific, Global Institute for Cybersecurity & Research (GICSR). More about that in *Faketoshi, The Early Years—Part 2...* (but to give a hint already, it’s not going to end well again).*

October 12, 2013: *Craig responds to the ongoing Refund Integrity audit.*

Note that a Statutory Declaration by Stephen D'Emilio is mentioned as an attachment, this document will be shown a bit later (and thoroughly debunked, of course). Also note that now another Bitcoin number "we have confirmed control of" is mentioned: 111,114 BTC. It appears as if Craig is now fully introduced to the Bitcoin rich list, and adjusts the numbers as he went ahead.

From: Craig S Wright
Sent: Saturday, October 12, 2013 4:47 AM
To: 'Italia, Mark'
CC: Jamie Wilson; 'Hardy, Michael'; Ramona Watts
Subject: RE: Notification of audit ABN 48 164 068 348
Attachments: Letter to ATO 11-10-13.pdf; 20131011145721820.pdf; abg_13_05_12_financial_31_mar_2013.pdf; abg_13_05_12_financial_31_mar_2013.pdf



Hello Mark,

More information will follow as promised later next week.

Attached you will see a letter in support from one of our suppliers, Rubik. The agreement to use this is from the MD of Rubik under the condition "As agreed you may use this as a confidential letter to the ATO on the basis it remains a non-public document." We are not ready to go to market nor to issue a press release on the products as yet, but will be in the next couple months.

I have also attached a Stat Dec from our solicitors validating the control of a number of Bitcoin based addresses. You can validate the amounts held in these publically. For instance at:

<http://blockexplorer.com/address/1933phfhK3ZgFQNLGSDXvqCn32k2buXY9a>

With a holding in excess of 111,114 BTC the above address we have confirmed control of is valued on market at \$AU 16,444,960.83 (See

<http://www.xe.com/currencyconverter/convert?Amount=1&From=XBT&To=AUD>). I have signed an agreement to escrow this Bitcoin deposit in support of ongoing contracts the company has with Modulus Financial Software, Rubik Technology Limited and Dallah.

The Stat Dec can be confirmed. The details of our solicitor are:

Stephen D'Emilio

Director

Commercial Litigation

FD Commercial Lawyers

Level 3, 2 Bligh Street, Sydney NSW 2000 Direct dial: +61 2 9221 7289 | Fax: +61 2 9221 8601

Mobile: 0412 548 791

I will follow this with transaction details early next week showing transfers of Bitcoin in August. Again, this information is pseudo-anonymous. That is, the information is actually public but is hidden as it is tied to a hash value that is the address. This both acts as proof of a transaction as well as a general ledger in effect. Knowing the addresses, the ATO can track and monitor all transactions. These are for amounts in excess of \$5million Au for software and hardware purchases. These are large and unusual amounts, but as you can see for the supporting letter from Rubik, we are doing something new in the industry in building a Core Banking platform.

I will for the contracts from Dallah Group, who are providing platforms for Core Islamic Banking (so we can enter the Indian and Middle Eastern Markets) early next week. To this, I will attach a letter of support from H.E Sheikh Saleh Abdullah Kamel, Chairman And Founder Dallah Group of Companies. I have attached the interim financials for this group who are supporting us and helping supply microfinance software.

Modulus are developing software for us to enable FOR-EX [foreign exchange] and other forms of trading (such as a stock exchange).

As you can see from the link below, core banking is not a cheap exercise:

<http://www.zdnet.com/commbank-promises-more-tech-innovation-7000019537/>

"The CommBank group's IT costs for the 2013 year include: AUS\$439 million for applications, AUS\$236 million for data processing, AUS\$100 million for desktops, AUS\$202 million for communications, AUS\$245 million for software amortisation, and AUS\$77 million for IT equipment depreciation."

Jamie or myself will send you details of what this is providing during the week as week.

Once we have this to you, please feel free to ask us for anything more. We are more than happy to supply this information to you. We go "live" next year. Right now we are remaining somewhat secret, but as I hope you can see from the supporting letters and other information that we are sending you, this is a serious business concern.

The contract with Rubik and others is for a system that will support 1,000,000 clients in June 30 next year.

Regards,

Dr. Craig S Wright GSE LLM

Chief Executive Officer

Hotwire Preemptive Intelligence (Group)

Mobile: + 61.417.683.914

craig.wright@hotwirepe.com



Hotwire PE
Hotwiring the World

October 23, 2013: [Jamie Wilson resigns from his CFO position.](#)

Jamie Wilson's career with Craig's Hotwire group was, as said earlier, shortlived. As Jamie started to notice an "uncomfortable and troubling" pattern in Craig's business dealings. In his deposition, Jamie explains:

"Q: Okay. And then as we have just seen you have resigned in October of 2013.

A: Yes.

Q: Can you tell me why you resigned?

A: The reason for it is that I wasn't feeling comfortable with the position of what was happening and not understanding everything behind the documentation and the accounts. That was the purpose of it. And also at the same time my ex-wife had medical issues as well.

Q: Okay. Can you explain to me a little bit more what you meant, what you mean by you weren't comfortable with what was going on in the documentation.

A: Well, in the lead up to my resignation, and it would have been over a 12-month period, Craig did set up these companies. And I was working with Craig, prior being on the board of White Ear and as an advisor to us in regards to development. But, my trouble was, and it was exciting moving in with him to start working on the new projects. But, where I didn't feel comfortable is Craig's change of attitude from a developer that would be in hoodies and, you know, very low key and working with, to one that, that is it, I've got to be the man, I've got to be the CEO, new flash suits, ties, and it was just a massive change from where he was conservative to right out there. Also I didn't agree on the employment of the staff and the buildup of these companies without understanding, the full understanding, of where the funding was coming from. So, I know there was a lot of Bitcoin there. However, when I started to have a look at the R&D and the claiming of the R&D, research and development, for the Australia federal government I didn't feel comfortable when I noticed that these amounts were from a U.S., and at that time and I am still not aware if the money actually was funded by the U.S. government. And I thought, well hang on, the Supreme Court of Australia has turned around and brought this IP into Australia, and now Craig is turning around and claiming the R&D on this money, that was paid by the U.S. government. **And I thought, this to me looks fraud. And, I want nothing to do with it.**

Q: **So, you resigned?**

A: **I resigned.** And since then I have had many times with the Australia taxation office, coming and investigate where I had to give evidence and the

breakdown of it, purely because of, they put me under a microscope, the ATO.

Q: And has the ATO found that you did anything wrong?

A: No, no.

Q: Okay. I am, and ATO is the Australia Tax Office?

A: Taxation Office.

Q: Okay." —Vel Freedman, Jamie Wilson (deposition November 8, 2019)

On a related sidenote, it will not surprise anyone, we are sure, that Jamie Wilson is just one of numerous people (ranging from Greg Maxwell to Ira Kleiman to Anonymous and many, many others, including the ATO organization) accused by Craig Wright of hacking him, and altering existing documents or even creating fraudulent documents from scratch.

Quotes from Craig's blog post:

"Going right back to Jamie Wilson, who fabricated documents as CFO and then left me without even giving me access to all of the documents he had been working on, the story has been one of individuals who think they deserve more than the salary that they are being paid. [**from Jamie Wilson's deposition however: "I never got paid, never received a cent. It was supposed to be an annual salary of what is here, 150,000. But it never commenced. So, I got a tax bill for money I never received."**]

Multiple staff members of Hotwire sought to put the company into liquidation and force such a scenario. At one point, Jamie Wilson had made a deal with people in New York in 2013 to sell both my intellectual property and my bitcoin. Mr Wilson was never involved with Dave Kleiman, had never met him nor had any association with anything to do with him. He was CFO of Hotwire, an Australian Company I founded between June 2013 and Nov 2013.

You wonder why he was fired.

I use companies for a reason. Unlike personal arrangements, you can set up

structures that cannot easily be bypassed. As an example, my dealings with FASV where I created a set of intellectual property that was patented jointly with Jamie were conducted with the company I owned called Panoptcrypt.

Luckily, Mr Wilson had no idea of the corporate requirements of the company. As such, his assignment documents that he filed are easily invalidated."



Craig Wright (Bitcoin SV is Bitcoin.)

Medium member since Sep 2018

Follow

My opinions are my own. Eternal student & researcher; plugging Bitcoin from as long as it was lawyer, banker, economist, coder, investor, mathematician, & stats

Craig Wright's blog "[On scammers](#)" June 13, 2019

Now note that Craig Wright is stating:

"You wonder why [Jamie Wilson] was fired."

This is obviously Craig lying again, as Jamie Wilson resigned on his own initiative on October 23, 2013. There should be no glimpse of a doubt about this fact, as Jamie repeated this several times under oath in his deposition, supported by four pieces of evidence (one shown here):

4 letters of resignation, addressed to 4 different companies, can be found in the Jamie Wilson deposition. Source: <https://www.courtlistener.com/docket/6309656/511/9/kleiman-v-wright/>

Craig Wright wouldn't be Craig Wright of course, if he didn't also accuse Jamie Wilson of fraudulent activities during a deposition in the Kleiman v Wright lawsuit. Craig has no shame lying inside a courtroom, under oath, or writing false declarations under penalty of perjury. Which is telling about what he is capable of outside a courtroom, isn't it?

This behavior is part of a con man strategy called "You got something (innocence) I do not; I gonna make you equal.". A more popular version of this mantra, sometimes appointed to Machiavelli, is "Accuse your enemy of

that which you're guilty of yourself." *to obfuscate, divide and conquer. We have to give it to Craig; this works well for him, to a certain extent.*

"A: The HTC phone was actually a company phone that was run by a number of people in the system engineering department. It was designed to have apps that we were developing run on it. I did not realise that after I had given it back to the company, after doing some demonstrations, that I had not wiped it, which would allow people to keep using my e-mail and have access to other such things. On top of that, there are IP addresses associated with Big Pond and other accounts in Brisbane. The Brisbane IP addresses are not mine. Some of those are associated with Jamie Wilson and other people. Jamie Wilson was working with a person that I fired and also Jamie Wilson has fabricated a number of documents, such as a power of attorney over the patent that I created. He has fraudulently created assignment documents to file the patent in America and has actually used my signature, if we call it that, to file those documents. Investigation of the documentation from the lawyers has turned up that some of the signatures that are on some of my documents — 'my' — turn out to be signed by someone else's hand. Some of that hand in some of the early ones also happens — which I have not gone over with my lawyers in full detail yet and I will not here — to match Mr. Wilson. Mr. Wilson seeks to keep IP that is not his. Other people in my company sought to sell some of the intellectual property that I was working on. We have documented exchanges between some of the people who were let go and companies, including a French bank, for the sale of intellectual property. Jamie Wilson had potentially a deal for \$100 million. If that deal had gone through and he had managed to get access to the intellectual property, some of the staff members, including some of the development and coding staff, would have been cut in on the deal. The IP addresses of each of those machines, of course, is suspect." — Vel Freedman, Craig Wright ([deposition March 18, 2020](#))

And, as always, Craig Wright didn't follow up with an inquiry, filing a police report, let alone that he sued Jamie Wilson, or anyone else for that matter,

for this supposed doctoring of documents and other fraud.

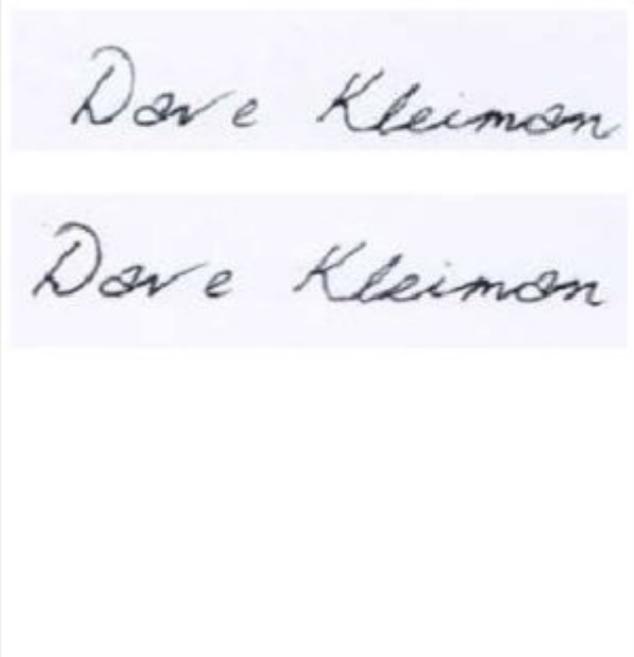
November 4, 2013: [Craig files affidavit at New South Wales Supreme Court.](#)

For who's interested, please check out the link above, as this Affidavit filing is a 105 pages long treasure dome of Craig Wright lies and forgeries. Allow us to show you two of them.

To start with, parts of a deed, (back)dated to April 22, 2011.

Appears legit, doesn't it? But nah. In the Kleiman v Wright lawsuit we learned that Dave Kleiman's signature was substantially different, making this deed document another forgery created by Craig Wright to support his false claims.

78. First, the electronic signatures that appear on these documents are substantially different than known examples of Dave's electronic and written signatures:

Authentic Signatures 2/1/2013 ¹⁴ & 7/30/2003 ¹⁵ & 2/22/2012	Signature on Fraudulent Contracts 4/22/2011 & 04/2/2013
	

79. In reality, this signature appears to be a near identical copy of a computer-generated font called Otto, available here: <https://www.wfonts.com/font/otto>.

When computer generated, this Otto font produces the signature:



Secondly, Craig Wright also produced a "Statutory Declaration" dated October 11, 2013, signed by a solicitor called Stephen D'Emilio and co-signed by a witness solicitor called Adrian Fong, with his Affidavit, obviously prepared to support the ATO tax fraud (see email earlier) and the two false NSW Supreme Court claims. At closer inspection, we notice several anomalies.

Firstly, the "1Feex" address mentioned in the list never belonged to Craig Wright. The "1Feex" address is where [someone who hacked Mt Gox on March 1, 2011 parked some 80,000 stolen BTC](#).

Irony has it that Craig Wright, still not backing down on his Satoshi cosplay, is currently chasing 16 developers in court to get access to the Bitcoin on this same address, in a case, unsurprisingly, loaded again with lies and forgeries. Craig Wright is represented in this case by an UK law firm called ONTIER who, incompetently or being complicit in Craig's fraud, totally missed (or willingly ignored) this, and many other, forgeries.

Needless to say that either way, this chasing of the holdings on the "1Feex" address will, of course, fail miserably again in the legal long run for all parties involved.

Another address on the list in the "Statutory Declaration", the one starting with "16cou", has been signed by the true owner in 2019, firmly and not incorrectly declaring "Craig is a liar and a fraud". If this isn't proof enough already that the whole NSW Supreme Court claims case is a farce and a fraud, we don't know what is. There are several more forgeries supporting the Affidavit, but let's leave it at this.

November 6, 2013: [Craig is, seemingly against all odds, awarded the ~\\$57 million that he claimed in July/August 2013 by the New South Wales Supreme Court](#).

Except that, as the court ruling states: "the court notes the agreement of the parties that the plaintiff will accept the transfer of Intellectual Property held by the plaintiff in full and final satisfaction of the judgement".

And this is what it was all about for Craig Wright. To lay his hands on non-existing Intellectual Property, and give it a court approved valuation. As Satoshi Itches explains:

“The point is that he now has “evidence” provided by the court that he owns over \$50M worth of IP. He can now sell that “IP” to his various Australian companies, and claim tax and R&D concessions based on this.” — Satoshi Itches ([who provides an even more detailed breakdown of Craig’s \\$57 million court fraud](#))

Source: <https://www.courtlistener.com/docket/6309656/547/7/kleiman-v-wright/>

But unsurprisingly, given the lack of Supreme Court’s truthfinding process and therefore ‘missing’ the numerous lies and forgeries that Craig Wright dumped in the \$57 million duo-claim, ATO (some critical notes from them in the screenshot above) would in later years consider this fraudulently obtained ruling as a “nullity based on sham”. We will come back to that in more detail in Part 2.

Note that these 2 cases cannot be found anymore on the [Australian New South Wales Caselaw website](#). It appears that they have been deleted from the court’s systems as they were based on fraudulent information provided by plaintiff Craig Wright.

November 23, 2013: *Craig (after divorcing Lynn Black in 2012) marries Ramona Watts.*

November 25, 2013: *Craig sells 23.4 BTC on Mt Gox.*

November 28, 2013: *Craig buys 17.2 BTC on Mt Gox.*

December 2013: *The falsely obtained W&K IP gets divided inside Craig’s Potemkin Village.*

To give an idea about the many, many millions of dollars that Craig Wright created from thin air, first coming in with the false NSW Supreme Court claims, then going out again in the Hotwire group of companies, here a page from the “Certificate For Advance Finding” from AusIndustry from the early days (signed November 6, 2014 by David Wilson — General Manager R&D

*Tax Incentive). And remember, this is *only* a peek inside one of Craig's companies, namely Coin-Exch Pty Ltd where Craig claims to have made over \$50 million in costs!*

Note that Craig backdated the whole R&D claim to the Australian fiscal year 2012/2013, running from July 2012 to June 2013. At the same time we know that almost 50% of the Hotwire group's companies (like Integryz Pty Ltd and Interconnected Research Pty Ltd) had only been raised in the next fiscal year: 2013/2014. Knowing this, it will come as no surprise for anyone we are sure, in Part 2 we will learn that Craig will start backdating numerous, and that is an understatement in this case, digital documents like emails, deeds, contracts, bookkeeping entries like sales and purchase invoices, and a lot more.

December 6, 2013: *And another supercomputer enters the scene!*

Meet C01N, the second supercomputer that Craig Wright claims to have had in the early years. He actually claimed C01N was already in use in September 2012!

It appears ATO was not very impressed with this machine. Nor with Craig's performance in handling the audit. From one of the ATO reports:

Source: <https://www.courtlistener.com/docket/6309656/547/7/kleiman-v-wright/>

December 24, 2013: *Craig files a lawsuit against Mark Ferrier/MJF Mining.*

Unfortunately the sources for this case, and the 2 W&K claims just concluded in November 2013, on [Australian's New South Wales Caselaw website](#) are not available anymore. But it's not a stretch, we presume, to conclude that with the recent success of obtaining two rulings for almost \$57 million against W&K Info Defense Research LLC, Craig felt confident enough to try the same type of trick one more time. Now against Mark Ferrier, about which he had read in September earlier. Better prepared now, with aforementioned experience with W&K in the pocket, the ruling for

almost \$60 million followed quickly in February 2014.

January 3, 2014: Craig expands his Bitcoin fraud empire to the UK.

As Craig buys 2 UK shelf companies from CFS International Formations Ltd:

- *Design By Human Ltd* (raised October 10, 2012)
- *Permanent Success Ltd* (raised October 18, 2012)

And from here, Craig sets up an, at times hilariously incompetent, trail of backdated forgeries and filings at Companies House UK, to change the history of these previously empty companies, with appointments for, there he is again, (deceased) Dave Kleiman and Uyen Nguyen.

January 7, 2014: Craig renames the 2 UK companies.

- [Design By Human Ltd becomes C01N Ltd](#)
- [Permanent Success Ltd becomes Denariuz Ltd](#)

Faketoshi Fun Fact: It appears the same agent, on the same day, also changed the name of another company, [Achieve and Succeed Ltd to Denariuz Ltd](#) and then [back again](#).

And according other Companies House filings on this date, Craig Wright appoints himself Director for both renamed companies per January 3, 2014 too.

January 8, 2014: Craig sends email as 'Satoshi Nakamoto'

The following email was part of the [Wired/Gizmodo dox package](#), and is one of the earliest known examples where Craig '(possibly...)' is starting his Satoshi Nakamoto cosplay. Note that the amount "we control" is upped further to \$700 million.

 **Satoshi Nakamoto** 
To: Sommer, Andrew Cc: John Chesher, Ramona Watts
Fear of the future

January 8, 2014 at 10:49 PM



Hello Andrew,

So, your views? How do we get the good senator involved? Would our Japanese friend have weight coming out of retirement or not?

Craig (possibly...)

● Satoshi Nakamoto

January 8, 2014 at 10:49 PM



To: Sommer, Andrew
Fear of the future

✓ satoshi@vistomail.com

- Copy Address
- Add to VIPs
- New Email
- Add to Contacts
- Search for "Satoshi Nakamoto"

Hello Andrew,

So, your views? How do we get the good senator involved? Would our Japanese friend have weight coming out of retirement or not?

Craig (possibly...)

Hello Senator Sinodinos,

We are in an interesting position with the ATO seeming to think business would be better overseas. We are all sure that you have heard something of Bitcoin.

The company that has forwarded the Private Ruling is a high tech leader in the world though this company has maintained a low profile for now.

I was just wondering why the government seems to want to force Australian companies and innovations worth billions out of the country? This organisation is at present deciding whether to stay (leading to hundreds more Au Jobs) or to move to Sg.

In the scheme of things, the \$700 million we control is only small now, but at the same time, so was Google once.

● Sommer, Andrew

January 9, 2014 at 4:53 AM



To: John Chesher, Craig S Wright Cc: Ramona Watts
Re: Fear of the future

Hi John and Craig

I am happy to write to Mr Sinodinos, my suggestion is that we keep Nakamoto-san's involvement in the background for now. So as not to cut across what Michael Hardy is doing, we could approach Mr Sinodinos on the basis that:

-
-
-

- timely and productive resolution of this matter - particularly having regard to the time we have already spent;
-
-
-

If you agree, I can prepare a draft tomorrow.

Andrew Sommer, Partner
Clayton Utz

A peculiar detail about this email is the email address: satoshi@vistomail.com. This is an actual email address that Satoshi Nakamoto used when he was around in 2008–2011. So how would Craig Wright have obtained that email address? Could it be that he is Satoshi Nakamoto after all?

No, of course not.

Because, as we know from another email, dated 2015, from the very same email address, of which the [header metadata has been inquired](#):

Knowing how to spoof a Satoshi email, combined with Craig's knowledge of "metadata" (scroll back for his July 21, 2012 blog post) and his preference for creating fake emails by the truckloads to support his false Satoshi claims, it is more likely than not that this is one of his many forgeries again. To be fair, we can only be sure after a more indepth forensic inquiry, of course.

January 22, 2014: *Craig withdraws 3 BTC from Mt Gox.*

This would be Craig's last transaction on Mt Gox, before its collapse. A full overview of Craig's trading and transacting between April 2013 and January 2014:

February 4, 2014: *Craig receives successful judgment in MJF Mining lawsuit.*

The lawsuit filed against MJF Mining on December 24, 2013 comes to conclusion. Craig is awarded a judgment/order for almost \$60 million.

Let's recap. By now Craig managed to create from thin air:

- *\$28,254,666.00 (W&K claim 1)*
- *\$28,534,049.79 (W&K claim 2)*
- *\$59,141,505.00 (MJF Mining)*

For a total of \$115,930,220.79 in fraudulent claims.

Note again that, just like the 2 W&K Info Defense Research LLC cases from July 2013 — November 2013, this case also cannot be found anymore on the [Australian New South Wales Caselaw website](#). It appears that this case also has been deleted from the court's systems as it was, also, based on fraudulent information provided by plaintiff Craig Wright.

February 7, 2014: *Mt Gox halts all trading.*

February 10, 2014: [Hotwire starts tweeting](#).

This is the first of only four tweets that Hotwire ever produced. We notice roaring marketing buzz about "Worlds First Bitcoin Bank", but knowing it's a paper-only scheme to defraud ATO for millions... A sick tweet.

Now let's have a look at the Hotwire website, [on Wayback Machine](#) as Craig Wright deleted all online presence from this era. We notice several of the companies (but not the full ten that he announced on his blog in September 2013 though) that had recently been raised by Craig, and at closer look: Craig summarizes his experience up to 2014, almost exclusively in the fields of Information Technology and Cybersecurity, Research and Forensics. There is notably no link or overlap whatsoever with the cypherpunk era designing, coding and launching of Bitcoin by Satoshi Nakamoto. But that's not a surprise, of course.

February 11, 2014: [First email to Kleiman estate.](#)

This is the moment, the first written statement where Craig Wright explicitly and unambiguously attempts to connect himself, together with Dave Kleiman, to the pseudonymous creator of the Bitcoin cryptocurrency, Satoshi Nakamoto.

"Your son Dave and I are two of the three key people behind Bitcoin"

On Tuesday, February 11, 2014 6:23 PM, Craig S Wright <craig.wright@hotwirepe.com> wrote:

Hello Louis,

Your son Dave and I are two of the three key people behind Bitcoin:

<https://bitcoin.org/>

<http://www.motherjones.com/politics/2013/04/what-is-bitcoin-explained>

If you have any of Dave's computer systems, you need to save a file named "wallet.dat". I will explain what this is later. Please understand, I do not seek anything other than to give you information about your son.

Know also that Dave was a key part of an invention that will revolutionise the world:

<http://techcrunch.com/2014/02/10/bitcoin-wins-best-technology-achievement-but-satoshi-doesnt-show/>

I will talk to you again soon.

When I can, I will let you know much more of Dave. I will also help you recover what Dave owned.

I will let you know when I am in the USA,

Dr. Craig S Wright GSE LLM

Chief Executive Officer

Hotwire Preemptive Intelligence (Group)

Mobile: + 61.417.683.914

craig.wright@hotwirepe.com



What is remarkable about this moment, it appears as if Craig Wright is only testing the waters for this false claim, in the closed environment of a private conversation that he controls, with a small group of uninformed and gullible listeners. Craig has not, and will not anytime soon, make such claim,

or anything close to it, to the ATO, for example.

Having been relying on merely conjuring up ownership of vast Bitcoin wealth for his tax fraud schemes, he now, some 10 months after the death of his friend Dave Kleiman, contacts the family to advise them that they probably shouldn't delete anything on Dave's hard drives because he's going to tell them of a fortune in Bitcoin they made and shared. This, again, some 10 months after Dave had died.

Absurdly, in later years, Craig's legal strategy against the Kleiman estate would see him attempt to bring suit against Ira Kleiman for 'failing to protect the interests' of his fictitious 'Tulip Trust', due to the fact in the 10 months Craig took to contact them following Dave's death, the hard drives had, indeed, been formatted. If only he'd thought to say something sooner, right?

From here, for many months more, even more than a year we will learn, Craig will keep his alleged involvement with Bitcoin to the level of "mining Bitcoin since 2009". Is he afraid that the false Satoshi Nakamoto claim will be called out in no time by a more informed, more experienced audience, well connected in the Bitcoin community?

He should be afraid. And he will be called out numerous times too.

Because Craig Wright is not Satoshi Nakamoto. He's a cosplayer, falsely and fraudulently pretending to be someone he isn't, for his own financial benefits, about which we will learn a lot more in Part 2, when his cosplaying further develops.

Outtro

We have arrived at the end of Part 1. We have covered the root era November 2003 — February 2014 of the brazen con man Craig Wright, charting a detailed timeline of events showing his early tax rebate frauds being scaled up through his plan to claim ownership of Bitcoin he never had,

to the point where he has decided to commit to the final step of actually declaring himself to be responsible for the creation of Bitcoin, to be Satoshi, himself, and lay claim to the fabled 'Satoshi Stash'.

Now please come back for Part 2, where we will cover February 2014 — December 2014, an era with even more lies, more forgeries, and more Faketoshi drama.

Thanks for reading.

To be continued... [In Faketoshi, The Early Years — Part 2](#)



Dr Craig S Wright 

@ProfFaustus

Replying to [@MyLegacyKit](#)

Loser talk

8:57 PM · 03 Jul 18

After this first, and only, interaction on Twitter Craig Wright blocked [@MyLegacyKit](#). So Satoshi.