

Faketoshi, The Early Years — Part 3

[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

We hope you truly enjoyed:

- "[Faketoshi, The Early Years — Part 1](#)"
- "[Faketoshi, The Early Years — Part 2](#)"

Let's recap Part 2, which covers the whole of 2014, for a bit before we continue with Part 3 which will cover the year 2015. This will also bring us to the closure of this epic series. Spoiler alert, in 2015 Craig's Bitcoin related

Potemkin Village will be completely demolished by the ATO, leaving Craig desperately looking for a multi-million-dollar bailout, then fleeing Australia and setting up camp in London after having convinced a credulous billionaire to believe in his discredited and extraordinarily-tall tales of billion-dollar Bitcoin stashes and blue-chip IP supposedly made all-the-more valuable by his up-till-today unproven claim to be 'Satoshi Nakamoto'.

February 2014

*Craig is feeling the pressure from the ATO investigators, who are clearly not swallowing his contrived story of hundreds of millions of dollars-worth of Bitcoin-based business transactions he has based multiple multi-million-dollar cash rebate claims on, Bitcoin he can provide no evidence for ever having owned in the first place, leading him to commit to the next step of his desperate plan. Some ten months after the death of his friend he emails Dave Kleiman's family in the US and tells them that he and David were, **"two of the three key people behind Bitcoin"**.*

That is how he, with support of Dave's family, intends to explain away to the ATO how he, Craig Wright, could have hundreds of thousands, if not millions, of BTC — by staking claim to the famed 'Satoshi Stash'!

As for Dave's family, he just strings them along for several years with repeated talk of potential billions in wealth they could be in line for, persistently changing the narrative as he progresses it, conjuring up supposed 'offshore trusts' and, ultimately, offering them shares in his companies in return for them signing away their rights to it all, so as to avoid the one thing he cannot actually do, send any of the Bitcoin anywhere. Because to do that, one would actually have to have the private keys and, until proven otherwise, the only person who would have those keys is the real 'Satoshi Nakamoto'.

Back to 2014. Craig went through a year of further ATO scrutiny, and at least four hearings and meetings with the ATO would be scheduled, where we find Craig making the most outrageous claims about his Bitcoin holdings,

hinting to offshore trusts all over the globe, and finally setting one up in October 2014: the empty shelf company Tulip Trading Ltd will become, with numerous backdated forgeries, one of the outlets forming the infamous Tulip Trust.

As we have evidenced in the previous two articles, there have been several of Craig Wright's frauds, running into the 100s of millions of dollars in false bookkeeping, exposed so far:

- The multitude of contradictory claims of Bitcoin spends where he cannot show ever having controlled the Bitcoin addresses when asked to by the ATO*
- The David Rees cosplay — His claims of large Bitcoin payments by supposedly posting private keys of wallet addresses to the elderly and dementia-suffering Professor David Rees, for 'consulting'; something the Professor's family rejected as a complete fabrication*
- The Deborah Kobza cosplay — The fraudulent claims of massive multi-millions-dollar business transactions he supposedly conducted for GICSR, a wholly outrageous assertion for a small non-profit organisation which never occurred, according to the court deposition of its own founder, Deborah Kobza*
- The UK companies fraud — His purchasing of 'readymade' off-the-shelf companies from a UK formation agent, for which he dishonestly created backdated contracts and legal filings dated years prior to when he had actually bought them, in an attempt to deceive the ATO investigators*
- A Seychelles 'readymade' company 'Tulip Trading Ltd' he bought which, again, he tried faking backdated trust documents for*
- The Mark Ferrier/MJF Mining fraud — A multi-million-dollar 'deal' with a fugitive conman for, industrial mining software, gold ore and banking software, for which the 'proof' he supplied to the ATO was exposed by them as being faked, with email chains from domains which didn't exist at the date of the email, to 'support' services for the banking software*

from a domain purchased on his own credit card and fake software licenses

- *The NSW Supreme Court fraud — His false representations to the NSW Supreme Court, where in his attempt to ‘astroturf’ value to his fraudulent tax rebates, he executed a pantomime ‘recovery’ of multi-million-dollars-worth of bitcoin and IP from the dormant US company Dave Kleiman had set up. Falsely claiming that the US DoD and DHS had used software he’d developed, as well as staking claim to non-existent bitcoin he’d loaned it*

... and so we continue with Faketoshi, The Early Years — Part 3.

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

Spring/Summer 2015: *Bitcoin Belle introduces Craig Wright in the Bitcoin community.*

Roughly late first, or in the second quarter of 2015, Craig starts infiltrating in the Bitcoin community. On Twitter, but also in real life. Crucial in this point of time is Bitcoin Belle (real name: Michele Seven). Michele was interviewed by Hackernoon (writer: OrphanBlocks) in April 2018, and we learned quite a few interesting tidbits about Craig Wright’s wheelings and dealings in 2015.



Michele Seven, Twitter profile image 2014

The following quotes are all taken from the Hackernoon article, intertwined with a few notes and comments from the undersigned between [...].

“It’s no stretch to say that Craig Wright is a bonafide “personality” in the blockchain space regardless of whether he actually is Satoshi... and it’s quite interesting to explore how he actually got there.

[Note: It is true that, as of writing the Hackernoon article in April 2018, Craig Wright had indeed become a notorious ‘personality’ in the blockchain space. After the December 2015 Wired/Gizmodo turmoil, and the [May 2016 signing sessions debacle](#), labelling him as ‘bonafide’ is a bit of a stretch though, of course.]

The answer of course is through Bitcoin Belle.

Here is a very quick rundown (for those of you that *did not* have the pleasure of being around in 2015) of the “version of events” that most people seem to believe:

- Craig contacts Bitcoin Belle in early 2015. Convinces her that he is Satoshi. The two begin a relationship of sorts. [Note: *The two begin a relationship seemingly predicated on Craig convincing Michelle of his wealth, power, high-level contacts, hacking abilities, whatever it took to reel her in on the idea [he could potentially 'fix' a family problem of hers](#) which, in her desperation to believe he could be some sort of 'deus ex machina' in the face of her distressing situation, she fell for, hook, line and sinker.*]

From: Michele Seven [mailto:michele.m.seven@gmail.com]

Sent: Saturday, 6 June 2015 2:19 PM

To: Craig S Wright

Subject: RE: article corrections

I want my brother out of jail and his record to disappear for starters.

I want to know that you can help here, you have money. I know what you can and cannot do.

Source: https://twitter.com/satoshi_n_/status/855837033956343814

- Bitcoin Belle introduces Craig to a bunch of other influencers and uses her own credibility in the space to get him onto panels and conferences. People like John Matonis, Roger Ver and Gavin Andresen [Note: *it is uncertain if Gavin Andresen is already aware of Craig Wright at this point in time: Summer 2015*] believe Craig is Satoshi and risk their reputations to support him.
- Craig drops Bitcoin Belle once he has enough contacts and introductions. The two stop speaking until Bitcoin Belle arranges a panel

event later that year [*We will come back to this panel in greater detail later*] with a host of big names including Nick Szabo, who until that point had not made a public appearance in forever.

- Craig takes the bait, accepts a place on the panel but does not use the conference to announce himself as Satoshi. Bitcoin Belle does not press further with her questions (perhaps still believing he might be Satoshi) and Nick Szabo only has a limited tussle with Craig much to Bitcoin Belle's chagrin.
- Craig Wright once he has seduced enough of the community eventually announces himself as Satoshi ... but as mentioned earlier, the proof he provides is found to be not sufficient [*Note: the supposed proof is quickly [exposed by multiple Bitcoin and cryptography experts](#) as being nothing but a pubkey copy of an old, blockchain-viewable, Satoshi-transaction*] and as a result the community turns on him and Bitcoin Belle for facilitating his introduction.

She made introductions for Craig to Jon Matonis and Roger Ver. The former was unable to find the US\$2 million that Craig needed but until recently [performed the role of Vice President at nChain](#) (Craig's company).

Roger however was more than happy to jump at the opportunity of helping "Satoshi" as long as Craig was able to provide some form of cryptographic proof. Craig provided the same proof that was refuted by the community a few months later, but Roger was easily duped at this point."

Taken from Hackernoon "[Bitcoin Belle's CCme: The woman who brought you Craig 'Satoshi' Wright strikes again...](#)"



Michele Seven, Twitter profile image 2015

Now read that last paragraph again... Is it remotely possible that Roger Ver loaned, or gave, Craig Wright US\$2,000,000 for a fake signing in 2015? On the other hand, when Roger and Craig nuked their relationship in November 2018, Craig send Roger an email, implying there was never proof provided. Or, in the alternative, Roger had found out the signing was... fake?

ABC

To: Roger Ver



If you want a war...

I will do 2 years of no trade. Nothing.

In the war, no coin can trade.

If you want ABC, you want shitcoins, welcome to bankruptcy.

It was nice knowing you.

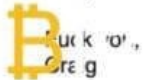
Bitcoin will die before ABC shits on it. I will see BCH trade at 0 for a few years. Will you?

Side with ABC, you hate bitcoin, you are my enemy. You have fucking no idea what that means.

You will.

I AM Satoshi. Have a nice life. You will now discover me when pissed off.

And, no. You Could have had proof. Your choice.



Again we see Craig Wright here in full petulant-child angry-tantrum mode, as usual whenever his 'reality' is being challenged. For nearly twenty years of documented history, from DeMorgan to his 'Satoshi' cosplay, you can see examples of how he ropes in gullible investors by masquerading as a world-class expert in whichever field his con is related to, before turning on them when the charade is exposed and he is held to account. So at all times, this is again a perfect example how Craig is attempting to defraud governments and gullible, rich investors.

March 26, 2015: *The SGI letter forgery.*

Remember October 2013, when Craig filed the "Sukuriputo Okane" supercomputer project for R&D tax rebates? In March 2015, the ATO is starting to inquire into this 'multi-million-dollar project', so Craig quickly forges a fake SGI letter and puts it on the CloudCroft website — another Potemkin-village facade, of course.

If you've read the previous articles in the series, when it comes to just how inept Craig is at these fakes and forgeries, you surely know what is coming

next...



26 March 2015

Silicon Graphics Pty Ltd
Level 4,
11-17 Khartoum Road,
North Ryde NSW 2113
Australia

Telephone: 1300 364 744

To whom it may concern,

SGI, the trusted leader in high performance computing, is pleased to work with Cloudcroft Supercomputers Australia in assisting the development of their hyper-density machines and supercomputers. As a global leader in high performance solutions for computers, data analytics and data management, SGI considers Cloudcroft a worthy partner in the goal to accelerate time to discovery, innovation and profitability.

Cloudcroft's proficiency in information technology is highly respected by SGI, particularly in the domains of cryptography and computer security. Cloudcroft brings this expertise to the design of its sophisticated supercomputer-based applications.

SGI and Cloudcroft have worked together with SGI's flagship ICE platform for powerful distributed-memory supercomputers to build Sukuriputo Okane, Cloudcroft's first supercomputer currently ranked #327 in the world. You can find more information about SGI's ICE supercomputing platform here: <https://www.sgi.com/products/servers/ice/>

This super computer was tuned to 939.67 TFlops which would see it pushed into the Top 100 systems in the Top 500 HPC realm. This could have only been achieved through commitment to cooperation. SGI is very pleased with this alliance in pushing the boundaries of distributed-memory systems.

Next we must perfect the integration of Nvidia Tesla and Intel Xeon Phi accelerator cards to reach new heights in supercomputing excellence in Australia. SGI offers both accelerator options for its products thus working with Cloudcroft to ensure the next supercomputer stays green, reaches the highest ranks of the T500 list, and continues to perform through innovation is very synergistic.

We look forward to a long, sustained relationship with this highly-focused Australian firm.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Greg McKeon', written in a cursive style.

Greg McKeon - Director

Source: https://web.archive.org/web/20200229045943/http://cdn1.spotidoc.com/store/data/001035994_1-b8959504f48a66c79da40c4acb98b77c.png

March/April 2015: *The “Sukuriputo Okane” project starts falling apart.*

The ATO, having visited the premises of Craig Wright as part of their in-depth and (still-to-this-day!) ongoing investigation into Craig Wright and his supposed multi-million-dollar business activities find... drum roll please... no evidence that this supercomputer exists at all.

And as a result, the ever-suitable Faketoshi mantra “[Craig Wright] had not provided any evidence” can be found two handfuls of times, in different shapes and forms, in [the relevant section of one of the ATO reports](#). He won’t be holding back on the wildly fabricated R&D claims just yet, though, because at this time Craig has only had the visit, but not the report of their findings yet, findings which are painfully detailed:

45. The ATO visited the taxpayer's premises in March and April 2015 and requested written information from the taxpayer to obtain evidence that the activities as registered had been conducted in the relevant financial years and that the expenditure claimed as notional deductions had the requisite nexus to the registered activities. As a result of our investigations, the ATO requested that AusIndustry examine the taxpayer's registration for 2012-13 and that AusIndustry make a finding as to the eligibility of the activities.
46. On 19 February 2016, AusIndustry made a finding under section 27J of the IRDA that none of the activities registered by the taxpayer in its 2012-13 AusIndustry application met the requirements of a core or supporting R&D activity.²⁶ AusIndustry found that:
 - 46.1. In relation to activity 1.1 (Core – Scriptable Money), the taxpayer had not provided any evidence that activities were conducted in 2012-13 to program contracts and had not demonstrated that any experimental activities were necessary to resolve a scientific or technical hypothesis.
 - 46.2. In relation to activity 1.2 (Core – BTC Agents), the taxpayer had stated that the focus of the activity had been on the assembly of a supercomputer platform. That is, the taxpayer admitted that Activity 1.2 registered in 2012-13 around currency agents was not conducted. The taxpayer had not demonstrated that any experimental activities were necessary to resolve a scientific or technical hypothesis.
 - 46.3. In relation to activity 1.3 (Core – Transaction Signing), the taxpayer had not provided any evidence that activities were conducted in 2012-13 to solve issues around the signing of bitcoin transactions and the taxpayer had not demonstrated that any experimental activities were necessary to resolve a scientific or technical hypothesis.
 - 46.4. In relation to activity 1.2.1 (Supporting – Coding test site), as the taxpayer had not demonstrated any core activities, this activity could not be a supporting activity and the taxpayer had stated that the focus of this activity had been on the assembly of a supercomputer platform, that is, the taxpayer admitted that Activity 1.2.1 registered in 2012-13 around APIs was not conducted. The taxpayer had also not provided any evidence that activities were conducted and had not demonstrated that the establishment of the supercomputing platform had any direct, close and relatively immediate relationship to any registered core R&D activities.

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

May 2015: *Craig adjusts the June 2014 "Bitcoin" blog forgery.*

In a really-weak attempt to pretend like he wants to cover-up his since-proven-to-be-a-backdated-fake January 10, 2009 Bitcoin 'launch' post, Craig goes back and deletes that fake, to replace it with another, albeit, rather than remove reference to Bitcoin he leaves it there knowing that credulous investigators can see his previous 'I am implying that I am Satoshi' version viewable on the Wayback Machine.

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
GSE

Craig Wright



Create Your Badge

SATURDAY, 10 JANUARY 2009

Bitcoin - AKA bloody nose you be....

This post has been removed.

Posted by Craig Wright at [Saturday, January 10, 2009](#) [0 comments](#)

nginx/1.15.8

Source: https://web.archive.org/web/20150525050803/http://gse-compliance.blogspot.com/2009_01_04_archive.html

May 11, 2015: [DeMorgan \\$54 million R&D tax rebate announced.](#)

But just when you start thinking, this will be the end of Craig Wright's false claims, his lies and forgeries are exposed, and he will finally back down... that's not how it works with Craig. He will always try to double down, cover up an old lie with a new lie, push old forgeries aside as "the dog ate my homework", or, to stick with his years long narrative, "I was hacked". So Craig wrapped the smoking remains of the bankrupt Hotwire Group together under a new label DeMorgan Group, and tried the same tax fraud again for even larger numbers.

"Adding to the big numbers, DeMorgan Ltd announced in a press release that it had received Australia's largest R&D Advanced Finding from AusIndustry and would as such be eligible to receive approximately

\$54,000,000 in R&D cash rebate for the R&D activities conducted in the 2014/15 financial year." — [Grant Central, May 18, 2015](#)

But, this is the last time we hear about R&D tax rebates from Craig Wright. From here onward, the storm that had been brewing since ATO's Refund Integrity department started their inquiry late 2013 into Craig's fraudulent tax return claims, events would quickly start to spiral downward.

Nik Cubrilovic, who, as an Australian citizen, witnessed events from close by, noted [on Reddit](#) and [on his blog](#):

"I don't think the \$54 million refund was ever paid, but he was paid earlier \$6M and ~\$2M refunds — he became more brazen but the last figure was too much even for the ATO (it was a larger claim than what even Google or Atlassian make)

There is also the sales tax case where the ATO found against him and penalized his company, Hotwire, \$1.7 million. The way this worked is Wright funded the company with \$30 million worth of Bitcoin. The company then purchased software from another Wright entity for \$29 million. The first company then made a sales tax refund claim for this purchase and sought ~\$3 million as a refund. What Wright was effectively doing was creating \$3 million in real-cash refund from the tax office by transferring imaginary Bitcoins between himself. I detail how this worked [in my blog post from yesterday](#).

That entity went from being founded to shutdown in months. The DeMorgan entity seemed to exist solely to make R&D claims from the Australian government.

Wright's primary MO these past few years, prior to fleeing Australia, was using various entities to create real-dollar tax refunds out of non-existent Bitcoins. I'm surprised it worked for as long as it did.

These cases do explain his motive for why he presented himself as Satoshi Nakamoto." — [Nik Cubrilovic on Reddit](#)

Nik went the extra mile in his inquiry of what happened in this era, and spoke with several eyewitnesses. From his epic blog post of May 2, 2016 called "[Craig Wright is not Satoshi Nakamoto](#)" we take the following quote:

"The experience of those who have worked for or know Craig Wright. Sydney is a global city but in many ways it is a small town — I found out after the Wired report that I knew two people who had worked for Wright. Since the stories published today I have come to hear — either directly or second-hand — from a number of other people who either worked for or knew Wright. **The conclusion is near-unanimous: Wright is not Satoshi Nakamoto, and is not capable of being Satoshi Nakamoto.** One friend described how Wright is so convincing that even tho he knew he wasn't capable of creating Bitcoin, he would at times even doubt himself. Another said that Wright has everybody convinced for at least a short period — but then it begins to unravel as his actions do not match his word. He came away from his experience convinced that Wright is a fraud. Yet another person who worked for Wright characterized him (via a third-party) as "the best conman i've ever met"" — *Nik Cubrilovic*

May 29, 2015: *Craig tweets about his 2 supercomputers.*



Craig S Wright
@Dr_Craig_Wright

Follow

Finalising merging Tulip and C01N into one
#HPC this weekend. **#SGI**

7:35 PM - 29 May 2015



Craig S Wright @Dr_Craig_Wright · May 29

With what we learn. We are going to aim to create a 10 PetaFlop system in 2016.



Notice that Craig puts a hashtag with SGI in his tweet, as if SGI had something to do with Craig Wright and the supercomputers mentioned. That remains to be seen, though, as in December 2015 ZDNet figured a few things out about SGI. They wrote about these findings in their article "[SGI denies links with alleged bitcoin founder Craig Wright](#)". A few quotes:

"However, Cassio Conceicao, SGI EVP and chief operating officer, has told ZDNet that despite this, SGI has never had any contact with Cloudcroft or Wright. "Cloudcroft has never been an SGI customer and SGI has no relationship with Cloudcroft CEO Craig Steven Wright," he said.

Conceicao added that SGI has no record of the C01N supercomputer being purchased or serviced by the firm. The C01N supercomputer, which was placed at [number 17](#) on the list of the world's fastest supercomputer in November [2015], is another supercomputer that Wright apparently owns. It was allegedly created when Wright merged C01N and Tulip Trading,

Cloudcroft's supposed flagship supercomputer, into a single high performance computer. "SGI has no record of the CO1N supercomputer ever being purchased or serviced from SGI, therefore SGI suspects it may have been purchased on the grey market," Conceicao said. "SGI does not operate, maintain, or provide any services for this supercomputer."" — Aimee Chanthadavong (ZDNet)

Note that SGI/Conceicao is implying that Craig Wright 'could' have bought an actual supercomputer on the grey market. This, we will learn further down the road, didn't happen either. But at this moment in time SGI didn't and couldn't know better, and they needed to carefully hedge on their statement as they could not explicitly claim (yet) that Craig didn't have any supercomputer at all.

June 22, 2015: *The ATO writes to Craig's Tax Lawyer, Andrew Sommer, declaring the outcome of their audit investigation and, whoops, Craig is now on the hook for a whopping \$5.68 million in tax levied against the business including an almost \$1.9 million fine for Coin-Exch Pty Ltd.*



Coin-Exch Pty Ltd
C/- Clayton Utz
Attn: Andrew Sommer
Level 15, 1 Bligh Street
Sydney NSW 2000

Reply to:
Our reference: 1-526DVU8
Contact officer: Andrew Miller
Phone: (02) 9354 6379
Fax: (02) 6225 0929

ABN: 31 163 338 467

22 June 2015

**Completion of audit
For your information and action**

Dear Mr Sommer

We have completed the audit of Coin-Exch Pty Ltd for the period 1 July 2013 to 30 September 2013. Thank you for your time and cooperation during this audit.

The result of this audit is:

Reduced activity statement credit	\$3,787,429.00
Administrative penalty (activity statement)	\$1,893,714.50
Total amount payable	\$5,681,143.50

Screenshot from the ATO Completion of audit letter

[The 7 page long 'ATO Completion of audit' letter is, to make an understatement, a pretty interesting read.](#) It explains in every painful detail the level of 'reckless' fraud that Craig Wright had executed with his company Coin-Exch:

"You made a statement to the Commissioner by lodging your activity statement. The statement was false or misleading as it incorrectly stated the assessed net amount. The assessed net amount includes any amount of GST that you have to pay.

MT 2008/1 explains that recklessness is gross carelessness. You act recklessly when your conduct clearly shows disregard of, or indifference to, consequences that are foreseeable by a reasonable person as being a likely result of your actions. We have determined that you are liable to an administrative penalty because you behaved recklessly when you made the statement. This is because the facts show that you should have reasonably

foreseen that your actions may have led to a shortfall amount."

And here, with this rather massive amount to pay without any sights on further tax returns, Craig knew he was cornered and needed an urgent bailout.

Meanwhile, Business Insider Australia provided a further update on December 9, 2015 about the struggles of Hotwire, the company of Craig that was put under administration in April 2014 to wind down its debts in the years after.

A few quotes from their article "[REVEALED: The ATO's \\$1.7M penalty on a company owned by the Australian 'Bitcoin mastermind'](#)":

"At the centre of the dispute is Hotwire's 2014 tax return and some \$3.4 million claimed as GST tax credits. Hotwire's tax return also gives rise to a \$5.5 million income tax refund, but Business Insider understands this has not been released by the ATO.

The company's tax return is now being handled by the arm of the ATO which specialises in high net worth individuals.

"The ATO has disputed the validity of the amounts claimed and has levied a penalty on Hotwire of \$1,716,608.00 in respect of the lodgement," the McGrath Nicol administrators write. "We understand that the Directors dispute the position adopted by the ATO."

After Hotwire went into voluntary administration, its creditors agreed last year to strike a Deed of Company Agreement, a deal to stop the company going into liquidation. Some repayments to creditors have been made, although other expected payments throughout this year have failed to materialise, in part because the expected ATO refund hasn't shown up.

There is a further Bitcoin-related twist, however: the failure of Hotwire was attributed in May 2014 partly to the disintegration of the Mt Gox Bitcoin

exchange, which [famously imploded in February of last year](#) with the loss of more than \$US450 million worth of Bitcoins.

Hotwire hit problems in April of last year when it failed to receive another expected tax rebate worth millions of dollars, killing its cash flow. McGrath Nicol wrote to creditors in May 2014:

The Directors have attributed the failure of the Company to:

- delays in receiving the \$3.1 million GST refund for the September 2013 quarter; and*
- Dr Wright, as the major shareholder no longer being able to provide financial accommodation to the Company due to the collapse of the Mount Gox Bitcoin registry where we understand Dr Wright had a significant exposure [Note: an exposure of 14.63 Bitcoin, valued ~\$8,050 at the moment of collapse].*

In its update to creditors last month, McGrath Nicol wrote: "We note that since the FY14 Tax Return was filed, it has been allocated to the Private Groups & High Wealth Individuals team within the ATO, which has made several detailed requests for additional information."

Business Insider understands that with the \$5.5 million refund not forthcoming to pay the creditors, the money is expected to come from another source, potentially Wright himself."

Well, no.

June 29, 2015: *Craig Wright's bail out starts taking shape.*

Craig, having been feverishly pumping out plenty of 'astroturf' implying his 'Satoshihness' which, while failing to convince the astute investigators of the ATO, has now managed to reel in a credulous billionaire and his lackeys, is incredibly now being bailed out for almost \$15,000,000.

Finally, his 'Satoshi' cosplay is going to garner some real cash payout other than fraudulent tax rebates!

A 'Summary Of Agreed Terms' is made up, signed by Ramona Watts (DeMorgan), Stefan Matthews (The Sterling Group) and Craig Wright (on behalf of himself).

- \$1,500,000 Asset Purchase for IP and technologies DeMorgan et al
- \$4,800,000 Services Agreement to set up nChain
- \$2,500,000 Convertible Loan, consisting of:
 - \$1,500,000 for legal costs associated with ATO matters, patent filings
 - \$1,000,000 for nChain
- \$3,500,000 Rights and Services Agreement for Craig Wright:
 - \$1,000,000 initial payment
 - \$500,000 per year salary for 5 years
 - His Life Story Rights

SUMMARY OF AGREED TERMS

PHASE I – STABILIZE AND CLEAN UP

- **\$1,500,000 Asset Purchase.** NewCo will purchase outright all IP and technology in deMorgan ("Company") and all Company subsidiaries and identified entities for \$1,500,000¹. This gets the IP out of danger and puts some capital back into the company. Standard warranties regarding validity and transferability of technology and IP. These funds should first and foremost be used to clear debts to all valid creditors in preparation for eventual subsequent wind-down.

[Notes: This immediately gets the IP out of danger, should the ATO process not conclude as intended. This also provides the first of two significant arguments in the ATO matters, demonstrating that the development costs to date were indeed commercially viable.]

- **\$4,800,000 Services Agreement.** DR TECHNOLOGIES LTD. will enter into a technology development, maintenance and consulting agreement with Company for up to two (2) years on a retainer basis at a monthly retainer rate of \$200,000. This service agreement will allow us to re-hire staff and recommence development ASAP. IP and technology development done during this period will accrue under the agreement to DRTL, and development will be exclusive to DRTL.

[Notes: Serves three purposes. Firstly, this provides a stable source of funding for the operation during this interstitial period. Secondly, by establishing a long-term client relationship such as this, the ATO cannot take the position that this is not an "enterprise". Finally, this ensures that any new IP or technology developed during this subsequent period is similarly protected and vests in DRTL.]

- **\$2,500,000 Convertible Loan.** NewCo issues a convertible loan for \$1,500,000 AU to Company, with an option for up to 1,000,000 more. The conditions of the loan are as follows:
 - Maximum 3 year term, interest rate of 0.25% per annum
 - Unless otherwise agreed in writing with NewCo, the loan shall be used only to fund solicitor fees and disbursements associated with the ATO matters, any approved patent application preparation or filings, and any



¹ All amounts herein are denominated in AUD unless otherwise indicated.



consulting, etc.) can be contracted back to NewCo by way of services agreements, whether to arms-length third parties or internally by way of transfer pricing arrangements. NewCo will be initially capitalized to \$1,000,000 USD by the investor, then subsequent R&D and operations will be initially funded by the payment received if the R&D claims in Company are successful or, if not, by subsequent direct cash infusion by investor.]

- **Equity in NewCo.** Upon incorporation, NewCo will immediately grant to the Wrights with 37% of issued and outstanding voting common stock. This 37% holding shall be subject to non-dilution protections and NewCo shall not issue common stock or voting stock of any kind in NewCo, unless otherwise expressly agreed in writing by the Wrights. These shares shall be held in a blind trust for the Wrights or for such holding vehicle the Wrights shall nominate until such time as Company and all subsidiaries of Company are wound up and all regulatory or tax matters have been finalized properly.

[Notes: The intention is that, once the Australian companies are properly wound down, that the Wrights own a full 37% equity stake in this entity. Directorship appointments should be discussed, both internal and external, but this has not been canvassed here. The incremental 2% equity (from 35% to 37%) shall be made available to the Wrights to make equity in their vehicle available to key personnel or staff.]

- **\$3,500,000 Rights and Services Agreement.** NewCo will enter into a direct exclusive services agreement with Craig as Chief Scientist.

[Notes: This would consist of a \$1,000,000 initial rights payment, followed by

an annual services arrangement for R&D of \$500,000 for five years, and renewable for subsequent periods. This would provide supplemental income to the Wrights and would cover any IP developed outside of Company, and would also grant NewCo the exclusive rights to Craig's life story for subsequent publication or release (suggest NewCo retain a researcher and ghost writer to begin background research and preparation, as precautionary measure).]

- **New Research Facility.** Going forward, set up a new company as a sub of NewCo in some favorable jurisdiction where talent is available for the R&D. This entity can employ the team as a service provider to NewCo, with the IP vesting back to NewCo.



INTERIM FINANCING OF LEGAL PROCESS

- **Bridge Financing.** Prior to the preparation of formal agreements for the Convertible Loan above, bridge financing will be made available through FIRSTLINE CONSULTANTS LTD. This loan will be paid out immediately with the proceeds of the final Convertible Loan advances once such formal agreement is in place.

IN WITNESS WHEREOF, the parties hereto have caused this letter of intent to be signed and sealed as 29 June 2015.

DeMORGAN LTD.

per



Signature

Ramona Worts

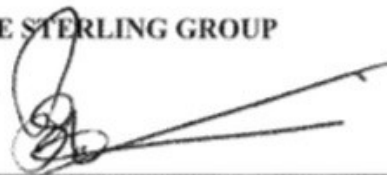
Name

29/6/15

Date

THE STERLING GROUP

per



Signature


STEFAN MATHEWI.

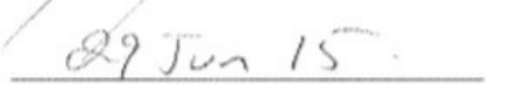
Name

29 JUNE 2015

Date

DR CRAIG WRIGHT


Signature


Date

Source: <https://www.courtlistener.com/docket/6309656/550/45/kleiman-v-wright/>

First, note how \$1,500,000 is being paid under 'Asset Purchase' for Craig Wright's IP and technologies. Now also note that this IP and technology stack also contains the fraudulently obtained \$57,000,000 in IP from the New South Wales Supreme Court claims against W&K Info Defense Research LLC in late 2013 (which turned out to be a "nullity based on sham" according the ATO, but do you think the bail out contract partners, except Craig Wright of course, were aware of these details: probably not)!

Now that we're at it anyway, what other valuations for Craig's business dealings popped up in those years? Early 2014, within mere months from the end of the NSWSC claims case aforementioned, but just before they went bankrupt in April that year, Hotwire was 'valued' at \$276,268,599:

7. Conclusion

An extremely conservative cost evaluation (Ref Scenario 3) using industrial standards is assessing minimum cost for the WKID SW (\$AUD): \$276,268,599.

WKID Software at sell assuming 10% margin (\$AUD): \$303,895,458.

Increasing the efficiency factor 5 times (from 10 to 50 Software Lines of Code per day) will reduce the WKID Software cost to around \$55Mill.

The purchase price of \$55Mill is considered extremely low for a product of this size and complexity.

Source: <https://www.courtlistener.com/docket/6309656/550/42/kleiman-v-wright/>

In November 2014, when DeMorgan was starting to take care of the remains of Hotwire, this valuation was upped a notch to \$378,475,713 according a report of a company called Business Reports & Values (BRV):

17. Conclusion

This valuation report has valued the software engineering for the four companies controlled by DeMorgan Ltd, using the cost basis. This software has a value of \$378,475,713.

Source: <https://www.courtlistener.com/docket/6309656/550/41/kleiman-v-wright/>

So it appears Stefan Matthews obtained things for pennies on the dollar,

buying all this 'valuable' IP and technologies from Craig Wright for only \$1,500,000. If only Craig Wright was happily accepted as Satoshi Nakamoto by the wider public next, then this would have been the business deal of the century!

Now, having arrived at June 29, 2015, we also start touching the timeline of Arthur van Pelt's other article "[The Craig Wright May 2016 Signing Sessions Debacle, In Full Context](#)" here.

A few quotes from that article go deeper into the Life Story Rights:

"On this day, a contract was signed with Craig Wright, Ramona Watts (Craig's wife) and Stefan Matthews that contains the following paragraph about "the exclusive rights to Craig's life story for subsequent publication or release (suggest NewCo retain a researcher and ghost writer [Note: this turned out to be Andrew O'Hagan, author of The Satoshi Affair] to begin background research and preparation, as precautionary measure)."

- **\$3,500,000 Rights and Services Agreement.** NewCo will enter into a direct exclusive services agreement with Craig as Chief Scientist.

[Notes: This would consist of a \$1,000,000 initial rights payment, followed by an annual services arrangement for R&D of \$500,000 for five years, and renewable for subsequent periods. This would provide supplemental income to the Wrights and would cover any IP developed outside of Company, and would also grant NewCo the exclusive rights to Craig's life story for subsequent publication or release (suggest NewCo retain a researcher and ghost writer to begin background research and preparation, as precautionary measure).]

Source: <https://www.courtlistener.com/docket/6309656/550/45/kleiman-v-wright/>

It is, of course, also perfectly clear that the financial stakes are high for camp Craig Wright.

"The plan was always clear to the men behind nCrypt. They would bring

Wright to London and set up a research and development centre for him, with around thirty staff working under him. They would complete the work on his inventions and patent applications — he appeared to have hundreds of them — **and the whole lot would be sold as the work of Satoshi Nakamoto, who would be unmasked as part of the project. Once packaged, Matthews and MacGregor planned to sell the intellectual property for upwards of a billion dollars.** MacGregor later told me he was speaking to Google and Uber, as well as to a number of Swiss banks. 'The plan was to package it all up and sell it,' Matthews told me. 'The plan was never to operate it.'" — Andrew O'Hagan ([The Satoshi Affair](#))

July 6, 2015: *Craig's final post on the Cloudcroft blog "[CEO Update: The Next 5 Years](#)".*

Craig Wright, happy with the lock in of a few million that will lift the ATO burden from his shoulders for a bit, immediately continues with his supercomputer scam. As he writes:

"Despite issues with the ATO, Cloudcroft Supercomputers and its parent group, DeMorgan Ltd, is happy to announce that things are back in full swing as we have secured funding for the next five years to deliver our innovations and solutions to market."

"Ok, welcome! It's been a little bit of a break. We've been doing our normal battles and all the rest, and well, this week we are coming back to our normal weekly reviews etc. So, an update is more more than anything else rather than talking technology for this particular blog update. **The companies are now fully funded — that will go on for at least 5 years (hopefully a lot longer).** Details of that, well one day they will come out. What matters for the moment is our ongoing typical battles with Tax office and other such things are all taken care of — others can worry about them other than me."

Fully funded... mwoah. That remains to be seen.

July 6, 2015: *Craig's lawyer Andrew Sommer terminates engagement.*

Andrew Sommer, who had so far been representing Craig Wright for several years in regards to his tax dealings with the ATO, terminates his engagement with Craig and his companies with immediate effect. Let's have a look how that exactly went.

It's best to follow the shocking line of events from the bottom of the following email thread upwards. It starts with an email from ATO to Andrew Sommer on July 3, 2015, explaining their damning findings about a handful of forged emails.

*When Andrew Sommer forwards the ATO email to Craig's wife Ramona Watts the next day, he notes "**They have significantly more material than this but they have allowed me to share this material with you as an indicative sample to help you understand my position.**"*

As we know, and have showcased extensively in this series, "significantly more material" would turn out not to be exactly an understatement.

Without further comment, Ramona then forwards the email thread to Craig.

From: Ramona Watts [Ramona Watts]
Sent: 7/4/2015 1:51:07 AM
To: Craig S Wright
Subject: Fwd: Without Prejudice - R&D matter [DLM=Sensitive]
Attachments: Appendix 4 - 8AALZGA Email (00000004).pdf; ATT00001.htm; Appendix 7 - ATO Email CF Khou 00 (00000003).pdf; ATT00002.htm; Appendix 9 - Kinloch Brigit 0111131 (00000002).pdf; ATT00003.htm; ATO forensic record_Hoa Khuu emails.pdf; ATT00004.htm; ATO case officer record_Hao Khuu.pdf; ATT00005.htm; ATO forensic record_Brigid Kinloch email.pdf; ATT00006.htm; ATO case officer record_Brigid Kinloch email.pdf; ATT00007.htm; Bsusiness Khoo.pdf; ATT00008.htm

Sent from my iPhone

Begin forwarded message:

From: "Sommer, Andrew" <asommer@claytonutz.com>
To: "Ramona Watts" <ramona.watts@hotwirepe.com>
Cc: "Heydon Miller (hdmiller@level22.com.au)" <hdmiller@level22.com.au>
Subject: FW: Without Prejudice - R&D matter [DLM=Sensitive]

Dear Ramona

Set out below is a sample of the information that that ATO has. They have significantly more material than this but they have allowed me to share this material with you as an indicative sample to help you understand my position.

In each case of the Brigid Kinloch and Hao Khuu emails, they have set out the email in the form attached to your submission of 26 June, the email in the form from the individual's own email records and the email in the form stored in the ATO's forensic record.

You can see the differences between the ATO's records and the records in your submission. The differences are intended to support the position Craig wanted to advance. In each case the "supportive" wording does not appear on the ATO version of the emails but only on the version of the emails contained in the submission of 26 June.

The position in relation to the Celeste Salem email is different. No such email is recorded on the ATO's systems and Ms Salem was not at work that day.

The ATO have also confirmed that no email was sent to Craig from Hao Khuu at 12.16pm on 5 April 2013. Attached is an email Craig sent to me recently which is purportedly from Hao Khuu at 12.16pm supporting the position taken in relation to the claiming of input tax credits by DeMorgan Limited. That email is not on the ATO's system and the individual in question denies sending such an email. The ATO do not have the 12.16pm email (I hadn't sent it to them) but I asked them to check as I was intending to rely on that 12.16pm email in relation to the imposition of penalties for DeMorgan Limited in relation to the recent position paper. To be clear - the attachment to which I am referring is the pdf entitled "Bsuiness Khoo.pdf". This was not attached to Ms Walwyn's email, however the rest of the attached PDFs are from the ATO.

This is extremely serious. I understand Heydon has been in touch regarding obtaining future representation for Craig to assist him with these matters. You will understand why I and Clayton

Utz can no longer act. I urge the company to seek appropriate advice and Craig to seek separate advice in relation to these allegations by the ATO.

I also believe that this information should be provided to Stefan Matthews and Rob Macgregor as a matter of urgency. In my view, it is appropriate for this to come from you rather than from me.

As discussed on Friday, I have taken advice from my own lawyers and believe that I have no alternative but to cease acting for DeMorgan Limited and Craig immediately. The letter will be issued on Monday.

I have great personal regard for you both but I cannot allow that personal regard to prevent me from taking what is the only course of action available to me in these circumstances.

Regards

Andrew

Andrew Sommer, Partner
Clayton Utz
Level 15, 1 Bligh Street, Sydney NSW 2000 Australia | D +612 9353 4837 | F +612 8220 6700 |
M +614 11 721 286 |
asommer@claytonutz.com<<mailto:asommer@claytonutz.com>> |
www.claytonutz.com<<http://www.claytonutz.com>>

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

From: Walwyn, Aislinn [mailto:Aislinn.Walwyn@ato.gov.au]

Sent: Friday, 3 July 2015 4:01 PM

To: Sommer, Andrew

Cc: Montanez, George

Subject: Without Prejudice - R&D matter [DLM=Sensitive]

Dear Andrew

I refer to our without prejudice discussion this morning and, as requested, attach copies of the relevant false emails which were sent to the ATO by Ramona Watts under cover of an email dated 26 June 2015. The discrepancies have been highlighted in yellow:

1. Purported email correspondence from Hao Khuu, attached as 'Appendix 7 - ATO Email CF Khou 00 (00000003).pdf'
2. Purported email correspondence from Brigid Kinloch, attached as 'Appendix 9 - Kinloch Brigit 0111131 (00000002).pdf'
3. Purported email correspondence from Celeste Salem, which was included within a document titled 'Appendix 4 - 8AAZLGA Email (00000004).pdf'

ATO authentic records

Our IT forensic staff have extracted copies of the following authentic email correspondence between ATO officers and Dr Wright at the time of the alleged emails:

4. Hao Khuu emails

I attach the ATO's IT forensic record of the complete chain of email correspondence between Hao Khuu and Dr Wright on 5 April 2013. The ATO has no record of Hao Khuu sending an email to Dr Wright at 12:16 PM, just a courtesy email at 12:17 PM.

I also attach Hao Khuu's record of the emails, which accords with the ATO Forensics version.

5. Brigid Kinloch emails

I attach the ATO's IT forensic record of the emails between Brigid Kinloch and Dr Wright on 1 November 2013 as well as Brigid Kinloch's record of those emails. It shows that Brigid Kinloch sent an email to Dr Wright that afternoon, however the content differs:

6. Celeste Salem email

The ATO's IT email records show that Celeste Salem did not send the email supplied by Ms Watts. Further, according to our IT forensic staff the message ID quoted on page 7 of the document was not sent by anyone in the ATO during any of July 2014 and ATO records show that Celeste Salem was not at work on Tuesday 15 July 2014.

Please let me know if you would like further clarification.

Regards

Aislinn Walwyn

Assistant Commissioner | E&AS | Private Groups and High Wealth Individuals Australia

IMPORTANT

The information transmitted is for the use of the intended recipient only and may contain confidential and/or legally privileged material. Any review, re-transmission, disclosure, dissemination or other use of, or taking of any action in reliance upon, this information by persons or entities other than the intended recipient is prohibited and may result in severe penalties. If you have received this e-mail in error please notify the Privacy Hotline of the Australian Taxation Office, telephone 1300 661 542 and delete all copies of this transmission together with any attachments.

Source: <https://storage.courtlistener.com/recap/gov.uscourts.flsd.521536/gov.uscourts.flsd.521536.510.12.pdf>

"This is extremely serious. [...] I have no alternative but to cease acting for DeMorgan Limited and Craig immediately. The letter will be issued on Monday."

In his email, we see Andrew's urgent advice to Ramona: "I also believe that this information should be provided to Stefan Matthews and Rob Macgregor as a matter of urgency. In my view, it is appropriate for this to come from you rather than from me." Now imagine, how likely is it that Andrew's urgent advice was followed up by Ramona, when Stefan and Robert had just bailed out the couple for \$15 million?

In his letter pictured below, Andrew Sommer gave as reason "integrity of documents", having been notified by the ATO that many emails presented by Craig and intended to support the supposed legitimacy of his claims, those sent to and received from several ATO employees, were found to be forgeries of all kinds: backdated, never existed at all, or contained after-the-fact edited content. Andrew had more-than-likely come to realise that his client had been lying to both him and the ATO over a prolonged period of time, and had been abusing him for endorsing Craig's forgeries towards the ATO in the process. The ATO notification was just the straw that broke the

camel's back.

Confidential

Email

6 July 2015

Ms Ramona Watts
Director
DeMorgan Limited
ramona.watts@hotwirepe.com

Dear Ms Watts

DeMorgan Limited - Termination of engagement

It is with regret that we inform you in your capacity as Director of DeMorgan Limited that Clayton Utz has decided that we must terminate our engagement with DeMorgan Limited.

Information has been provided to our firm which raises serious questions about the integrity of documents provided by Dr Craig Wright, both to our office and to the Australian Taxation Office . We believe this information to be credible. In these circumstances, we can no longer represent DeMorgan Limited in the disputes it and its subsidiaries has with the Australian Taxation Office.

As such, we are terminating our engagement with DeMorgan Limited effective immediately.

You should be aware that DeMorgan Limited and its subsidiaries will need to ensure that responses to outstanding matters are prepared in accordance with the applicable statutory timeframes. We will work with you and Stefan Matthews to assist you in identifying those requirements. However, we are not responsible for ensuring that those responses and objections are prepared.

Yours sincerely



Andrew Sommer, Partner, NPGL Tax
+61 2 9353 4837
asommer@claytonutz.com

Our ref 837/80166379

Source: <https://www.courtlistener.com/docket/6309656/510/13/kleiman-v-wright/>

Craig wouldn't be Craig, of course, if he didn't categorically deny this event in later years. As in a Kleiman v Wright deposition on March 18, 2020 he declared:

Q. Dr. Wright, have lawyers that act for your companies ever quit because you have altered documents?

A. No. There were no lawyers quitting because I altered documents, ever.

Q. Did lawyers ever quit representing companies you were affiliated with because there were serious questions about the integrity of documents provided by Dr. Craig Wright both to that lawyer's office and to the Australian Taxation Office?

A. No.

Source: <https://www.courtlistener.com/docket/6309656/511/1/kleiman-v-wright/>

September 25, 2015: *Craig shows frustration on Amazon.*

Craig makes the comment "Always the assumption that SN must be a bloody yank." on Amazon, in a review of the book Digital Gold: The Untold Story of Bitcoin by Nathaniel Popper.

Reviews Written by
Craig S. Wright "Craig Wright" (Australia)

REAL NAME™

Show: Most recent reviews

Page: 1



[Digital Gold: The Untold Story of Bitcoin](#)

5 of 6 people found the following review helpful

★★★★☆ **Like the US is the only country to produce tech**, September 25, 2015

Verified Purchase [\(What's this?\)](#)

This review is from: [Digital Gold: The Untold Story of Bitcoin \(Kindle Edition\)](#)

Always Nick and others at the end. Always the assumption that SN must be a bloody yank. The analysis of who Satoshi is is always so limited. I enjoyed the parts from 2012 most. I did not know most of this as I was too focused on my own work and missed the outside growth.

What really gets me is that so much occurs away from silicone valley and yet this is assumed to the centre of everything.

| [Permalink](#)

It is obvious that Craig was not very amused that his hints and online breadcrumbs were still not really working as intended, outside of his recent score with once-fugitive gambling billionaire Calvin Ayre and co. He needs this Satoshi charade to gain traction, an uninterested public or a skeptical media will not do if he is to milk this new arrangement for all he can. There's no fool quite like an old fool, but even Calvin will need to be kept believing. Craig has 'work' to do. Time for some serious measures, one would think?

September 25, 2015: *Craig adjusts the "Bitcoin" blog forgery once more.*

And we are treated with the next 'Satoshi' breadcrumb of Craig Wright. His failed "Bitcoin" post in which he mistakenly announced Bitcoin Beta to go live on January 11, 2009 (it was factually Bitcoin Alpha on January 3, 2009, while the first Bitcoin client could be downloaded on January 9, 2009 already) gets another obfuscation treatment:

"Update, 25 Sept 2015

It does always surprise me how at times the best place to hide it right in the open."

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
GSE

Craig Wright

facebook



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

Create Your Badge

SATURDAY, 10 JANUARY 2009

Bitcoin - AKA bloody nose_you be....

This post has been removed.

Update, 25 Sept 2015

It does always surprise me how at times the best place to hide it right in the open.

Posted by Craig Wright at [Saturday, January 10, 2009](#) [0 comments](#)

Source: https://web.archive.org/web/20151003011245/http://gse-compliance.blogspot.com.au/2009_01_04_archive.html

October 2015: *New York Times Finance & Tech journalist Nathaniel Popper receives an unconvincing email...*

 **Nathaniel Popper** 
@nathanielpopper 

1. Got a very curious email attempting to dox Craig Wright -- Wired's Satoshi -- back in Oct. Didn't find it convincing at the time.

12:09 AM · Dec 9, 2015 

 11  1  Share this Tweet

 **Nathaniel Popper** 
@nathanielpopper 

2. That email claimed that the records of Wright's Aussie company "detail 100's of 1000s of BTC spent in developing blockchain solutions."

12:10 AM · Dec 9, 2015 

 3   Share this Tweet

Sources: <https://twitter.com/nathanielpopper/status/674365203287572480>
<https://twitter.com/nathanielpopper/status/674365467100884992>

As Nathaniel mentions, the 'dox' email claimed massive bitcoin expenditure by Wright's companies as supposed proof he was Satoshi but the ATO's investigation at the time was showing this to be a lie, meaning the 'dox' documents were just as fabricated as Craig's tax rebate claims.

September — November 2015

Around the same time that Craig apparently unleashed his self-dox campaign, another forgery "I mined Bitcoin in the past and write code.",

pops up in the header of Craig's private blog "Cracked, inSecure and Generally Broken".

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.

SATURDAY, 27 APRIL 2013

A diatribe on Bitcoin, Trust and the economy of security

The most marketable goods are what becomes the media of exchange.

The statement above has held true for all time. When exploring the history of money and barter it was not cows and chickens that were exchanged. The farmer with an excess of chickens would exchange first for grain, butter or some other divisible good. Grain could be divided into small parcels. These parcels could be used to trade for other objects. It is impractical to think that anything larger than a small village engaged in social barter long-term. What would've actually occurred is the use of improvised currency.

Header "I mined Bitcoin in the past and write code" is not visible on a September 22, 2015 snapshot, but becomes visible on a November 22, 2015 snapshot. This indicates when Craig created this forgery.

November 2015: *What happened with Tulip Trading's C01N supercomputer?*

Referring to the already critical notes made by the ATO found under December 6, 2013 in "[Faketoshi, The Early Years — Part 1](#)", we are sure it will come as no surprise to anyone that [ATO finally also rejected everything related to this C01N supercomputer](#).

Look for quotes like:

"Duplicates of serial numbers and UUIDs were observed and the fact that they are also obfuscated, and appear to have been taken from an internet source, makes them unconvincing proof of the existence of the purported C01N supercomputer"

"The specifications for the purported C01N supercomputer provided by Dr Wright to the ATO are not consistent with each other nor with those listed on the Top500 Website. Again this information appears unreliable"

"we conclude that the taxpayer did not have access to the purported supercomputer. Given Dr Wright's extensive IT qualifications, it is inconceivable that he was unaware of this fact. **We therefore conclude the evidence provided to us was manufactured by the taxpayer in an attempt to deceive us**"

Existence of the purported supercomputer

224. In relation to the existence of the purported C01N supercomputer, the anomalies outlined above at 115 to 126 lead us to the following conclusions:
- 224.1. none of the information supplied to the ATO by the taxpayer is sufficiently reliable to support the assertion that it has access to, or built, a supercomputer matching the specifications of the purported C01N supercomputer
 - 224.2. the results shown on screen of the hardware suggest that someone has manipulated the results in an attempt to replicate the specifications of the purported C01N supercomputer, however, when examined more closely, the results show inconsistencies and errors which should not occur. These errors include:
 - (a) incorrect names of processors
 - (b) hardware details which are incorrect, including socket and number of memory slots
 - (c) the discrepancies over the system being a Supermicro or SGI system, with identical identifiers which should be unique (such as Serial Numbers and UUID's).
 - 224.3. The display of details of the nVidia Tesla cards is also unconvincing. Duplicates of serial numbers and UUIDs were observed and the fact that they are also obfuscated, and appear to have been taken from an internet source, makes them unconvincing as proof of the existence of the purported C01N supercomputer. The duplication and obfuscation of these numbers suggests that no Tesla card matching the specifications claimed by the taxpayer was accessed during the presentation and the results were entirely fabricated with material taken from the internet.
 - 224.4. These errors and inconsistencies would not occur if a legitimate system with the specifications claimed to have been acquired by the taxpayer was being interrogated.
 - 224.5. The IP addresses used for the system are registered for the use of Dr Wright in Australia. The other addresses listed are for a Private Network which can't be routed over the internet. As all the nodes must connect to the same network this suggests the compute nodes were not in Panama, as contended by the taxpayer
 - 224.6. The specifications for the purported C01N supercomputer provided by Dr Wright to the ATO are not consistent with each other nor with those listed on the Top 500 website. Again this information appears unreliable.
 - 224.7. The evidence presented by the taxpayer at the ATO's visit on 26 March 2015 suggests a Hewlett Packard system was used to conduct the demonstration and

suggests a Hewlett Packard system was used to conduct the demonstration and third party information indicates that that Hewlett Packard system was sold and shipped to a purchaser located in Australia.

- 224.8. The evidence presented by the taxpayer does not match the configuration of any systems sold by SGI. The SGI system the taxpayer claims to have acquired access to was not available for sale at the time the taxpayer purportedly acquired access to it, nor was any system of that kind shipped to any purchaser within the 2012-13 income year.
 - 224.9. The videos and screen captures recorded at the visit therefore provide no reliable evidence to support any assertion that the purported C01N supercomputer exists. The most reasonable conclusion to draw from the material presented is that someone has produced reports and then deliberately modified the results, with the intention of misleading the ATO into accepting that a supercomputer, as described by the taxpayer, had been acquired.
 - 224.10. Given Dr Wright's relevant qualifications and experience we understand that he would have sufficient computer programming skills to be able to make the system appear to be using known commands but program those commands to produce the results he wants to show.
225. From these anomalies, and our conclusions below regarding the purported agreement and payment, we conclude that the taxpayer did not have access to the purported supercomputer. Given Dr Wright's extensive IT qualifications, it is inconceivable that he was unaware of this fact. We therefore conclude that the evidence provided to us was manufactured by the taxpayer in an attempt to deceive us.

Purported payment

226. The non-existence of the supercomputer is consistent with the evidence that the taxpayer did not make a payment to W&K. In relation to this we note:
- 226.1. Primary evidence for the payment consists of a purported screenshot from a now defunct website. As such, it cannot be verified. However, we note the screenshot is inconsistent with other screenshots of the Liberty Reserve Transaction History screen available on the internet from around the same time. Instead, the screen shot provided appears to have been based on the Liberty Reserve home page and appears to have been altered to include a transaction list. This indicates it has been fabricated.
 - 226.2. The taxpayer did not provide the requested evidence of the establishment of or transfer of funds into the Liberty Reserve account. The failure to provide this further indicates the Liberty Reserve payment simply did not occur.
 - 226.3. Further evidence provided by the taxpayer consists of a PDF of a purported email from High Secured where High Secured asserts it provided IaaS services to W&K and received payment from W&K in Liberty Reserves. The email file has not been provided to allow us to analyse its provenance and High Secured have failed to respond to our direct requests to verify services provided to the taxpayer and related entities. In light of this and the other matters detailed in paragraphs 174 to 194, we are unable to accept the email as legitimate, and consider it more than likely to be fabricated.
 - 226.4. Evidence from independent sources supports the conclusion that C01N UK was an inactive shelf company which had no connection with the taxpayer at the time the alleged payment was made.
 - 226.5. Anomalies in C01N UK's purported resolution to acquire shares, application to acquire shares and share certificates cast doubt on their authenticity. The use of a third party secretarial service to 'fix errors' and the issuing of documents in the wrong names confirms that these documents have little value as contemporaneous evidence of the actions of the parties.
 - 226.6. On two separate occasions after the shares were purportedly issued to C01N UK, representatives of the taxpayer made written statements to the ATO

regarding the taxpayer's share structure that did not include details of these shares. Mr Chesher, the author of one of the statements, was the taxpayer's internal accountant and authorised contact at the time. We therefore reject the taxpayer's contention that Mr Chesher made a mistake as he was unfamiliar with the taxpayer. Even if this was the case, no explanation was given for Dr Wright's failure to correct Mr Chesher's email, or the second occasion on which the taxpayer apparently erroneously advised of its shareholdings.

- 226.7. There are numerous inconsistencies in other evidence provided by the taxpayer which cast doubt on the contention that a payment was made:
- (a) The purported invoice, which requires payment by way of an assignment of Bitcoin, is contrary to the statement of work, which requires payment through Liberty Reserve.
 - (b) The taxpayer has changed its explanation as to the circumstances of how the purported invoice was paid on six separate occasions.
 - (c) The taxpayer's most recent explanation conflicts with share certificates and the share register, although these are of limited value in any event given the taxpayer acknowledges that backdating has occurred.

227. Because of the circumstances listed above and our conclusion that access to a supercomputer of the nature described by the taxpayer was never acquired by it, we infer that no payment was made to W&K by or on behalf of the taxpayer and that the documentation was created by the taxpayer in order to fraudulently deceive the ATO and support the false and misleading statements made by it in its 2012-13 income tax return.

Purported agreement

228. This view is further supported by the irregularities concerning the purported agreement between the taxpayer and W&K. We note:
- 228.1. The statement of work has been created by making some minor alterations to a US government IaaS tender document obtained from the internet.
 - 228.2. The statement of work does not fully identify or define the parties. The taxpayer is simply referred to as 'Strasan' or 'Strassan' and no company identifier, corporate seal, contact details or other identifying information is provided.
 - 228.3. The taxpayer's director, Dr Wright is listed as the contact for W&K.
 - 228.4. The statement of work does not contain any detailed specifications of quantity of services to be provided, the price of those services, the time at which those services are to be performed or that price is to be paid.
 - 228.5. Purported appendices to the statement of work:
 - (a) do not state a price for the alleged services or a date for payment
 - (b) contradict pricing arrangements in the statement of work, which refer to a fixed fee over a 12 month period
 - (c) are excluded from the contract file which the taxpayer contends has been electronically signed
 - (d) refer to the taxpayer as 'C01N', even though the taxpayer did not change its name to C01N until 25 June 2014
 - (e) purport to provide for the management of systems access by a company which did not exist at the time of the agreement
 - (f) make references to escrow arrangements which are not otherwise found in the documentation
 - (g) otherwise have the style of a document created separately from the statement of work.
 - 228.6. Nowhere in the purported statement of work or appendices are the technical requirements of the supercomputer specified.

- 228.7. The taxpayer has made contradictory statements regarding the escrow arrangements for the transaction.
- 228.8. We cannot verify that the electronic signature on the statement of work was made by Mr Kleiman, or the time or date on which the signing occurred. The key apparently used by Mr Kleiman to sign the agreement appears to have been created with a backdated creation date.
229. Having regard to these inconsistencies and anomalies relating to the contract, the evidence that access to the purported supercomputer was never acquired by the taxpayer and the anomalies relating to the purported payment, we do not accept that the evidence provided substantiates that the taxpayer incurred expenditure to W&K. In fact, we infer that these documents were created with the intention of deceiving the Commissioner and in order to support the false and misleading statements of the taxpayer.

After entering the supercomputer Top500 list in November 2014 on #64 (see [Faketoshi, The Early Years — Part 2](#)), then in June 2015 the Tulip Trading/C01N system was ranked #15, while in November 2015 it was ranked #17 on the Top500 website. However, most these 'ranks' can only be looked up with help of WayBack Machine, as the Top500 website has deleted almost all Craig Wright related supercomputer entries from their website. [Computerworld Netherlands](#) explains on June 20, 2016:

"One much-publicized computer you won't find in the Top500 rankings any more is Tulip Trading's C01N. Allegedly built by [self-styled bitcoin inventor](#) Craig Wright, [C01N](#) [Note that this entry is still, confusing many, visible on the top500 website] entered the rankings in 64th place in November 2014, jumping to 15th place in June 2015 following a claimed upgrade.

"When doubts about this system surfaced, we tried to independently verify its existence, but ultimately could not," Top500 list maintainer Erich Strohmaier said via email.

C01N initially made it into the November 2015 ranking, in 17th place.

"We meant to remove it at that time, but it fell through the cracks for a while. It should get removed from all lists, but older lists get much less attention (and care) than the newest," Strohmaier wrote. C01N was removed from the November 2015 rankings some time in May [2016], cached copies of the list

show, with machines below it all moving up a rank."

And Craig Wright? He still pretends a nose bleed when asked about the supercomputers in April 2019, and at the same time he conveniently forgets about the Sukuriputo Okane supercomputer that also failed to get approval from the ATO, as it didn't exist either...

"Q: When did you have a supercomputer?

A: Back in 2013. Sorry, end of 2012, but it was not working. 2013, 2014, 2015.

Q: What was it called?

A: Tulip and C01N. There were two.

Q: So, you did have a supercomputer called C01N?

A: That is what I just said.

Q: When did you get rid of these supercomputers?

A: I did not.

Q: You still have them?

A: I do not have them.

Q: Who has them?

A: I do not know.

Q: What happened to them at the end of 2015?

A: I do not know." — Vel Freedman, Craig Wright ([deposition April 4, 2019](#))

November 2, 2015: *Craig Wright is being ignored on Twitter.*

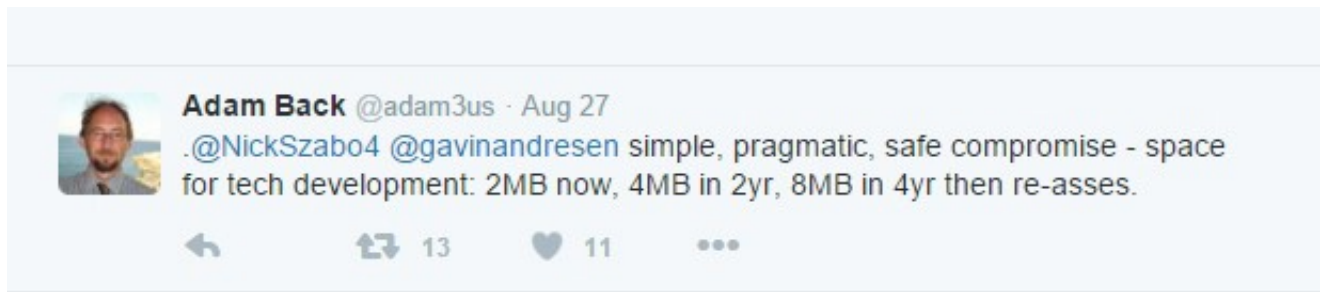
Craig's Twitter account before he used "ProfFaustus" as his handle was "Dr_Craig_Wright". Here seen in a hilarious, desperate attempt to reach out to Adam Back, CEO of Blockstream (a well known Bitcoin infrastructure company) and mentioned by Satoshi Nakamoto in the Bitcoin whitepaper in the 'References' section with his paper "Hashcash — a denial of service counter-measure", dated 2002, as inspiration for the mere existence of Bitcoin.

Adam, however, largely ignored Craig's repeated attempts to draw him into

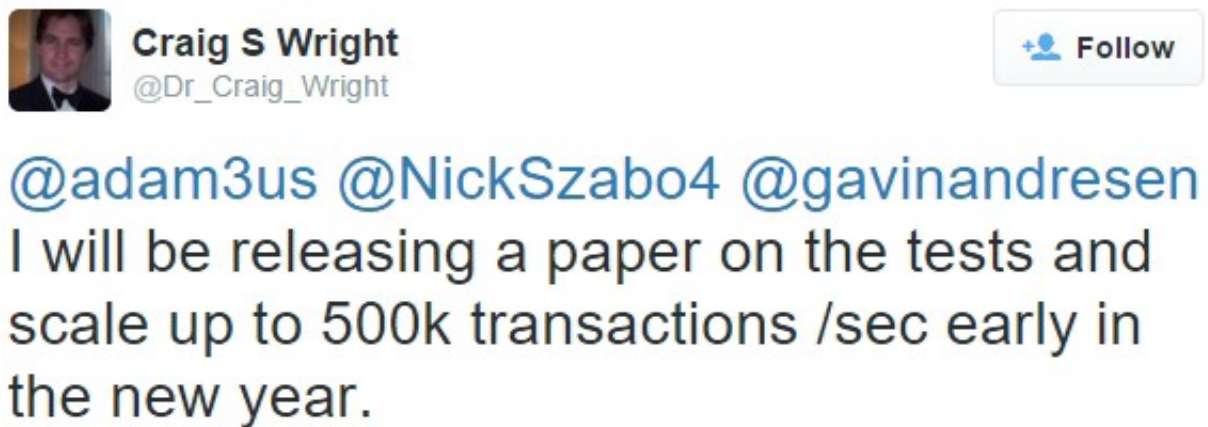
responding to these tweets as, according to later recollection, he'd already dismissed him due to the persistently incoherent nonsense Craig had previously spouted about Bitcoin-related subjects in other discussion threads.

You can see how Craig is boasting about the claimed performance of a supercomputer which was ultimately proven to not even exist. Clearly, he still wants to try and show the ATO, and his gullible new investor bailing him out for \$15,000,000 (USD), that he is a respected peer within the Bitcoin intelligentsia. Someone who might, indeed, be Satoshi.

He was, and is, neither.



A screenshot of a tweet from Adam Back (@adam3us) dated August 27. The tweet text reads: ".@NickSzabo4 @gavinandresen simple, pragmatic, safe compromise - space for tech development: 2MB now, 4MB in 2yr, 8MB in 4yr then re-asses." Below the text are icons for reply, retweet (13), like (11), and a menu icon.



A screenshot of a tweet from Craig S Wright (@Dr_Craig_Wright) with a "Follow" button. The tweet text reads: "@adam3us @NickSzabo4 @gavinandresen I will be releasing a paper on the tests and scale up to 500k transactions /sec early in the new year." Below the text are statistics for retweets (2) and likes (2), and a row of four profile picture icons.


RETWEETS 2
LIKES 2

10:07 AM - 2 Nov 2015


Icons for reply, retweet, like, and menu.



A screenshot of a tweet from Craig S Wright (@Dr_Craig_Wright) dated November 2. The tweet text reads: "@adam3us @NickSzabo4 @gavinandresen".

 The argument is not security. It is political.
It is not the tech.

  1  2 

 **Craig S Wright** @Dr_Craig_Wright · Nov 2
[@adam3us](#) [@NickSzabo4](#) [@gavinandresen](#)
top500.org/site/50547

Tulip stores node data and transactions going to 2009.

 **Craig S Wright** @Dr_Craig_Wright · Nov 2
[@adam3us](#) [@NickSzabo4](#) [@gavinandresen](#)

It can simulate the entire BTC ecosystem at any point in time and with any parameter.

  1  

 **Craig S Wright** @Dr_Craig_Wright · Nov 2
[@adam3us](#) [@NickSzabo4](#) [@gavinandresen](#)

Mining and distribution are not the same. Entire node infrastructure can be simulated with code changes

  1  

 **Craig S Wright** @Dr_Craig_Wright · Nov 2
[@adam3us](#) [@gavinandresen](#)

I understand Gavin's investment and several others. But it amazes me how risk adverse some are becoming.

 **Craig S Wright** @Dr_Craig_Wright · Nov 2
[@adam3us](#) [@gavinandresen](#)

And investment is not the total valuation rate.



November 12, 2015: Media start receiving Craig's dox package.

Leah Goodman of Newsweek, who unsuccessfully 'revealed' [Dorian Nakamoto as Satoshi Nakamoto in March 2014](#), is one of the first to receive the package of information that is supposed to prove that Craig Wright is the inventor of Bitcoin. On December 10, 2015 (just after the publication of the

Wired and Gizmodo articles) she tweeted the screenshot that will be shown in a bit.

But is it a coincidence that the email appears to be written by Craig Wright himself, AND the fact that on this same day the further foundations were laid for the [May 2016 signing sessions debacle](#)? Andrew O'Hagan describes this day in "[The Satoshi Affair](#)" as follows:

"On Thursday, 12 November [2015], I turned up at MacGregor's office near Oxford Circus, where I signed in under a pseudonym and made my way to a boardroom wallpapered with mathematical formulae. MacGregor came into the room wearing a tailored jacket and jeans, with a blue-edged pocket square in his breast pocket, a scarf and brown brogue boots. He was 47 but looked about 29. There was something studied about him — the Alexander McQueen scarf, the lawyerly punctilio — and I'd never met anyone who spoke so easily about such large sums of money. When I asked him the point of the whole exercise he said it was simple: 'Buy in, sell out, make some zeroes.'

MacGregor described Wright to me as 'the goose that lays the golden egg'. He said that if I agreed to take part I would have exclusive access to the whole story, and to everyone around Wright, and that it would all end with Wright proving he was Satoshi by using cryptographic keys that only Satoshi had access to, those associated with the very first blocks in the blockchain. MacGregor told me this might happen at a public TED talk. He said it would be 'game over'. Wright's patents would then be sold and Wright could get on with his life, out of the public eye. 'All he wants is peace to get on with his work,' MacGregor told me at that first meeting. 'And how this ends, for me, is with Craig working for, say, Google, with a research staff of four hundred.'"

Did this meeting between Andrew and Robert trigger Craig, who knew he can't sign anything Bitcoin related, to ramp up his efforts to be 'revealed' as Satoshi Nakamoto earlier so he wouldn't have to go through with the signing sessions? Or is it a stretch to suggest that he was also very desperate to

'prove' to the ATO that he was in fact the creator of Bitcoin?

One can certainly try to make educated guesses about Craig's motivations around this day, but there is hardly any doubt that the only person initially benefitting mostly of the Satoshi dox, is Craig himself. Only when the dox package was publicly exposed as a treasure box of conflicting information and backdated forgeries, Craig desperately started to try find all kinds of lame excuses about hacking ex-staff, the Anonymous group hacking him since 2011, Blockstream employees hacking him, and at some point in 2021 he even suggested that Ira Kleiman (brother of late Dave Kleiman, who started a fraud lawsuit against Craig Wright) was behind the hacking of his computer network, the altering of his documents and subsequent doxing of his 'Satoshi-ness' to Wired/Gizmodo!

As Leah McGrath Goodman said, in reply to Nathaniel Popper's December tweet about having received the 'dox' package (below) in October, "We all got it. It was being shopped around fairly aggressively this autumn."

Screenshot of an email interface. The sender is 'Satoshi' (satoshi.nakamoto@vistomail.com) via newsweek.com, sent to 'l.goodman' on Nov 12. The email body contains the text: 'satoshi is Dr Craig wright in australia and he is an asshole' and '200 million on bitcoin shit and he lets his staff sasy nothing and treats us as shit and fires us if we cannot work like dogs'. Below this is a placeholder for a missing image. The email contains 15 attachments, including 'Wright.rar', 'secret-key-5EC9...', 'secret-key-C941...', 'Requested attac...', 'AI-RDTaxIncentiv...', 'C01N 2013 tax re...', and 'Certificate AF000...'.

Source: https://twitter.com/truth_eater/status/674788036752879616

November 19, 2015: *Patrick Paige contacts Craig Wright about "a reporter".*

It appears that reporters are starting to inquire about the dox package. But this email from Patrick Paige (Dave Kleiman's training officer in the army, with who he later started Computer Forensics LLC) is interesting for another tidbit also: Craig claims that Dave Kleiman helped him set up the first supercomputer. You know, that NONEXISTENT supercomputer.

From: Craig Wright [mailto:craig@rcjbr.org]
Sent: Thursday, November 19, 2015 1:06 PM
To: Patrick Paige <patrick@computerforensicsllc.com>
Subject: Re: Hey

Thanks for the heads up. Reporters are always troubling. They ignored the stuff Dave and I did when he was alive. I don't know what has started to interest them now.

The computer we are running made the top 20 within the top 500 supercomputer list so this may be new?

<http://top500.org/>

The first one was COIN in 2013 just before he died and the new one is Tulip.

Dave helped design the first one and as you know did a fair amount of research with me. Most yet to be completed and published.

A worry that they are starting to be nosey now.

Thanks again for the heads up.

On 20 Nov 2015 03:50, "Patrick Paige" <patrick@computerforensicsllc.com> wrote:

Hi Craig... how goes it, just wanted to touch base with you. I got a call from a reporter who left a message asking about Dave and you. I don't plan to call him back, but Carter and I were curious if something is going on.

Patrick Paige ENCE SCERS
1880 North Congress Ave. Ste 333
Boynton Beach FL 33426
Office: [561.404.3074](tel:561.404.3074)

November 27, 2015: *Craig accuses the ATO of doctoring emails.*

It appears that after his tax lawyer, Andrew Sommer, had promptly terminated his engagement with Craig and his companies, following the

revelation about the faked 'evidence' used to support his version of events, Craig tried to strike back at the ATO about the email forgeries that they discovered, and to obfuscate the fact that the person who had been massively doctoring and forging so far, was Craig himself.

The reader might remember we discussed a few bits and pieces in "[Faketoshi, The Early Years — Part 1](#)" of a Craig Wright puff piece from Murray Distributed Technologies called "[Forensic Report Raises Questions about Australian Tax Office's Handling of Craig Wright Probe](#)". What we did not properly address yet, was their section that starts with:

"We have exclusively obtained two Computer Forensics Reports performed on behalf of Wright's company Demorgan Ltd where [computer forensics expert Dr. Nick Sharples](#) and [digital forensics expert Alan Batey](#) were independently appointed to examine email messages used in the ATO's probe of Wright. These emails were used as evidence in the continuing audits and probes of Wright's business dealings that culminated in the ATO raid on his Australian residence in December 2015, one day after Wired published an article accusing him of being one of the people behind the Satoshi Nakamoto team."

What Murray Distributed Technologies didn't realize, and of course weren't told either by their exclusive source (it's probably not overly speculative to think that Craig Wright himself was this 'exclusive' source), was that the ATO had already thoroughly debunked these reports of Sharples and Batey, which they apparently received on November 27, 2015, as described in their ATO's Reasons for Decision for C01n Pty Ltd report, issued early 2016.

Electronic evidence submitted by the taxpayer

ATO Emails

174. The taxpayer and related entities also controlled by Dr Wright have provided a series of emails they allege represent email correspondence between ATO officers and the taxpayer's directors/representatives. These variously purport:

174.1. On 14 July 2014, Celeste Salem of the ATO sent Dr Wright an email relating to the holding of the taxpayer's income tax refund for the 2012-13 income year, failed to attach the notification letter properly and sent the physical letter to the wrong address. As a result, the taxpayer contends it was not notified that the

ATO was holding its refund, as required under section 8AAZLGA of the TAA.²²⁴

- 174.2. On 5 April 2013, Dr Wright sent an email to Hao Khuu of the ATO advising that the taxpayer was buying IP from Professor Rees and acquiring software from Dr Wright acquired following a dispute with a company and that Hao Khuu advised on the GST treatment of the latter transaction.²²⁵
175. Two other emails, pertaining to the affairs of entities related to the taxpayer, also contain purported correspondence with ATO officers.²²⁶
176. ATO records show that these emails were either never sent, or that the content of the emails has been altered from what was originally sent or received, to support the contentions of the taxpayer and related entities.²²⁷
177. On 27 November 2015, the taxpayer provided a series of forensic reports commissioned by Dr Wright.
178. Dr Nick Sharples was asked to examine four emails that are identified in the report as DM2, DM3, DM5 and DM6.²²⁸ The report suggests that DM2 and DM3 are emails from Hao Khuu, DM5 is from Brigid Kinloch and DM6 is from Celeste Salem. However, copies of the emails are not attached so we are unable to identify which emails are being referenced. Notwithstanding this, we note that Dr Sharples:
 - 178.1. was unable to confirm that the emails had the message headers and message bodies when they were originally composed²²⁹
 - 178.2. noted that the ATO email system was configured to include the email header field 'content-transfer-encoding' and none of the emails have that field present²³⁰
 - 178.3. noted anomalies with the header fields in all four emails²³¹
 - 178.4. was unable to verify that the Domain Keys Identified Mail (DKIM)²³² test was passed for DM2 and DM3, indicating that he could not confirm whether the message was the same as when it was composed or that the ATO's public-private key-pair had been changed²³³
 - 178.5. noted DM5 and DM6 did not contain a DKIM signature or Sender Policy Framework (SPF)²³⁴ header verification, indicating that he could not confirm whether the message was the same as when it was composed, and that these inconsistencies raised questions in his mind concerning the provenance of those emails.²³⁵
179. The ATO's public-private key pair has not changed.²³⁶
180. Alan Batey was also asked by Dr Wright to examine four emails that are identified in the report as DM2, DM3, DM5 and DM6.²³⁷ The report suggests that DM2 and DM3 are emails from Hao Khuu, DM5 is from Brigid Kinloch and DM6 is from Celeste Salem. However, copies of the emails are not attached so we are unable to identify which emails are being referenced. Notwithstanding this, we note that on the basis of the email headers, Mr Batey:
 - 180.1. States that DM2 and DM3 were sent from addresses residing within the ato.gov.au domain space
 - 180.2. Identifies that DM5 contains no SPF record or DKIM signature
 - 180.3. Identifies that DM6 contains no SPF record
 - 180.4. Conversely states that three emails have SPF and DKIM records that validate as correct
 - 180.5. Identifies that there is a question over the origin of DM5 given it does not have SPF and DKIM records.
181. Mr Batey does not appear to have attempted to verify the DKIM signatures.

Other electronic evidence

182. The taxpayer has also provided purported screenshots of Bitmessages, text messages, blogspot posts and digitally signed emails between Dr Wright, Mr Kleiman, Ms Nguyen and High Secured (who the taxpayer advises provided the services to W&K) that ostensibly support the taxpayer's assertions that it obtained services from W&K, paid W&K in Liberty Reserves, and obtained services and paid Professor Rees.²³⁸ The taxpayer advises that these serve as contemporaneous, unalterable evidence that the

taxpayer advises that these serve as contemporaneous, unalterable evidence that the transactions took place.

Bitmessage

183. ATO Forensics have independently verified that Bitmessages themselves are only encrypted ('cryptographically secure') and therefore tamper proof when they are transmitted over the internet. Once the Bitmessage is received, it can be altered. The taxpayer contends this is incorrect, however has provided no evidence supporting this assertion.²³⁹

Mr Kleiman's PGP signature

184. The taxpayer contends a report by Mr Batey confirms that Mr Kleiman's digital signature has been verified. The taxpayer commissioned the report from Mr Batey 'to examine the PGH keys and establish if they were used to sign the Tulip Trust PDF document'.²⁴⁰ The Tulip Trust PDF document has not been provided, however we understand it to be the Tulip Trust document (refer to paragraphs 109 to 114 above). The report concludes that 'the Tulip Trust.pdf file was indeed signed by David A Kleiman or an individual who had access to his private PGP key and had made the public key available on the MIT PGP key server. If anyone else had access to the private PGP key then that person would also need to know the passphrase associated with that key'.
185. ATO Forensics advise that:
- 185.1. the public key used in the email purportedly signed by Mr Kleiman can be created with a backdated creation date
 - 185.2. there is no 'Know Your Customer' or 'Proof Of Identity' requirements when uploading a public key to the MIT key server
 - 185.3. as the digital signature is not supported by an X.509 certificate issued by a trusted authority, there is no way to verify the owner of the digital signature, nor the date that any signing occurred
186. This is demonstrated by the fact that another key on the same key server is also tied to Mr Kleiman. However, its creation date is 26 February 2014, almost a year after his death.²⁴¹
187. We further note that the key Mr Kleiman purportedly used to sign the IaaS contract was purportedly created in 2008 using the preferred encryption algorithm 8, 2, 19, 11. This encryption algorithm did not exist in the PGP code base until 9 July 2009.

Blogspot

188. ATO Forensics have advised it is possible to backdate blogspot posts.
189. The taxpayer contends that Dr Wright has a hash of the blogspot saved to Twitter and that this hash has been forensically verified. The taxpayer refers us to a report written by Alan Batey as evidence.²⁴²
190. Mr Batey was asked to 'determine if the supplied hash value is the same as the generated has value from the PDF file named Deed of Trust'. Mr Batey was provided with a hash value and the PDF file, which he hashed using HashCalc. The report does not mention a tweet.
191. The taxpayer has not provided the PDF file that was hashed or details of the tweet to the ATO to allow us to verify Mr Batey's work.

Other

192. The taxpayer and related entities have also provided emails purportedly with other parties that contain features that cast doubt on their genuineness. One email provided was apparently sent at '23:40 AM'.²⁴³ Another references a domain that was not in existence at the time it was sent.²⁴⁴
193. On another occasion Dr Wright and his connected entities provided ATO officers with copies of emails purporting to demonstrate training and technical support provided by an entity, Al Baraka, from whom the entities had 'acquired' software. The emails were sent from a domain linked to a virtual office in Istanbul known as 'Servcorp'. The credit card records of Dr Wright show that a payment was made to this virtual office around the time the domain was established.²⁴⁵ Dr Wright indicated in interview on 18 August 2014 that he did not have any reason to make such a payment to 'Servcorp' and that he intended to

he did not have any reason to make such a payment to Servcorp and that he intended to make inquiries as to how that payment appeared on his statement.²⁴⁶ On 27 November 2015, a related entity contended that 'it is likely that [Al Baraka's purported agent] had a copy of Dr Wright's credit card. This credit card was cancelled in 2014 as it had been used for several fraudulent purchases'.²⁴⁷

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.

We will save you all the boring footnotes, but this one is too good to be missed.

²⁴⁴ Purported email from markferrier@hotmail.com to Craig S Wright dated 12 October 2013 with subject 'Thank You...' references the subdomain cp-in-2.e-delivery.albaraka-bank.asia/cpanel. The albaraka-bank.asia domain was first registered on 31 December 2013 [M26]

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

Every single point above thoroughly exposes a litany of Craig's fakes, forgeries and frauds, if you scanned past it, do please go back and give it a proper read, it is legitimately fascinating to see how the ATO experts dismantle his lies again and again.

But, below, is the final nail in his 'Sharples and Batey' distraction:

222. At the outset, we note that the taxpayer's contentions rely almost exclusively on electronic evidence that cannot be verified by independent third parties, and in some instance has been proven to have been fabricated. We note:

- 222.1. ATO Forensic records show that the emails from Celeste Salem, Brigid Kinloch, and Hao Khuu were not sent from the ATO. The Sharples and Batey email reports commissioned by Dr Wright do not disprove this. Neither attaches the emails they were provided with; as such we cannot identify which emails were analysed. Despite this large omission, the forensic reports found anomalies in all four emails analysed. We note in particular, only Sharples attempted to revalidate the emails as genuine using DKIMs and in each instance he was unable to do so. This shows the emails either did not originate from the ATO, or they did originate from the ATO however had the content altered such that the DKIM signature was no longer valid.

The coup de grâce delivered so exquisitely by the ATO investigators above, was that the very emails Craig had provided Sharples and Batey with, in order to have them analysed to supposedly prove the ATO had doctored their evidence... had either not originated from the ATO in the first place, or were altered versions of legitimate ATO emails!

To put it in soccer parlance, Craig's sham 'investigation' had scored 'an own

goal'!

November 29/30, 2015: *Craig Wright makes an appearance on an All-Star Panel of Bitcoin OGs (to a perplexed audience).*

It is at this point that 'Bitcoin Belle' has decided to crowbar an appearance by Craig, albeit via Skype, on a panel of well-known Bitcoin personalities for a Las Vegas conference, apparently believing that his personality, intellect and expertise on the subject will shine through and show him to be the very embodiment of a potential 'Satoshi' candidate.

It does not.

From the outset to 00:02:46 we see the cringe-worthy way in which Bitcoin Belle (Michelle Seven) desperately tries to coax something coherently-Bitcoin-related out of Craig to explain to the audience why he is even included in this event. He seems to think that mumbling something hand-wavy about his myriad academic credentials and 'research no-one ever hears about', will suffice. Michelle ends up having to actually interrupt his vapid spiel to ask him to say who he is as nobody at the conference knows him and even prompts with, "are you a computer scientists, are you a miner?", to which he entirely misses the mark by replying, "I'm a bit of everything, I have a masters in law...I have a master in statistics...a couple of doctorates..." before finally being explicitly asked to say how he first learned of Bitcoin, leading him to, again, respond with more vague allusion about how he has "been involved in this for a long time...I try and stay...I keep my head down", leading Michelle to finally ask him directly, "were you a miner?", to which he just responds after an extended pause, "a long time ago".

It is obvious that Craig is desperately wanting to avoid having to overtly imply that he is claiming to be 'Satoshi' in front of both an OG panel and an educated audience containing actual experts in the Bitcoin field, who could possibly lead to him being exposed as the fraud he is should he be challenged on such a topic. But he has time yet, so far he just wants to be

included for the benefit of his doubters, the ATO, and his backers, Calvin Ayre and co.

At 00:33:20 he's back to waffling about doing 'computing' in Iceland, on his (NONEXISTENT, remember?) supercomputer called 'Tulip' before launching into a tedious tale about the history of Tulips and the associated 'Tulip Bubble' which he asserts was a 'swaption not a bubble', before finally claiming at 00:35:35 that the 'computing' in Iceland, on his (NONEXISTENT, remember?) supercomputer called 'Tulip', is all about Bitcoin 'scalability'. Craig even goes as far as to shamelessly mentioning that his (NONEXISTENT, remember?) supercomputer was "Nº15 in the top 500 supercomputers globally."

Now let this sink in for a moment. Craig Wright doesn't have a supercomputer, but is there on a fifteen-foot video screen, talking over Skype about all the Bitcoin-related work he is doing, in Iceland, on a supercomputer that only existed in his dreams... and on forged invoices paid with nonexistent Bitcoin to advance a multi-million tax scam in Australia.

A nonexistent supercomputer, by the way, which was only called 'Tulip Trading' because that was simply the name of the ready-made 'shelf company' Craig bought from the Seychelles formation agent previously, that he claimed to the ATO acts as a Trust for a vast wealth in equally-NONEXISTENT bitcoins, you know, for his blatant multi-million-dollar tax fraud their investigators keep exposing!

In any event, this attempted introduction of Craig Wright to the wider Bitcoin community can only be marked as being a total dud. He failed to capture anyone's interest and merely ended up providing some amusement to Nick Szabo part-way through with a stubborn and willfully erroneous insistence that Bitcoin is 'Turing complete'.

December 8, 2015: [Wired](#) and [Gizmodo](#) articles, suggesting Craig Wright might be Satoshi Nakamoto.

With the 'dox' email package having been sent around to multiple journalists and news outlets in the preceding months — most recipients being wholly unimpressed and unconvinced by the effort — two outlets are intrigued enough to look deeper into their contents and engage with some of the people cited within to fact-check what is claimed.

Calls and emails to professionals who feature in transcripts of the many ATO meetings are, understandably, answered in the affirmative. Yes, these meetings took place and, yes, the contents are an accurate representation of what was discussed.

*What is not understood by the Wired and Gizmodo journalists at the time is that of course these specific events are true! Craig *did* have meetings with the ATO where Bitcoin was frequently discussed. As did his tax lawyers who explicitly spoke about his supposed extensive trove of bitcoin from having mined coins since 2009 because, as we have already clarified for you in [Faketoshi, The Early Years — Part 2](#), these were statements made by respected professionals ENTIRELY-PREMISED on what Craig had told them verbally and which he'd evidenced through a litany of fraudulent filings and faked backdated contracts and emails. Andrew Sommer spoke on record to the ATO in a meeting held in 2014 about Craig having 'commenced mining in 2009' but there still remains, to this day, no evidence to suggest this is even remotely true.*

The 'dox' package contained an extensive collection of official 2013/2014 ATO transcripts and correspondence BECAUSE he was being investigated by them after having claimed record-setting GST and R&D cash rebates on the strength of supposed massive bitcoin-based business payments and receipts he could provide no legitimate evidence for so, OF COURSE there was plenty of discussion about Craig Wright and Bitcoin, they were on to the fact it was all a fraudulent scam by that point!

Alongside the fact-checking the journalists had conducted with key figures, there were what appeared to be an extensive collection of contracts, emails

and electronic signatures directly linking Craig Wright to Satoshi Nakamoto, it was just too tempting to hold off for much longer on breaking their scoop.

Wired and Gizmodo had both heard of each other's intention to publish their findings outing Craig Wright as Satoshi Nakamoto, apparently prompting both to rush to get the lead on the other and possibly explaining their failure to fully vet the 'evidence' sufficiently. The results were all-too predictable.

First out of the gate was Wired, followed a few hours later by Gizmodo, with both breathlessly citing the 'compelling and perplexing' new evidence which they claimed had been corroborated through interviews.

This would have been everything Craig Wright could have hoped for at this point. Both the disbelieving ATO investigators and his deep-pocketed new financial backer would see the world forced to acknowledge his rightful claim to the Bitcoin 'throne'. His tax problems would be behind him and a bright future staking claim to the huge 'Satoshi Stash' lay ahead.

Craig Steven Wright and Dave Kleiman were named as the men involved in the very development of Bitcoin — Yes, Satoshi had been unmasked!

Cue our wry narrator, please.

Narrator: No, Satoshi had not been unmasked.

A rightly-skeptical response from the wider Bitcoin community debunking these exposés was as damning as it was swift.

Outside of the actually-legitimate-but-out-of-context ATO transcripts, myriad emails, pgp keys, domains and documents, which were supposed to directly link Craig Wright to both Bitcoin and Satoshi Nakamoto, were publicly proven to be faked and often poorly-executed fakes at that. Both outlets had fallen for the apparent volume of evidence, rather than its quality.

The derision came thick and fast.

Due to the backlash to the articles, exposing that both Wired and Gizmodo had not done appropriate indepth due diligence on the material they received, they quickly started to backtrack on their suggestions that Craig Wright might be the inventor of Bitcoin together with his deceased partner Dave Kleiman. Several follow up articles were published, and Wired, for example, not only updated their article within days, to detail the flawed evidence, but added an additional Editor's Note in 2019 explaining that Craig's own public attempts to prove himself as Satoshi had likewise been exposed as faked, too.

"EDITOR'S NOTE, 4/30/2019: In the days following publication of this story, WIRED [published an update](#) that identified inconsistencies in the evidence supporting the notion that Craig Wright is Satoshi Nakamoto. Wright later came forward to claim that he was indeed the creator of Bitcoin, but offered some evidence that [appeared to be fraudulent](#). This piece has been updated to clarify Wright's claims, and the headline has been changed to make clear that WIRED no longer believes Wright is likely to be the creator of Bitcoin."

And Gizmodo retracted in a follow up publication "[The Mystery of Craig Wright and Bitcoin Isn't Solved Yet](#)":

"And several outlets have done even more digging to try and figure out whether Wright and Kleiman were, in fact, closely involved in creating Bitcoin.

Some of those pieces [have been excellent](#). Several of them revealed valuable information about Wright in particular that merits close examination. Few, if any, acknowledge that outside of the document dump, Craig Wright has been telling people for over a year that he was involved in creating Bitcoin. None have proved anything conclusive about whether he was telling the truth. Below, briefly, is the collected evidence that he wasn't:

- We now know, [thanks to Sarah Jeong at Motherboard](#), that a set of PGP keys (referenced in the apparent draft of a trust agreement wherein

Wright hands off 1.1 million bitcoin to Kleiman) seem to be backdated — created after 2008 and then modified to give the appearance of an earlier origin date.

- In a similar vein, several reporters have uncovered evidence that Wright was drafting something of a digital revisionist history: he appears to have modified blog posts and social media accounts to insert references to Bitcoin where none had previously existed.
- A sharp-eyed reader also noted to Gizmodo that according to registration information, a domain shown in one of Wright's apparent emails to Kleiman was created months after March 2008, the date on the message, which could indicate a forgery. (The URL — "information-defense.com" — [appears on a list of domains pending expiration in May 2008](#), pointing to the likelihood that its registration lapsed and was later renewed, which would explain the discrepancy.)
- Charles Sturt University, where Wright claimed on his LinkedIn account to have obtained a PhD, [said in a statement](#) that he received two Master's degrees but not a doctorate. And the existence of two supercomputers that Wright's company, Cloudcroft, claimed to own, is under question.
- Finally, two days after the articles were published, an email appearing to originate from a known Satoshi account was posted to the bitcoin-dev mailing list. "I am not Craig Wright," [it read](#). "We are all Satoshi." But as [the Guardian](#) and others have pointed out, the likelihood that that email was forged is not small."

*Now let irony have it that "[Faketoshi, The Early Years — Part 1](#)" mentioned the media outlet *The Conversation*, where Craig Wright happily posted 5 articles and 112 comments (in which he casually mentioned Bitcoin a few times) in 2011, and now in Part 3 we see an entry of *The Conversation* again.*

*As they wrote on December 9, 2015 in response to the *Wired* and *Gizmodo* articles that were published the day before: "[Have journalists found the inventor of Bitcoin or simply been duped?](#)". What follows is an analysis of*

Craig's behavior in 2011 on their platform:

"We actually have specific evidence that Craig Wright is very unlikely to be Satoshi Nakamoto. In 2011, Wright wrote several articles for [The Conversation](#). They were all around the area of cybersecurity but Wright was also a prolific commenter on both his own and others' articles. The comments are largely spoken with a voice of authority and are largely combative in nature. In 112 comments, Wright mentions Bitcoin only once, at the [end of](#) a very long list of financial alternatives to PayPal. He said:

Bit Coin (Bit Coin) is a digital currency. Bit Coin offers a full peer-to-peer currency solution. P2P transfer of funds is available using methods that can even be untraceable. They're a ways using this technology to transfer funds that cannot be intercepted or stopped.

Source: https://theconversation.com/lulzsec-anonymous-freedom-fighters-or-the-new-face-of-evil-2605#comment_6162

For someone who allegedly invented Bitcoin, he was unable to spell the currency correctly. He didn't even name it as the first alternative to PayPal. He suggested Google Checkout as the most likely digital payment system to replace PayPal's dominance in the electronic payment space."

Not only do we see Craig being very ignorant about Bitcoin here, we also find, again, another important clue about Craig's background: "They were all around the area of cybersecurity". Although Craig desperately tried to rewrite history in later years by backdating his involvement with coding, cryptography, payment systems and decentralized peer-to-peer networks, fact is: Craig's sole expertise till his Bitcoin fraud started in the second half of 2013, quickly followed by a — first careful, later more obvious — Satoshi Nakamoto cosplay starting early 2014, was in the relatively unrelated fields

of Information Technology and Cybersecurity.

As Gizmodo went on to say, "Craig Wright acts in the manner of someone who either believes that he invented Bitcoin or badly wants someone else to believe it, and he's been acting that way for a long time."

In that you've seen the objective evidence the ATO uncovered, detailing Craig's endless trail of lies and forgeries throughout his multi-million-dollar cash rebate fraud, you know full well who the 'someone' is that he's been trying to convince from the very start of his Satoshi cosplay.

With the sheen rapidly fading from his crown, following the revelations that it's all a con-job, the pretender-to-the-throne is seeing his glorious coronation being roundly mocked and ridiculed within hours of the articles and the 'evidence' being posted.

Seeing a growing wave of online sleuths eager to dig up his past and possibly reveal even more about his Potemkin-village charade of 'front' companies forming the basis for his rebate fraud, he takes action to conceal what he can.

December 9, 2015: *Craig Wright scrubs all online presence.*

From YouTube to personal blogs, from business websites (see DeMorgan Ltd example below) to LinkedIn and Twitter, nothing survives Craig's digital sledgehammer.

At some point, while Craig was rushed to London, even Stefan Matthews helped deleting everything Craig Wright on the internet:

"When he got to Manila airport, Stefan picked him up. They went to Stefan's apartment and the maid washed Wright's clothes while he set up his laptops on the dining-room table. They spent the rest of Saturday wiping his remaining social media profile. Stefan didn't want any contact to be possible: he wanted to cut Wright off from the world." — Andrew O'Hagan "[The](#)

Satoshi Affair"

Despite their desperate attempts, most, if not all, of Craig Wright's online presence is still findable with WayBack Machine, Archive Today or likewise online outlets that store the history of the internet.



DeMorgan Ltd



DeMorgan is a pre-IPO Australian listed company focused on alternative currency, next generation banking and reputational and educational products with a focus on security and creating a simple user experience.

In the six years since the first company in the group started, we have completed several Bitcoin based research projects that have lasted over and are now ready to start commercialising.



CYBER SECURITY

Having appeared in the public for hacking internet-connected coffee machines and Boeing 747s, DeMorgan houses one of the world's most certified security firms.



SUPERCOMPUTING

Ranked #15 in the world with our supercomputer, Tulip Trading, we strive to invent our own way and push the technological envelope of super clusters.



BANKING AND FINANCE

Owning the only Australian, government-approved Research Service Provider (RSP) in cryptocurrency, we work to further the money of tomorrow.



ADVANCED MATHEMATICS

Applied mathematics is the heart of DeMorgan and we use a probabilistic approach of stacked theorems bolstered by our supercomputer simulations.



ARTIFICIAL INTELLIGENCE

There is no substitute for human ingenuity however we heavily supplement with Artificial Intelligence (AI) bots that never sleep or hesitate and on a grand scale.



SOFTWARE DEVELOPMENT

A scrutinous and intimate line-by-line approach to code is DeMorgan's opus moderandi with our Secure Software Development Lifecycle (S-SDL) practices.

COMPANIES

Our network

Our group of companies has received a series of Advance Findings from AusIndustry around the supercomputers we run and the AI and machine learning activities we conduct. In total, we have received Core Technology and Advance Finding certificates for \$110,000,000 in research activities.



Cyber Security Firm

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[Intelligent eLearning Platform](#)



[The Academic's Social Network](#)

BOARD

Our executive board

Dr Craig Wright

Chief Executive Officer

Dr Wright has held several senior executive positions with companies focused on digital forensics and IT security. Since 2012 he has served as the Executive Vice President of Strategy Development for the UK Centre for Strategic Cyberspace and Security Science, with a focus on collaborating government bodies in securing cyber systems. He has been engaged as a digital forensic expert and trainer with the Australian Federal Police and leads DeMorgan through inventing new technologies.

David Jensen AM

Board Member

David is the founding Chairman of Mawson's Huts Foundation which he established in 1997 expressly to conserve the historic huts at Cape Denison which were used as their base for two years by the 1911-14 Australasian Antarctic Expedition led by Douglas Mawson. He was appointed a member of the order of Australia in 1999 for this work and has also had a profound career that has seen him be the General Manager of Reuters Economic Services for Australia in 1980, the Executive Director of AAP in 1990 and raise \$28,000,000 through beginning a charity golf tournament since 1987.

Ramona Watts

Director/Chief People Officer

As a senior partner, Ramona incubates innovation and drives high performance with DeMorgan's personnel. She puts in place strategies to help maintain a climate that attracts, retains and motivates top quality personnel, as well as protects and grows DeMorgan's culture. Educated in Singapore, the UK and North America, Ramona holds postgraduate degrees in Psychology and Communications and is a seasoned executive having worked in Asia, Australia and North America.

Alan Granger

Audit Committee

Allan Granger is a retired partner of BDO, one of the largest public accounting practice in the world. During his period Allan served a number of roles within the Sydney firm, including management of the Share Registry, management of the IT Service Group and management of the Computer Audit Group. Allan also provided services to the international firm, including Membership and Chairman of the CaseWare Development Group and member of the Training Team providing audit and computer audit training in the Asia Pacific Region.

PUBLICATIONS

Open information

Here at DeMorgan we believe in information sharing and often our non-core product code is made open source.

[Blog](#)



[Human rights and property](#)

23 October 2015

The most fundamental of human rights is the right to hold property.

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[Economics of Software](#)

[Risk](#)

[Software Development](#)

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CONTACT

Get in Touch

Headquarters

DeMorgan Ltd
Suite 5.02, 32 Dehli Road
North Ryde NSW 2113, Australia

Email

info@demorgan.com.au

Phone

[+61 2 9188 2050](tel:+61291882050)
(ask for DeMorgan at reception)

Hours of Operation

9am - 5pm, Mondays to Fridays
(with the exception of NSW public holidays)

Source: <https://archive.ph/fMnc8>

This is a good moment to summarize all the companies that we currently know Craig possessed in this timeframe (there might be a few more we don't know about yet, though), and how they went along in the upcoming years. It will probably come as no surprise to anyone that all the companies in the screenshot above — mostly empty paper-only vehicles to advance Craig's Australian tax fraud — do not exist anymore. In fact, NONE of the 22 companies listed here exist anymore!

- *Information Defense (raised 2009, dismantled 2017)*
- *Integyrs (raised 2009, dismantled 2015)*
- *Not to be confused with Integyrz*
- *Greyfog (raised 2009, dismantled 2014)*
- *Cloudcroft (raised 2011, raided & put under ATO's External Administration 2015, dismantled 2020)*
- *Panopticopt (raised 2011, raided & put under ATO's External*

- Administration 2015, dismantled 2020)*
- *Strasan (raised 2011, renamed to C01n in 2014, raided & put under ATO's External Administration 2015, dismantled 2020)*
 - *Coin-Exch (raised 2013, raided & put under ATO's External Administration 2015, dismantled 2020)*
 - *Hotwire Preemptive Intelligence (raised 2013, bankrupt 2014, dismantled 2017)*
 - *Integryz (raised 2013, raided & put under ATO's External Administration 2015, dismantled 2020)*
 - *Interconnected Research (raised 2013, raided & put under ATO's External Administration 2015, dismantled 2020)*
 - *Pholus (raised 2013, raided & put under ATO's External Administration 2015, dismantled 2020)*
 - *Denariuz (raised 2013, raided & put under ATO's External Administration 2015, dismantled 2020)*
 - *Zuhl (raised 2013, raided & put under ATO's External Administration 2015, dismantled 2020)*
 - *Hotwire PE Employee Share Plan (raised 2013, dismantled 2018)*
 - *Chaos And Nonlinear Forecastability In Economics And Finance (raised 2014, dismantled 2018)*
 - *Daso (raised 2014, dismantled 2017)*
 - *DeMorgan Holdings (raised 2014, dismantled 2017)*
 - *DeMorgan Ltd (raised 2014, dismantled 2017)*
 - *Misfits Games (raised 2014, dismantled 2018)*
 - *Ezas (raised 2014, dismantled 2019)*
 - *Denariuz Ltd (UK) (raised as empty shelf company in 2012 by CFS, obtained as such by Craig under the name "Permanent Success" who immediately renamed to Denariuz Ltd in 2014, dismantled 2017)*
 - *C01n Ltd (UK) (raised as empty shelf company in 2012 by CFS, obtained as such by Craig under the name "Moving Forward In Business" who immediately renamed to C01n Ltd in 2014, dismantled 2017)*

On purpose, the two 'famous' Seychelles companies (Tulip Trading Ltd & Wright International Investments Ltd) that Craig Wright still owns are not in this list. As far as we know, these two companies still exist, have not been dissolved from the Seychelles company registries, and — by means of backdated forgeries, fraudulent bookkeeping and non-existing encrypted files between its assets() — still form the current installment of the infamous Tulip Trust with which Craig Wright is still annoyingly scamming the Bitcoin industry.*

() as determined by the ATO during their very thorough tax fraud inquiry [as we know by now](#), furthermore as determined by Court Florida in 2019 during the Kleiman v Wright lawsuit.*

December 9, 2015: *the ATO raid on Craig's house and offices.*

The ATO are making their move and have sent agents and law enforcement to arrest Craig and seize evidence related to their multi-year investigation into his fraudulent tax rebate scam. An ill-informed media will spin it as 'Satoshi' being hounded following his being 'outed' in the two articles, but that is not why they are looking for Craig Steven Wright.

*As would be clarified in a 'The Weekend Australian' piece, January 20, 2016, the ATO, "**firmly believe Craig Wright is not [Satoshi Nakamoto] the creator of Bitcoin, and that he may have created the hoax to distract from his tax issues**".*



ATO's fraud squad probes Bitcoin 'creator' Craig Wright

EXCLUSIVE

By LEO SHANAHAN.

11:00PM JANUARY 20, 2016 • NO COMMENTS

Craig Wright, outed last year as the possible creator of Bitcoin, is the centre of an investigation by the Australian Taxation Office's serious evasion and criminal investigations unit into fraud potentially worth millions of dollars.

The Australian Federal Police and the ATO have intensified their investigation in recent weeks, reviewing claims for millions of dollars in GST and research and development credits paid to companies associated with Mr Wright.

While the IT security expert is yet to face criminal charges, authorities believe he has left Australia and is based in Britain. Last month, warrants were issued by the AFP to allow ATO officials to search Mr Wright's home and offices in northwest Sydney.

The ATO has flown in a special team from its criminal investigations unit in Brisbane tasked with investigating private groups and high-net-worth individuals.

The team has been interviewing Mr Wright's former business associates in Sydney about tax claims he made through businesses and as an individual, while the ATO has been questioning former associates on supposed deals done through Mr Wright's network of companies that claim to have about \$300 million in market capitalisation backed through Bitcoin.

One aim of the investigation is to establish what holdings of Bitcoin Mr Wright possessed and whether they mirrored claims made in tax receipts.

It is understood the ATO has simulated its own Bitcoin transactions to appreciate how individuals trade and prove ownership of the online crypto-currency.

An ATO spokesman told *The Australian* that "due to confidentiality provisions in the tax act, the ATO is unable to comment on any individual's or entity's tax affairs".

Late last year, Mr Wright was named by IT magazines *Wired* and *Gizmodo* as being the possible creator of the online currency Bitcoin, and potentially worth hundreds of millions of dollars.

Australian authorities are understood to firmly believe Mr Wright is not the creator of Bitcoin and that he may have created the hoax to distract from his tax issues.

Following the US claims about Mr Wright, *The Australian* has revealed a series of business deals and court cases involving him and his associated businesses.

The Weekend Australian revealed that Mr Wright was threatened with bankruptcy between 2006 and 2013 over a debt of \$425,000, following a legal dispute with another business partner that saw Mr Wright have a restraining order issued against him and being convicted of contempt of court.

Despite that conviction, Mr Wright was called upon by the AFP to give a "technical report" as part of an investigation a spokesman said had "assisted in the successful prosecution of a person in relation to online offences". He also alleged he made a deal with a controversial business figure in 2013 to buy gold and software worth tens of millions of Bitcoin.

After the alleged deal went sour, Mr Wright tried to sue business figures for \$84.25m in the Federal Court in Sydney. He subsequently withdrew the claim. At that time, May 2013, Mr Wright said he could draw on one "Bitcoin wallet" worth at least \$100m.

Interest in the Australian IT entrepreneur and security expert heightened after the IT magazines outed him as the possible Bitcoin creator, a man previously known by the pseudonym Satoshi Nakamoto. There has been a worldwide hunt for Nakamoto since the launch of Bitcoin in January 2009. The currency has grown in value to be worth \$US5 billion (\$724bn).

Mr Wright's former wife, Lynne Wright, has made it clear she doesn't want anything to do with her ex-husband, describing the Nakamoto claims as "rubbish".

"He's always been into computers," she said of her ex-husband.

"He's a geek. I don't know anything about Bitcoin."

Share this article



Meanwhile, Andrew O'Hagan would go on to describe the day of the ATO raids as being something more akin to a spy-chase scene from a fictional thriller, in his long form article The Satoshi Affair.

"Ten men raided a house in Gordon, a north shore suburb of Sydney, at 1.30 p.m. on Wednesday, 9 December 2015. Some of the federal agents wore shirts that said 'Computer Forensics'; one carried a search warrant issued under the Australian Crimes Act 1914. They were looking for a man named Craig Steven Wright, who lived with his wife, Ramona, at 43 St Johns Avenue. The warrant was issued at the behest of the Australian Taxation

Office. Wright, a computer scientist and businessman, headed a group of companies associated with cryptocurrency and online security. As one set of agents scoured his kitchen cupboards and emptied out his garage, another entered his main company headquarters at 32 Delhi Road in North Ryde. They were looking for 'originals or copies' of material held on hard drives and computers; they wanted bank statements, mobile phone records, research papers and photographs. The warrant listed dozens of companies whose papers were to be scrutinised, and 32 individuals, some with alternative names, or alternative spellings. The name 'Satoshi Nakamoto' appeared sixth from the bottom of the list.

Some of the neighbours say the Wrights were a little distant. She was friendly but he was weird — to one neighbour he was 'Cold-Shoulder Craig' — and their landlord wondered why they needed so much extra power: Wright had what appeared to be a whole room full of generators at the back of the property. This fed a rack of computers that he called his 'toys', but the real computer, on which he'd spent a lot of money, was nearly nine thousand miles away in Panama. He had already taken the computers away the day before the raid. A reporter had turned up at the house and Wright, alarmed, had phoned Stefan, the man advising them on what he and Ramona were calling 'the deal'. Stefan immediately moved Wright and his wife into a luxury apartment at the Meriton World Tower in Sydney. They'd soon be moving to England anyway, and all parties agreed it was best to hide out for now.



At 32 Delhi Road, the palm trees were throwing summer shade onto the concrete walkways — ‘Tailor Made Office Solutions’, it said on a nearby billboard — and people were drinking coffee in Deli 32 on the ground floor. Wright’s office on level five was painted red, and looked down on the Macquarie Park Cemetery, known as a place of calm for the living as much as the dead. No one was sure what to do when the police entered. The staff were gathered in the middle of the room and told by the officers not to go near their computers or use their phones. ‘I tried to intervene,’ one senior staff member, a Dane called Allan Pedersen, remarked later, ‘and said we would have to call our lawyers.’

Ramona wasn’t keen to tell her family what was happening. The reporters were sniffing at a strange story — a story too complicated for her to explain — so she just told everyone that damp in the Gordon house had forced them to move out. The place they moved into, a tall apartment building, was right in the city and Wright felt as if he was on holiday. On 9 December, after their first night in the new apartment, Wright woke up to the news that two articles, one on the technology site *Gizmodo*, the other in the tech magazine

Wired, had come out overnight fingering him as the person behind the pseudonym Satoshi Nakamoto, who in 2008 published a white paper describing a 'peer-to-peer electronic cash system' — a technology Satoshi went on to develop as bitcoin. Reading the articles on his laptop, Wright knew his old life was over.

By this point, cameras and reporters were outside his former home and his office. They had long heard rumours, but the *Gizmodo* and *Wired* stories had sent the Australian media into a frenzy. It wasn't clear why the police and the articles had appeared on the same day. At about five that same afternoon, a receptionist called from the lobby of Wright's apartment building to say that the police had arrived. Ramona turned to Wright and told him to get the hell out. He looked at a desk in front of the window: there were two large laptop computers on it — they weighed a few kilos each, with 64 gigabytes of RAM — and he grabbed the one that wasn't yet fully encrypted. He also took Ramona's phone, which wasn't encrypted either, and headed for the door. They were on the 63rd floor. It occurred to him that the police might be coming up in the elevator, so he went down to the 61st floor, where there were office suites and a swimming pool. He stood frozen for a minute before he realised he'd rushed out without his passport.

Ramona left the apartment shortly after Wright. She went straight down to the basement car park and was relieved to find the police weren't guarding the exits. She jumped into her car, a hire vehicle, and, in her panic, crashed into the exit barrier. But she didn't stop, and was soon on the motorway heading to north Sydney. She just wanted to be somewhere familiar where she would have time to think. She felt vulnerable without her phone, and decided to drive to a friend's and borrow his. She went to his workplace and took his phone, telling him she couldn't explain because she didn't want to get him involved.

Meanwhile, Wright was still standing beside the swimming pool in his suit, with a laptop in his arms. He heard people coming up the stairs, sped down

the corridor and ducked into the gents. A bunch of teenagers were standing around but seemed not to notice him. He went to the furthest cubicle and deliberately kept the door unlocked. (He figured the police would just look for an engaged sign.) He was standing on top of the toilet when he heard the officers come in. They asked the youngsters what they were doing, but they said 'nothing' and the police left. Wright stayed in the cubicle for a few minutes, then went out and used his apartment keycard to hide in the service stairwell. Eventually, a call came from Ramona on her friend's phone. She was slightly horrified to discover he was still in the building and told him again to get out. He, too, had a rental car, and had the key in his pocket. He went down sixty flights of stairs to the car park in the basement, unlocked his car and opened the boot, where he lifted out the spare wheel and put his laptop in the wheel cavity. He drove towards the Harbour Bridge and got lost in the traffic.

As Ramona drove along she began texting the mysterious Stefan, who was at Sydney Airport, having already checked in for a flight to Manila, where he lived. Stefan had to make a fuss to get his bag removed from the plane and then he spoke to Ramona, telling her that Wright would have to get out of the country. She didn't argue. She called the Flight Centre and asked what flights were leaving. 'To where?' asked the saleswoman.

'Anywhere,' Ramona said. Within ten minutes she had booked her husband on a flight to Auckland.

In the early evening, Wright, scared and lost, made his way to Chatswood. He texted Ramona to come and meet him, and she immediately texted back saying he should go straight to the airport. She'd booked him a flight. 'But I don't have my passport,' he said. Ramona was afraid she'd be arrested if she returned to their apartment, but her friend said he'd go into the building and get the passport. They waited until the police left the building, then he went upstairs. A few minutes later he came back with the passport, along with the other computer and a power supply.

They met Wright in the airport car park. Ramona had never seen him so worried. 'I was shocked,' he later said. 'I hadn't expected to be outed like that in the media, and then to be chased down by the police. Normally, I'd be prepared. I'd have a bag packed.' As Ramona gave him the one-way ticket to Auckland, she was anxious about when she would see him again. Wright said New Zealand was a bit too close and wondered what to do about money. Ramona went to an ATM and gave him \$600. He bought a yellow bag from the airport shop in which to store his computers. He had no clothes. 'It was awful saying goodbye to him,' Ramona said.

In the queue for security, he felt nervous about his computers. His flight was about to close when the security staff flagged him down. He was being taken to an interview room when an Indian man behind him started going berserk. It was just after the Paris bombings; the man's wife was wearing a sari and the security staff wanted to pat her down. The man objected. All the security staff ran over to deal with the situation and told Wright to go. He couldn't believe his luck. He put his head down and scurried through the lounge.

Back at Wright's office, Allan Pedersen was being interviewed by the police. He overheard one of them ask: 'Have we got Wright yet?'

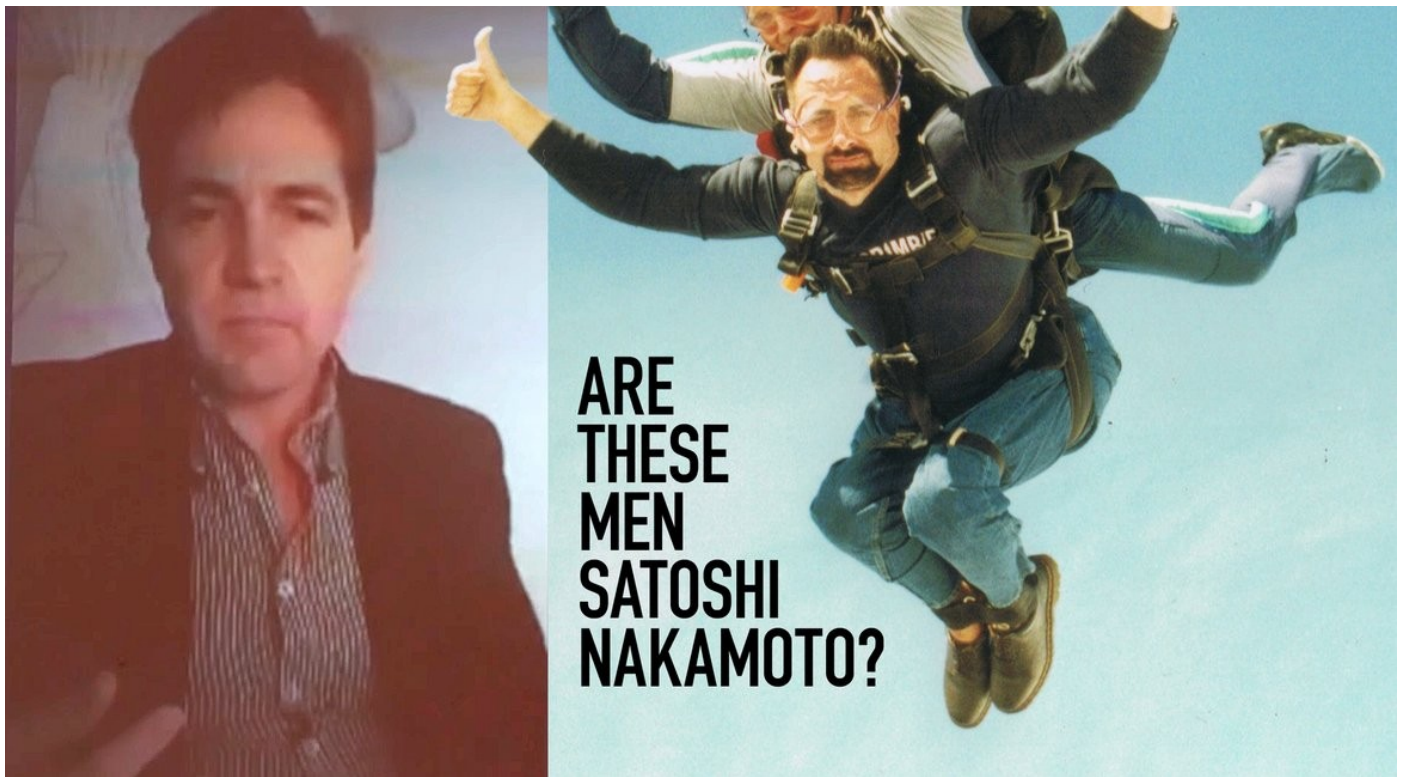
'He's just hopped a flight to New Zealand,' his colleague said.

Wright was soon 30,000 feet above the Tasman Sea watching the programmer Thomas Anderson (Keanu Reeves) being chased by unknowable agents in *The Matrix*. Wright found the storyline strangely comforting; it was good to know he wasn't alone.

At Auckland Airport, Wright kept his phone on flight mode, but turned it on to use the airport's wifi to Skype with Stefan, using a new account. They had a discussion about how to get him to Manila. There was a big rock concert that night in Auckland, and all the hotels were full, but he crossed town in a cab and managed to get a small room at the Hilton. He booked two nights, using

cash. He knew how to get more cash out of ATMs than the daily limit, so he worked several machines near the hotel, withdrawing \$5000. He ordered room service that night and the next morning went to the Billabong store in Queen Street to buy some clothes. He felt agitated, out of his element: normally he would wear a suit and tie — he enjoys the notion that he is too well dressed to be a geek — but he bought a T-shirt, a pair of jeans and some socks. On the way back to the hotel he got a bunch of SIM cards, so that his calls wouldn't be monitored. Back at the Hilton he was packing up his computers when the dependable Stefan came on Skype. He told Wright to go to the airport and pick up a ticket he'd left him for a flight to Manila. His picture was all over the papers, along with the story that he was trying to escape.

Within hours of Wright's name appearing in the press, anonymous messages threatened to reveal his 'actual history'. Some said he had been on Ashley Madison, the website that sets up extramarital affairs, others that he'd been seen on Grindr, the gay hook-up app. During a six-hour layover in Hong Kong, he killed his email accounts and tried to wipe his social media profile, which he knew would be heavy with information he wasn't keen to publicise: 'Mainly rants,' he said later. When he got to Manila airport, Stefan picked him up. They went to Stefan's apartment and the maid washed Wright's clothes while he set up his laptops on the dining-room table. They spent the rest of Saturday wiping his remaining social media profile. Stefan didn't want any contact to be possible: he wanted to cut Wright off from the world. The next day he put him on a plane to London." — Andrew O'Hagan "[The Satoshi Affair](#)"



No.

Exciting stuff, indeed! Satoshi being outed and having to go to extraordinary lengths to avoid being captured and interrogated, possibly even extradited to unfriendly jurisdictions and charged with drug and terrorism offences over the claimed illicit use of his revolutionary invention, Bitcoin...the movie rights alone would surely be snapped up in an instant by Hollywood!

Except, no, there wasn't a single person in a position of legal authority who genuinely thought Craig was Satoshi Nakamoto. The whole edge-of-the-seat retelling of his frantic 'escape from Oz' is laughable upon reflection for its whole cloak-and-dagger tale of Craig hiding in toilets and getting lost in his rental car and his wife dinging hers into the car park barrier.

Oh, he was fleeing alright, and it was pretty hectic, albeit less 'Mission Impossible' and more 'Mr Bean'.



Rowan Atkinson (Mr Bean) as Johnny English, British super-spy

His reason for evading the authorities, however, is far less glamorous than the spy-thriller-esque narrative suggested by Andrew O'Hagan.

Outtro

Craig now would have you believe that he fled Australia because of him being unfairly persecuted by the ATO, that they were hounding him because he is Satoshi.

The truth is that the ATO raided his home and offices for the very fact that they knew he was not Satoshi. In that their evidence had already shown that he was lying about being Satoshi, this meant the claimed source of his hundreds-of-millions-dollars in business transactions, predicated on his ownership of the 'Satoshi Stash', was a lie, too.

These aren't small matters of a 'disagreement' with the tax authorities or, as Craig repeatedly has claimed in the years since, that they were solely

concerned with imposing an unfair tax burden on his bitcoin holdings. No, these are extremely serious offences involving defrauding the coffers of the Australian tax-payer and having money paid to his own businesses in fraudulent GST and R&D rebates, again and again, for ever-larger amounts, running into tens of millions of dollars.

Craig would have you believe that he has 'settled' this matter, that he paid the various penalties, fines and judgements imposed following the ATO's audits and investigations.

This isn't true, either.

There is no 'settling' of criminal fraud of this scale outside of a served prison sentence. This isn't hyperbole, this is already-set precedent in the Australian legal system.

And please make no mistake, these ATO inquiries can last over a decade. In 2018, "[Former Perth financier Gary Parsons jailed after half a million dollar ATO rebates](#)" was only brought to justice after an investigation of no less than 11 years.

"A former Perth financier who ripped off more than half a million dollars from the Australian Taxation Office by lodging false GST rebate applications has been jailed for five years.

Gary Andrew Parsons, 53, was extradited to Perth from the US in January last year after an 11-year investigation by the Australian Federal Police and the ATO."

Former Perth financier Gary Parsons jailed after half a million dollar ATO rebates

Elle Farcic | The West Australian
Tue, 13 November 2018 4:50AM



 Fraudster Gary Andrew Parsons was extradited to Perth after an 11 year investigation by the ATO. Credit: Sharon Smith

So, as you can see, the old adage is very true, "The wheels of justice turn slowly, but grind exceedingly fine" and Gary Parsons was found guilty of a mere fraction of what Craig Steven Wright is potentially facing being prosecuted for.

Criminally prosecuted?

Ah, yes, meet Melanie Johnston, one of the ATO's Criminal Investigators. In June 2018 she contacted Vel Freedman and Kyle Roche, senior members of

Ira Kleiman's counsel in the Kleiman v Wright lawsuit, and announced she was "conducting a criminal investigation relating to Craig Steven WRIGHT." for which she requested to speak with Mr [Ira] Kleiman.

Subject: KLEIMAN v WRIGHT enquiry [DLM=Sensitive:Legal]
Date: Thursday, June 21, 2018 at 2:41:36 AM Eastern Daylight Time
From: Johnston, Melanie
To: Velvel (Devin) Freedman, Kyle Roche

Good afternoon sirs,

I am a Criminal Investigator with the Australian Taxation Office, currently conducting a criminal investigation relating to Craig Steven WRIGHT.

I understand that you are representing Mr Ira KLEIMAN for a matter involving WRIGHT within the USA.

As part of our investigation, I would like to speak with Mr Kleiman with the prospect of obtaining a witness statement from him in relation to his knowledge of certain matters, and seek your assistance in contacting him.

Can you please advise if you are able to assist me with my enquiries.

Regards,
Melanie

Melanie Johnston
Investigator | Criminal Investigations
Tax Evasion & Crime | Private Groups & High Wealth Individuals
Australian Taxation Office
P 07 3149 5961 M 0481 017 344

Think digital before you print

Source: <https://twitter.com/MyLegacyKit/status/1267702815897591808> (Hold. My. Beer.)

To summarize, Craig Wright is facing serious legal jeopardy, as he always has been since the very first cash rebates were filed back in 2009 so he could claim to have sold 'valuable' Intellectual Property to his own businesses, all the way through to his doubling and tripling and 100X'ing-down on the scale of his rebate claims once he discovered he could simply claim them as being based, not on provable bank transfers or payments, but on him just pointing to publicly-viewable high-value bitcoin wallets and

simply saying to the tax authorities, "Those are mine".

He had hoped that the more convoluted he made the explanations, the very tangled-web he wove of fake contracts, emails and even a few instances of successfully lying to the Supreme Court in a sham 'recovery action', would eventually convince the pesky Australian Taxation Office to back down and leave him with his illicit loot.

But they have demonstrated an admirable level of tenacity and exceptional competency in not being bowed by his attempts to 'baffle with bullshit' and, as it all has been laid out for you to see in this three-part magnum opus of Craig's Crooked Connivings, they know exactly what the truth is.

As of publishing, we are just about to witness Craig in a court case of his own making in Miami, Florida, where his lies to the estate of the Kleiman family have led to them suing for recovery of the supposed fortune in Bitcoin and IP that his trail of falsified-for-the-benefit-of-the-ATO documents and legal actions conjured up. That this can actually be used against him now in something of a, "Well, this blew up in your face, Craig" moment just typifies the nature of his ever-morphing timeline of years of deception and fraud. His own claims of a fantastical wealth he and his dead friend shared mean that they're about to seek their own 'recovery action' for a potential \$100,000,000,000. Yes, that's one hundred billion in US dollars he could be found liable for.

And Craig's opinion of this? Oh, he and Calvin Ayre, his gullible billionaire-backer, have been working hard in the preceding years leading up to this day of reckoning to apparently spin it, not as a potentially-catastrophic exposure to financial ruin but, rather, as a means by which they will claim that, win or lose, the outcome will imply that the court accepts he is Satoshi Nakamoto and, as a result, this will pave the way for Craig to seek his own court judgement in laying claim to the famed 'Satoshi Stash' and conduct yet-another fraudulent 'recovery action', an erroneous absurdity so devoid of legal and technical merit it suggests an extreme case of 'Folie à deux'

runs rife within their toxic partnership, but something they are seemingly willing to risk untold fortune for in deranged pursuit of the title and the treasure.

You literally could not make this story up. It would be considered both too fantastical and farcical to believe!

Craig Wright is not Satoshi Nakamoto. Full stop.



Artwork by Adam LaMonica (follow him on Twitter: [@AdamLaMonica](https://twitter.com/AdamLaMonica))

The real Satoshi Nakamoto remains unknown to this day, and unless and until otherwise definitely outed, "We are all Satoshi".

Except Craig Wright, of course.

The end.