



InvisM

ASK | VISUALIZE | UNDERSTAND | SHARE
3rd Quarter 2010 Board Book

Table of Contents

Convene The Board

1. Board Members election and seat
2. Administration
3. Introduction of each Board Member and Participants
4. Establish meeting objectives
5. Establish board meeting expectations

Corporate Initiatives

6. Corporate Initiatives Status
7. Strategic Business Plan
8. Technology Orientation and Discussion

Financials

9. Present 2010 projected financial results
10. Company Profitability
11. Present current financials through June 30, 2010
12. Present Five Year Plan

Project Status

13. Projects

Business Development

14. Business Development
15. Business Development Pipeline Reports

Board Committee(s)

16. Vote on Committee(s)
17. Recommend Audit and Compensation Committees and Members

Other Business

18. Board Agenda
19. Identify and Seat Fourth External Board Director NLT Q4 BOD meeting

Wrap-Up

20. Taskers Review
21. Chairman's final comments
22. Confirmation of next Board Meeting date

Agenda

8am – 8:02: Meeting Called to Order:

- 8:02am – 8:15am: Convene the Board (James Marks)
- 8:15am – 9:00am: Corporate Initiatives (Randy Roberts)
- 9:00am – 10:30am: Financials (Mike Ricks)
- 10:30am – 10:45am: Break
- 10:45am – 12:15pm: Project Status (Randy Roberts)
- 12:15pm – 12:45pm: Lunch in meeting room
- 12:45pm – 1:30pm: Business Development (Michael Badham)
- 1:30pm – 1:45pm: Board Committee(s) (Rick DeGolia)
- 1:45pm – 2:15pm: Other Business (Flip Flippen)
- 2:15pm – 3:00pm: Wrap-Up (Flip Flippen)

3:00pm: Meeting Adjourned

3:00pm to 4:00pm: Visit to InVisM office

- Introductions
- Tour
- Development Demo

Convene The Board

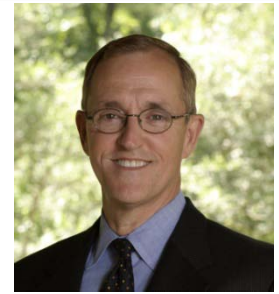
- 1. Board Members election and seat**
- 2. Administration**
- 3. Introduction of each Board Member and Participants**
- 4. Establish meeting objectives**
- 5. Establish board meeting expectations**

Board Members Election and Seat:



THE FLIPPEN GROUP

Bringing out the best in people



Flip Flippen
Founder and President

Flip Flippen is the author of the *New York Times* and *USA Today* Best Seller, *The Flip Side: Break Free of the Behaviors That Hold You Back*, released in May of 2007.

He developed the concept of Personal Constraints™ as a means to overcome performance inhibitors and to accelerate the growth of many of the world's greatest executives, educators, and professional athletes. Using his background in psychotherapy, Flip and his research group developed The Flippen Profile, a powerful behavioral assessment tool, which uncovers the unique constraints and strengths of an individual in order to improve performance. This breakthrough tool is used in corporate, sports, and educational arenas on a global basis.

Flip is also the founder of The Flippen Group, which was voted by *Texas Monthly* magazine as the Number Two best place to work in the state of Texas. The Flippen Group is one of the largest educator training companies and one of the fastest growing leadership development organizations in North America. The company's breakthrough educational processes and curricula are in use at 5000 school districts and campuses in 42 states.

The success of his efforts has been documented on *The Today Show*, *The Super Bowl Pre-Game Show*, and *Speed Channel's NBS 24/7*, as well as in countless publications over the years. Flip also contributes monthly blog submissions for *SUCCESS Magazine*. He is widely recognized as a world-class entrepreneur, educator, and philanthropist.

The first sixteen years of his professional life was spent building a non-profit organization that worked with gangs and throw-away kids. In the process, he also built a 500-acre residential facility for young people.

From education to gangs to corporate executives to private equity to sports – he has always had the same focus: helping others do well.

Flip and his wife Susan's mission is to "bring out the best in people." They have done this in their businesses, as well as in their personal life, as they have helped raise more than twenty children. Flip and Susan reside on their ranch in College Station, Texas.

Eason Jordan



Biography

Eason Jordan is the co-founder and chief executive officer of three companies: Poll Position, Cuba Business Bureau, and Headline Apps.

Poll Position is a next generation public opinion and market research company -- a boutique firm whose leadership team brings decades of success in polling, analysis, and media.

Cuba Business Bureau helps U.S.-based companies better understand Cuba and existing and prospective business opportunities there. CBB provides a 24/7 business news service and consulting services.

Headline Apps produces unique, timely applications for the iPhone and other electronic platforms.

From 2005 through March 2010, Jordan served as the chief executive officer of Praedict, a provider of exclusive, customized insights and guidance on and from the world's most challenging regions.

From 1982 until 2005, Jordan worked with CNN, where he rose through the ranks to become the network's Chief News Executive and President of Newsgathering and International Networks. Jordan oversaw CNN's news coverage, international outlets, global expansion, and international relations. He traveled around the world on CNN's behalf and reported on-air and online from Iraq, North Korea, and elsewhere.

Jordan's journalistic honors include Emmy Awards, Peabody Awards, Edward R. Murrow Awards, Headliner Awards, ACE Awards, The Robert F. Kennedy Journalism Award, The Vanguard Award, the Livingston Award, and the first Charles Weltner Freedom of Information Award.

Jordan has written op-ed articles that appeared in dozens of newspapers including The New York Times, The International Herald Tribune, The Wall Street Journal, and

[Home](#)

● [Biography](#)

[Contact](#)



Bono and Ted Turner



His Majesty King
Abdullah II
of Jordan

The Atlanta Journal Constitution. His exclusive 1997 reporting from North Korea on the famine there appeared in Time magazine.

Jordan's university lectures include appearances at Harvard, Columbia University, the American University of Beirut, the University of Miami, the University of Michigan, the University of Wisconsin, Northwestern, Emory University, and Georgia Tech. Jordan has participated in public forums and debates across the United States, Africa, Asia, Europe, and the Mideast. He has made guest appearances on PBS, NPR, the BBC, Al Jazeera, Al Arabiya, Israeli TV, Chinese TV, Indian TV, Pakistani TV, TV Asahi, and Fuji TV.

He attended Georgia State University and DeKalb College.

Jordan serves on the board of directors of the International News Safety Institute and the leadership council of the Committee to Protect Journalists. He is a member of the Council on Foreign Relations and the ONE Campaign.

© 2010 Eason Jordan.



Jim Barnett

Jim Barnett is the co-founder and Chief Operating Officer of SeaCure Associates, LLC, a group committed to making a difference and helping other companies understand the intricacies of working with the US Government.

From 2005 through April 2010 Jim worked for Northrop Grumman Corporation in Business Development, Government Relations, and Customer Relations. He was the first Intelligence Community specialist to move up to the corporate level and supported the establishment of a corporation wide group to best support the diversity of products offered by that corporation in the National Security business arena.

From 1998 to 2005 Jim was on the Professional Staff of the Senate Intelligence Committee. He held the National Reconnaissance Office, National Security Agency, and Special Reconnaissance Office portfolios. He also served as the technology advisor for the Committee and its members and was often called on by other Senators not on the Committee to address issues of particular concern to them and their constituents. In addition, he was the primary staffer working for Senators DeWine (R-OH), Snowe (R-ME), Lott (R-MS), Inhofe (R-OK), and Mikulski (D-MD). As such, he was involved in a wide ranging set of highly classified issues of National and Global significance. Jim was known for his bipartisan approach to issues and his thorough research and tireless efforts to find the best answer for the Committee, the Congress and the Nation.

Prior to that, Jim was a Naval Officer for 33 years serving from the rivers of South Vietnam (serving with the Vietnamese SEALs, as an advisor, and right door gunner) to the highlands of North Yorkshire, England. In between he worked classified programs from silt to space and helped create some of the most sophisticated and technically capable intelligence systems that continue to contribute to world stability. Jim worked on the staff of the Chief of Naval Operations, the Secretary of the Air Force, the Chairman of the Joint Chiefs of Staff, and the Secretary of Defense.

Through the various optics from which Jim was able to serve and observe the inner workings of the US (and other) governments, he developed a unique perspective of how to get things done in both the Executive and Legislative branches of the government. He remains well connected and is considered a subject matter expert on many of the current topics of the day.

Jim graduated from the US Naval Academy and attended a wide variety of Universities doing post graduate work and teaching. Jim and his wife Susan remain committed to making this country and the world a better place for our children and grand children.

James A. Marks
CEO, InVisM



James A. “Spider” Marks is the CEO, InVisM, a Denver based software company designed to create experiences that blend the impact of immersive software with the power of personalized delivery anytime, any place. InVisM is market leading in knowledge, learning, education, and training applications. Previously, General Marks was a Managing Partner for ERGO, a leading, global primary research and consulting firm specializing in emerging and frontier markets. Before joining ERGO, Marks was President and CEO of Global Linguist Solutions (GLS), a joint venture combining the language and culture excellence of McNeil Technologies with the broad services delivery of Dyncorp International. During Marks’s tenure, GLS provided the coalition forces and reconstruction efforts in Iraq with over 10,000 linguists fluent in Arabic, Persian Farsi, many dialects, and English. He grew GLS into an annual \$715 million enterprise.

Marks spent over 30 years in the Army attaining the rank of Major General. During his military career, General Marks held command and staff positions in the 101st Airborne Division and 82d Airborne Division to include infantry platoon leader and infantry company command. He was the senior intelligence officer for Joint Task Force Los Angeles during the LA Riots. General Marks commanded at the battalion and brigade levels; served as a strategist on the Army staff; was assigned in the Balkans and Korea as a senior intelligence officer; and was in combat as the senior intelligence officer for the Coalition Land Forces invasion of Iraq, Operation Iraqi Freedom. He culminated his career as the Commanding General of the US Army Intelligence Center. General Marks is an Honor Graduate of the US Army’s Ranger School, a Master parachutists, authorized to wear Canadian and Korean Airborne wings, and has been awarded the Distinguished Service Medal, Legion of Merit, Bronze Star, and multiple expeditionary and service ribbons.

General Marks is a 1975 graduate of The United States Military Academy at West Point, NY and holds a Master of Arts degree in International Affairs conferred by the University of Virginia in 1985. Additionally, he received a Master of Science degree in Theater Operations from the School of Advanced Military Studies, US Army Command and General Staff College, Fort Leavenworth, Kansas in 1990.

Russel Phelps
Executive VP/Founder



Mr. Russel Phelps is the Founder and Executive Vice President of InVisM. He is a nationally recognized speaker in the use of serious gaming, training simulations, and the development and employment of interactive technologies and learning. He has steered InVisM to the forefront of advanced video and cinema technology providing, award winning immersion training -- most notably with the U.S. Army.

The Army project, ARMY360, has been featured in CNN, CBS news and other specialty media. The software baseline, RealityV, won Best Electronic Design of 2008 (Video category) by Military Electronics. InVisM (formerly Intelligence Gaming Inc) was also on the government team that won 2008 Best Serious (Video) Game (Government Category) at the Serious Games Showcase and Challenge.

Mr. Phelps is a retired U.S. Navy Commander, who spent over 20 years in the areas of language and culture studies – starting as an Arabic Linguist supporting operations in the Middle East. He ended his military career as the Navy Commander at RAF Menwith Hill Station, the U.S. military’s largest multi-national strategic and tactical information production facility. He has a BA in International Studies and Master Degree in National Security Affairs.

Establish Meeting Objectives:

- Seat Board – (*Completed*)
- Validate InVisM strategy and operations – (*Tabs 6-22*)
- Approve standardized BOD agenda – (*Tab 18*)

Establish Board Expectations:

- The primary responsibility of the Board of Directors is to protect the shareholders' and creditors' investments while ensuring they receive a reasonable return on their investment.
- The board of directors is the highest company governing authority within the management structure. BOD functions include:
 - Provide guidance on Company's Business Strategy
 - Provide strategic governance of company's operations
 - Grant stock options & assess fair market value of company's common stock
 - Evaluate and approve company's financing requirements, assets
 - Establish appropriate compensation for the executive team
 - Approve the company's financial statements

Corporate Initiatives

6. Corporate Initiatives Status

7. Strategic Business Plan

8. Technology Orientation and Discussion

Corporate Initiatives Objectives:

What: Build our strategy to sustain growth

How:

- Develop clear corporate vision, mission, purpose and annual/quarterly objectives
- Identify the market position in which InVisM is most likely to succeed
- Identify value proposition
- Establish corporate standards throughout the entire organization to sustain growth & add value...
"Do routine things routinely"

End State: Build value within the organization by documenting and sustaining our primary Corporate Initiatives

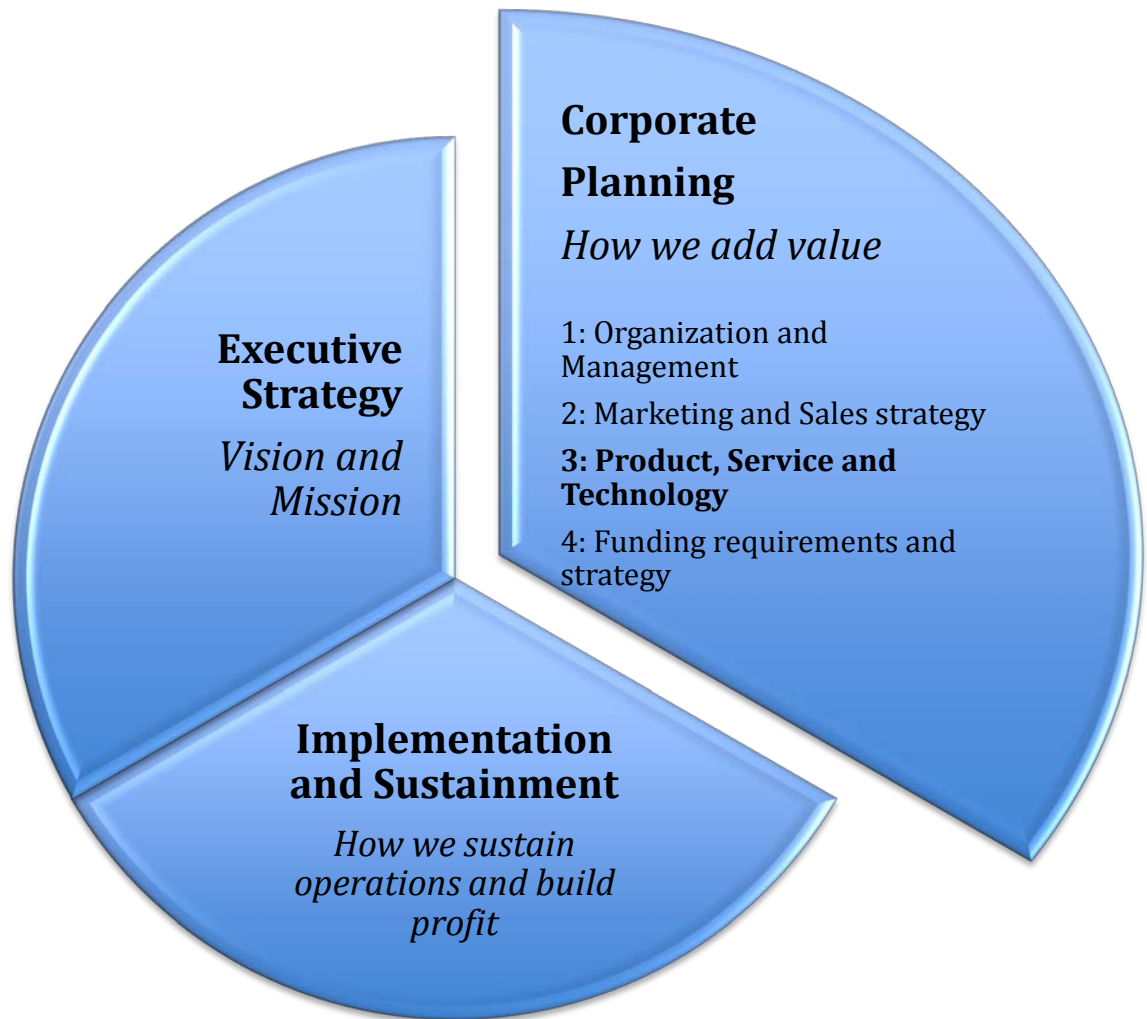
Corporate Initiatives Overview:



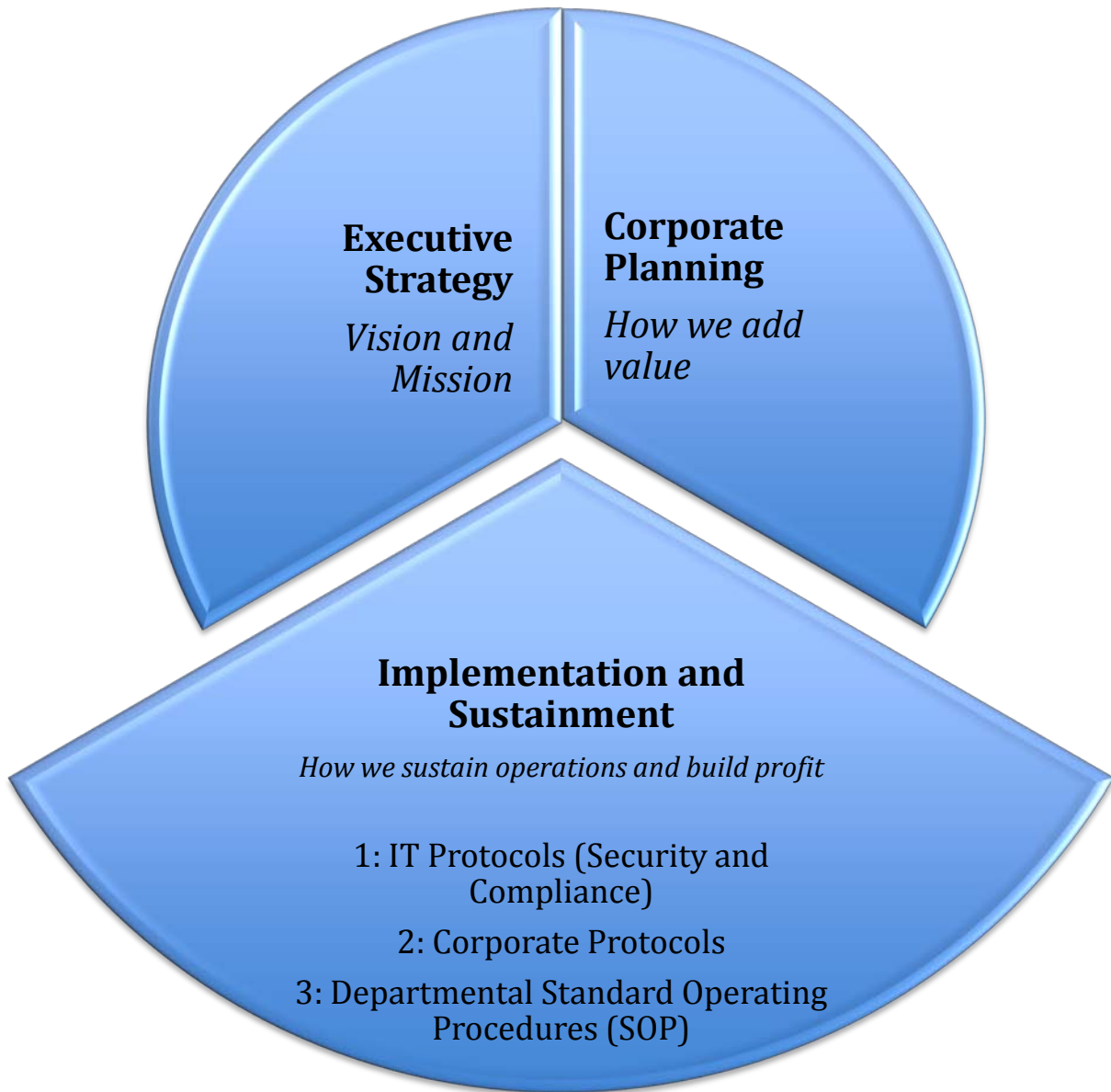
Executive Strategy:



Corporate Planning:



Implementation & Sustainment:



InVisM Web-based Systems:

- **Basecamp:** Our implementation of a “Client Facing” tool allows us the transparency needed to engage the client in the project by collaborating directly with the client, consultants and contractors.
- **Highrise:** This “Internal InVisM Facing” tool allows each employee to manage their contacts, tasks and communicate critical emails. Primary Client Relationship Management (CRM) tool.
- **Backpack:** This “Internal InVisM Facing” tool allows each employee to manage their departmental activities by creating pages in their Backpack and share daily, weekly and monthly standard practices with other InVisM team members.

Strategic Business Plan:

- **Objective** – Provide the Board of Directors with a clear understanding of InVisM's 3-year business goals and the critical success factors

- **Background** – InVisM's success over the past two years has provided an opportunity to:
 - Hire a senior level CEO and establish formal corporate governance (Board of Directors)
 - Set a strategic direction to take InVisM from a “start up” to a “high growth” company
 - Raise the capital required to execute on our growth plans

- **Agenda**
 - InVisM vision, mission and purpose
 - Our goals
 - Map of strategic business plan
 - InVisM's unique value proposition
 - Competitive landscape
 - Approach to marketplace
 - Critical success factors
 - Capital requirements

InVisM Vision, Mission, and Purpose:

Our vision is...

"We create experiences that unite the impact of immersive software with the power of personalized delivery across your world – any time, any place."

Our Mission is to...

- Create premier electronic Knowledge, Learning, Education and Training (KLET) content... HD film, CGI, simulation, and modeling software
- Apply cognitive and educational science for adults and children
- Tailor technology capabilities and solutions for networks, classrooms, and mobile devices... DVD, web, iTouch, iPhone, iPad, BlackBerry
- Develop client-intimate products; designed and developed with world-class program management

Our Purpose is...

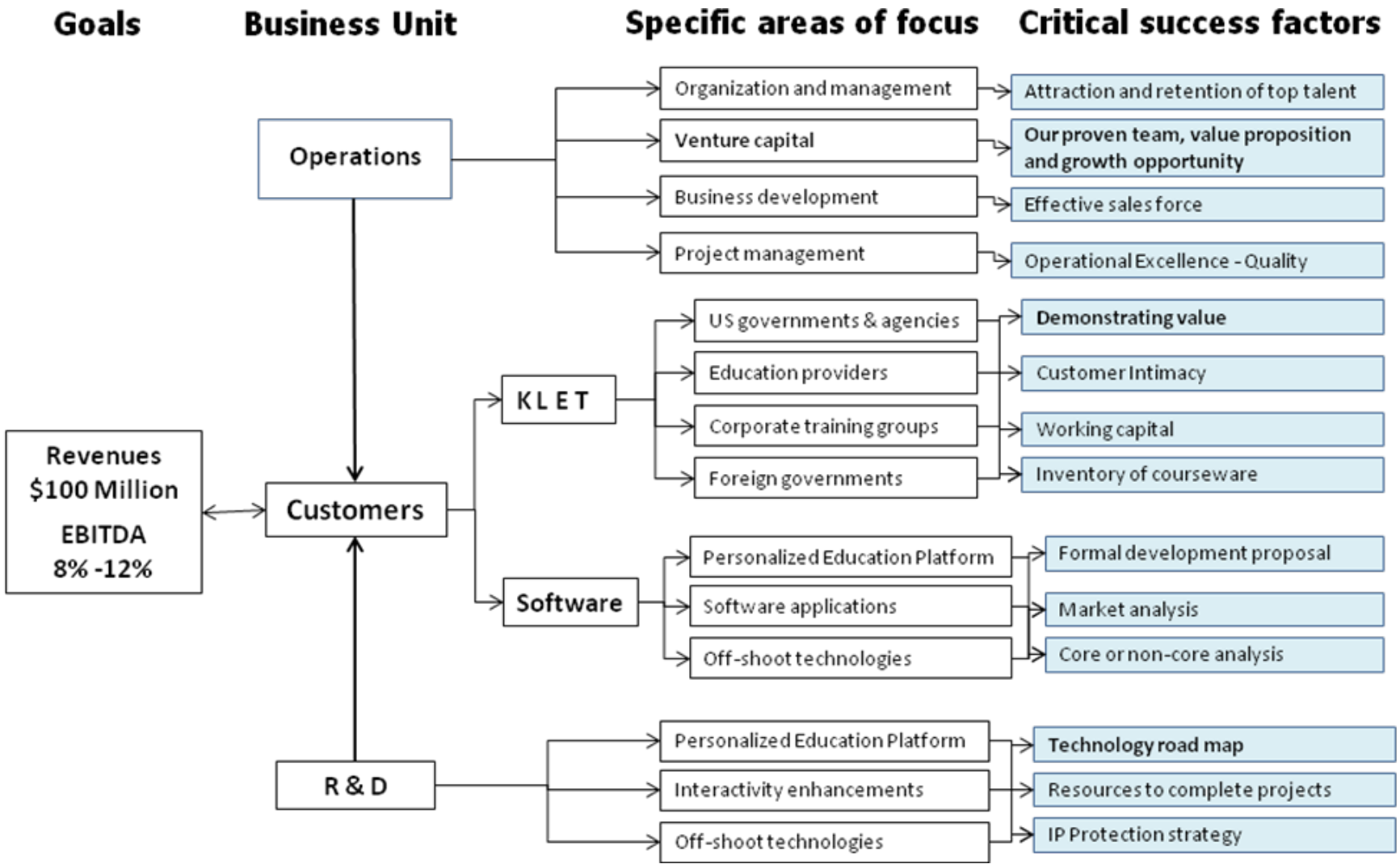
We will...

- Disrupt current content delivery methodologies and increase value... fidelity, timeliness, accuracy, training effectiveness
- Provide full spectrum, collaborative solutions on any platform... thin client, fat client, browser, broad-band to low-band, and mobile devices
- Build world-class project teams that are client intimate

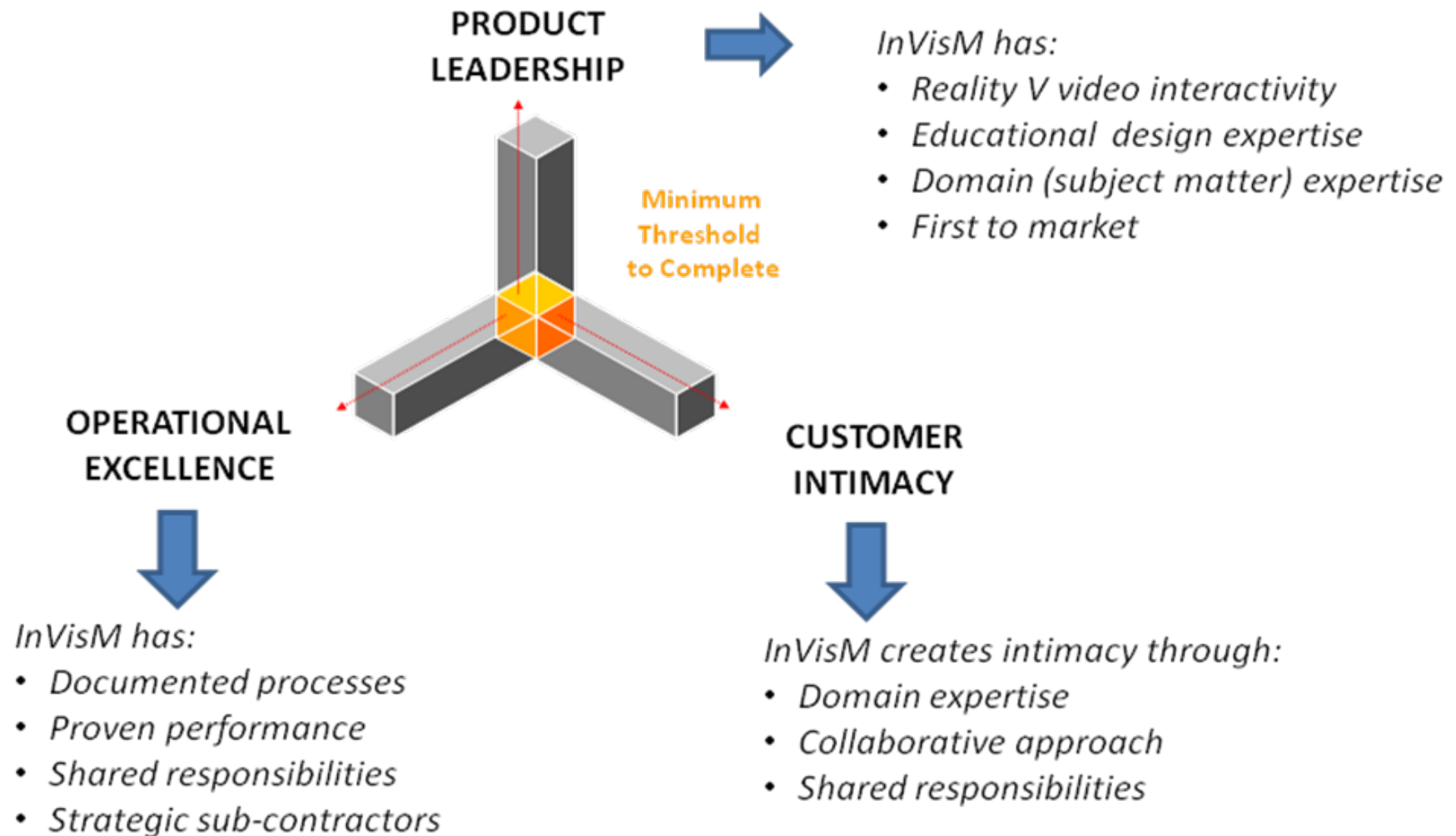
Our Goals:

- \$80 to \$100Mil in revenue per annum, as follows:
 - \$60 to \$80Mil Knowledge, Learning, Education and Training (KLET) division:
 - Customized solution provider for simulation and training
 - 80% government, 20% commercial
 - Approximately 20 separate KLET contracts
 - \$10 to \$30Mil Software division:
 - Custom services for high end education and training providers
 - Software licensing for in-house education groups
 - Licensing of related software products
- 8% to 12% EBITDA margin and growing
- Unique presence in the market, disruptive to traditional providers
- Highest ethical standards and values, fiscally responsible
- A take-over target!

Map of Strategic Business Plan



InVisM's Value Proposition



Competitive Landscape

- **Incredibly huge market for education and training simulations, and growing**
 - Military training and simulation is growing
 - Education market is growing
 - Training market is growing
- **Five main categories of participants in the broad market:**
 - Education and training providers
 - Universities
 - Corporate Trainers
 - Simulation providers (mostly in aerospace sector)
 - Video production companies who have done some video learning programs
 - Software (gaming) companies
 - Large software companies
 - Google, YouTube, Apple (iTunes), Microsoft, etc.
- **Competition in the specific cultural and leadership simulation training niche appears limited at this time. Research is ongoing.**

Approach to Marketplace

- **Migration from military applications to education and training applications**
 - Ideal customer has large volume of students who need to practice leadership and decision skills in the context of a dynamic situation
 - Candidate non-readiness has significant consequences
- **Establish two market based areas of focus:**
 - KLET – Customized solutions for education and training organizations
 - Extended military success into the education and training markets
 - Software – Applications and technologies for specialized target markets
 - Build selected software products for specific market applications
- **Build an effective sales force**
 - Internal client relationship management
 - Where appropriate, establish agent network
 - Build marketing and sales tools (presentations, demonstrations, prototyping tools, communication tools)

Critical Success Factors

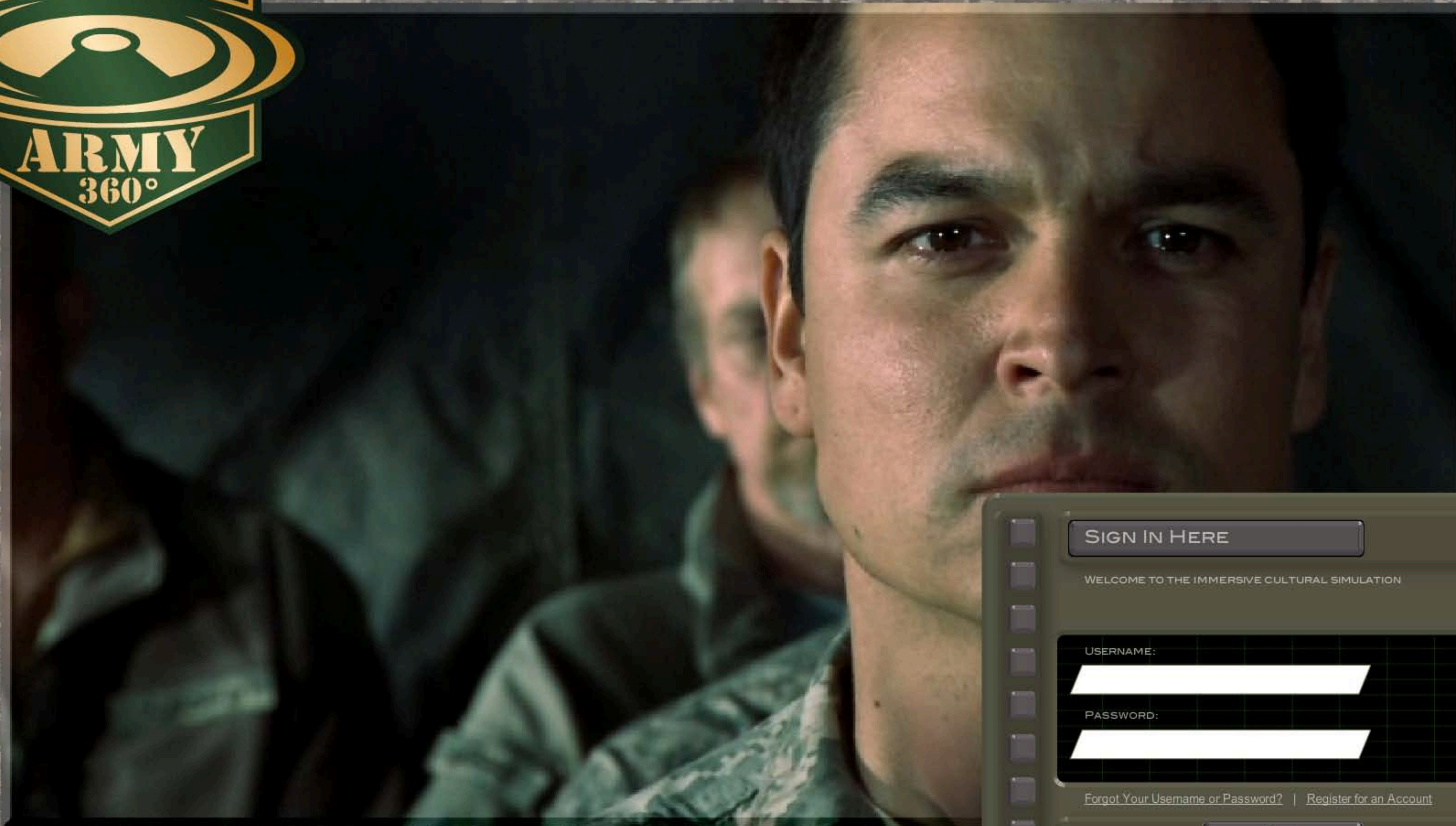
We have identified the critical success factors for our goals. The accountabilities imbedded in our three year strategic business plan will be based on a Responsible, Accountable, Consulted, Informed (RACI) project management approach, assigning responsibilities for each critical success factor:

- **Operations**
 - Attraction and retention of top talent
 - Raising venture capital
 - Effective sales force
 - Program management operational excellence
- **Customer (sales and marketing)**
 - Demonstrating value of the product
 - Client intimacy
 - Working capital
 - Inventory of courseware
 - Software development plan
 - Software market analysis
 - Software core vs. non-core analysis
- **Research and Development**
 - Technology road map
 - Resources to complete projects
 - IP Protection strategy

Capital Requirements

- **Process and Timetable**
 - Complete business plans
 - Execute on critical success factors
 - Repurpose documents for capital raise
 - Approach appropriate market

- **Use of Proceeds**
 - Working capital
 - Market investments
 - Operational investments (Quality, Talent)
 - R&D investments (general and specific projects)



SIGN IN HERE

WELCOME TO THE IMMERSIVE CULTURAL SIMULATION

USERNAME:

PASSWORD:

[Forgot Your Username or Password?](#) | [Register for an Account](#)

Sign In

ARMY 360 CULTURAL TRAINER

SELECT AN EPISODE TO LOAD

<input checked="" type="checkbox"/>	EPISODE ONE HEARTS AND MINDS
<input checked="" type="checkbox"/>	EPISODE TWO CROSSROADS
<input checked="" type="checkbox"/>	EPISODE THREE CIVIL STRIFE
<input checked="" type="checkbox"/>	EPISODE FOUR TRIBAL NEGOTIATIONS
<input checked="" type="checkbox"/>	EPISODE FIVE BASIC CULTURE AND CUSTOMS
<input checked="" type="checkbox"/>	EPISODE SIX COUNTER NARCOTICS
<input type="checkbox"/>	EPISODE SEVEN WORDS AND DEEDS

Continue

SCENE 1



1 OF 10

1. EPISODE 4 PRE-TEST

WHICH OF THE FOLLOWING WAS NOT AN INITIAL OBJECTIVE OF THE AMERICAN-LED INVASION OF IRAQ IN 2003?

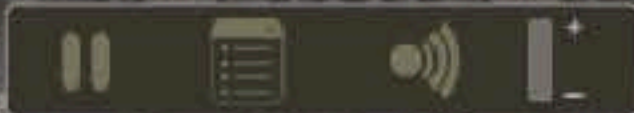
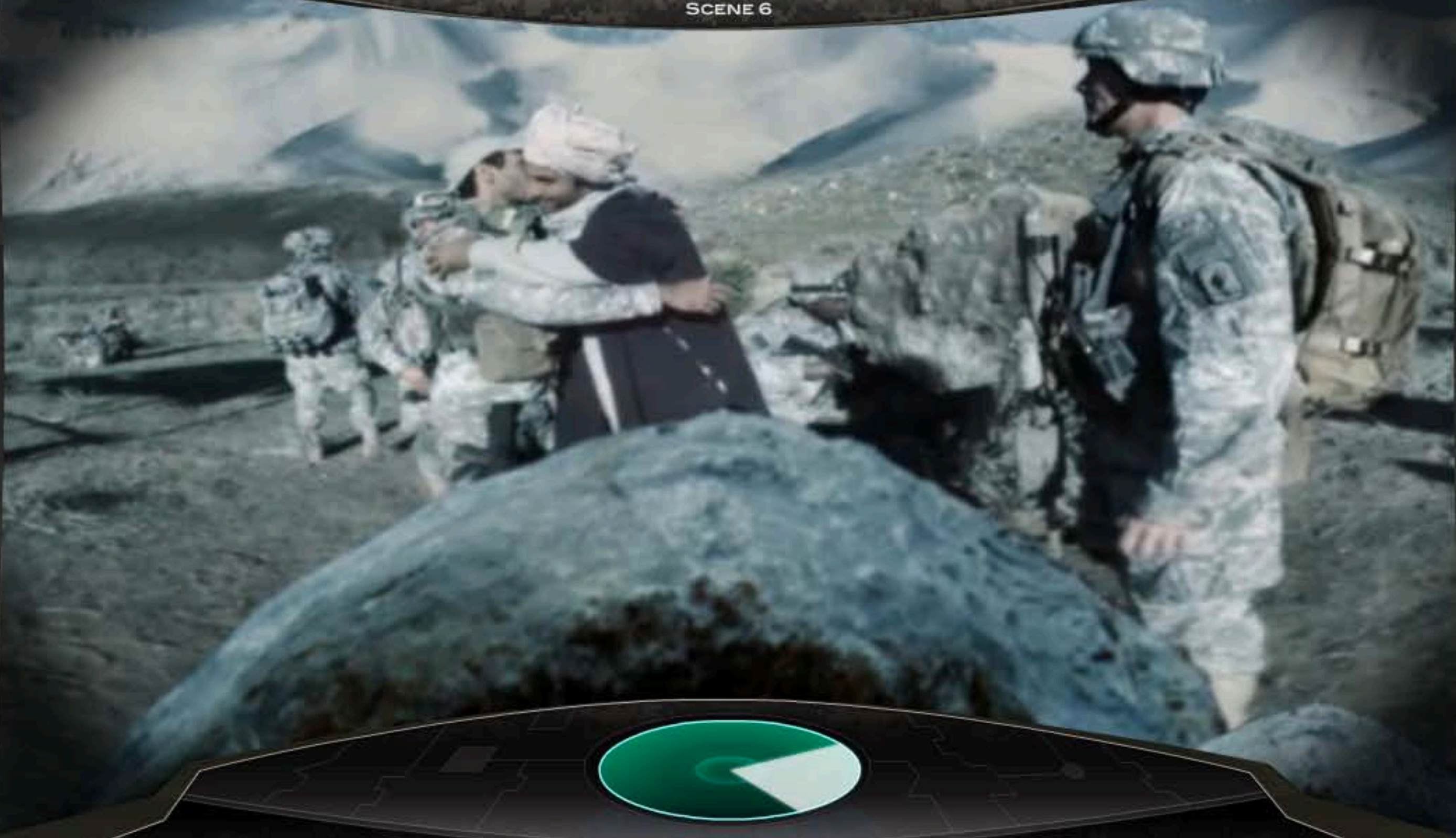
- REGIME CHANGE IN IRAQ
- TURNING IRAQ INTO A BEACON OF DEMOCRACY
- NATION-BUILDING IN IRAQ
- ELIMINATING IRAQ'S WEAPONS OF MASS DESTRUCTION

BACK

NEXT



SCENE 6





PRE-TEST SCORE: 100%



POST-TEST SCORE: 100%

CULTURAL AWARENESS KNOWLEDGE:

+0%



CULTURAL IMMERSION SCORE: 100%



CULTURAL ACUITY SCORE: 100%

PRE-TEST: 100% (10 OF 10)

POST-TEST: 100% (10 OF 10)

1. WHICH STATEMENT BEST DESCRIBES AFGHANISTAN BEFORE THE 20TH CENTURY?

- IT WAS AN ISLAMIC REPUBLIC.
- IT WAS A PATCHWORK OF TRIBES.
- IT WAS AN INDEPENDENT KINGDOM.
- IT WAS PART OF THE OTTOMAN EMPIRE.

2. WHICH OF THESE BEST DESCRIBES "THE GREAT GAME"?

1. AFGHANS PLACE A VERY HIGH VALUE ON WHICH OF THE FOLLOWING?

- INDIVIDUALISM
- PUNCTUALITY
- INITIATIVE
- HONOR

= SELECTED ANSWER = CORRECT ANSWER = SELECTED CORRECT ANSWER

CONTINUE





WIT

FORCE

FORENSICS OPERATIONAL REPORTING COLLECTION AND EXPLOITATION

WELCOME TO WITFORCE

PLEASE SIGN IN _____

USERNAME:

PASSWORD:

[FORGOT PASSWORD](#)

[CREATE ACCOUNT](#)

CONTINUE



STEPS

INTRO



STEP 1



STEP 2



STEP 3



STEP 4



STEP 5

BACK

CAPTURING IRIS IMAGES

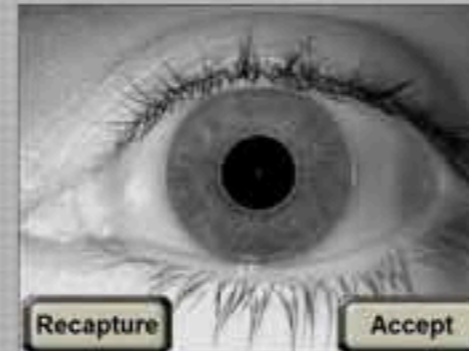
STEP 2 - Press & Hold Trigger Button

STEP 1 - AIM CROSSHAIRS

INTRO - CAPTURING IRIS IMAGES

STEP 5 - CONFIRM (ENROLLMENT ONLY)

Following a successful iris capture of an enrollment image, a confirmation screen will appear. The processed image shown should outline the iris and pupil accurately. Press 'Accept' to verify the capture and save the image. Otherwise, press 'Recapture' to try again.



Possible causes of poor iris images:

- Pattern Contact Lens
- Floating Contact Lens
- Tilted image
- Subject is looking away from the camera

REFERENCE

SIMULATION

CONTROLS

HOW TO USE

[x : 0150 | y : 0222]

INFORMATIONAL: FIRSTDEFENDER

SIMULATION



VIAL RESULTS

TEST: PASSED

1. ???
2. ???
3. ???
4. ???
5. ???
6. ???

CONTINUE

Good Job!

It looks like the sample you found is Polystyrene. You can continue to use the Ahura to view result details or Click "Done" to exit. [Done]

SIMULATION

CONTROLS

HOW TO USE

[x:0533 | y:0516]

INFORMATIONAL: FIRSTDEFENDER

SIMULATION



VIAL RESULTS

TEST. ???

1. ???

2. ???

3. ???

4. ???

5. ???

6. ???

Quick Review: Scanning a sample

1. Press Enter key
2. Enter correct p/w (L-L-D), then Enter
3. Press Enter (to clear the warning screen)
4. Press Enter (to initiate scan)
5. At results screen, you can press enter to view spectrum

REFERENCE

SIMULATION

CONTROLS

HOW TO USE

[x : 0638 | y : 0492]

SEARCHER



SEARCHER



SEARCHER



Information



155 mm aged artillery shells (x3)

These artillery shells look like they were packed with another kind of explosive. Probably to help insure that the blasting cap could ultimately trigger the shells.

COMMON OPERATING PICTURE

01:30 16x

ISPM ALL SIGINT HUMINT GEDINT OPORD FRAGO GLOSSARY

REPORTS

- PIR1**

WHERE ARE THE INSURGENTS BASES OF OPERATION?

 - SIR 1.1
 - SIR 1.2
 - SIR 1.3
 - SIR 1.4
 - SIR 1.5
- PIR2**

HOW WILL ENEMY CONDUCT DIVERSIONARY ATTACKS IN OUR AO TO REDIRECT OUR ATTENTION AWAY FROM THE SECURED FACILITIES?

 - SIR 2.1
 - SIR 2.2
 - SIR 2.3
 - SIR 2.4
 - SIR 2.5
- PIR3**

FROM WHERE WILL THE INSURGENTS GAIN THE ASSETS TO CONDUCT THE ATTACKS?

 - SIR 3.1
 - SIR 3.2
 - SIR 3.3
 - SIR 3.4
 - SIR 3.5



- 12:00
- Map navigation icons: Home, Back, Forward, Refresh, Full Screen, etc.
- Shadow icon
- Map layers icon
- Search icon
- 3D view icon
- Grid icon
- Compass icon
- Scale icon
- Legend icon
- Layers icon
- Refresh icon
- Home icon
- Back icon
- Forward icon
- Full Screen icon

INTEL OPS INTEL

CONTACTS

- S2
- ASST. SYNCH MGR
- S2-X
- GEDINT
- HUMINT
- Div ISR SYNCH MGR
- SHADOW UAV
- SIGINT PROPHET
- USAF SWO
- USAF ISR LNO
- USAF EWO



00:00:38 [Navigation icons: Play, Stop, Previous, Next] -00:02:17

ISR SYNC MATRIX

18:25

MAP

PIR 1	SIR 1.1	PIR 2	SIR 2.1	PIR 3	SIR 3.1
WHERE ARE THE INSURGENTS' BASES OF OPERATION?	SIR 1.2	HOW WILL ENEMY CONDUCT DIVERSIONARY ATTACKS IN OUR AO TO REDIRECT OUR ATTENTION FROM THE SECURED FACILITIES?	SIR 2.2	FROM WHERE WILL THE INSURGENTS GAIN THE ASSETS TO CONDUCT THE ATTACK(S)?	SIR 3.2
	SIR 1.3		SIR 2.3		SIR 3.3
	SIR 1.4		SIR 2.4		SIR 3.4
	SIR 1.5		SIR 2.5		SIR 3.5

OPTEMPO

BCT ASSETS

EAB ASSETS

AVAILABLE ASSETS	0100	0200	0300	0400	0500	0600	0700	0800	0900	1000	1100	1200	1300	1400	1500	1600	1700	1800	1900	2000	2100	2200	2300
STEEL BRIGADE					DEBERT STEEL	STEEL																	
RED STEEL									STEEL HAMMER														
BLUE STEEL							STEEL CURTAIN																
WHITE STEEL						STEEL ANVIL																	
ENEMY OP TEMPO																							
HOST NATION																							
ARMORED SCOUT					DEBERT STEEL																	DEBERT STEEL	
ENGR. CO			STEEL HAMMER																				STEEL
GSR RADAR		DEBERT STEEL				STEEL HAMMER					STEEL CURTAIN						STEEL ANVIL					DEBERT STEEL	
HUMINT COL TEAM										STEEL CURTAIN													
OMNISENSE		STEEL ANVIL				DEBERT STEEL					STEEL HAMMER						STEEL CURTAIN					STEEL ANVIL	
PROPHET				STEEL CURTAIN																			DEBERT STEEL
SCORPION											STEEL CURTAIN												
SHADOW UAS																							
SILENT WATCH		STEEL ANVIL				DEBERT STEEL					STEEL HAMMER						STEEL CURTAIN					STEEL ANVIL	
SIGINT TERM GONCE		STEEL CURTAIN				STEEL ANVIL					DEBERT STEEL						STEEL HAMMER					STEEL CURTAIN	
APACHE																							
ARL																							
ARMS																							
BLACKHAWK																							
BUCKEYE																							
CONSTANT HAWK																							
EP3																							
F-16																							
GLOBAL HAWK																							
GUARDRAIL																							
HUNTER																							
JSTARS											STEEL HAMMER												
KIOWA																							
P3AIP																							
PREDATOR																							
PROJECT LIBERTY																							
RAVEN											STEEL HAMMER		STEEL CURTAIN		STEEL ANVIL								
U2																							
WARRIOR ALPHA																							

00:00:42 ▶▶▶ ◀◀◀ ↶ ↷ 00:02:13

PIR 1

SIR 1.1

WHERE ARE THE INSURGENTS' BASES OF OPERATION?

WHAT ARE THESE BUILDINGS BEING USED FOR?

INFORMATION CAPABILITIES ASSESSMENT TOOL (ICAT)

STABILITY / TARGETING

SORT SORT SORT SORT SORT SORT SORT SORT

PLATFORMS	SENSORS	AVAILABLE ASSETS	TARGET ID / CHARACTERISTICS	TIMELINESS	GEOLOCATION	FIDELITY	COVERAGE	DURATION	ABILITY	OVERALL SCORE
SIGINT TERM GONCE	GEOINT	SHADOW UAS	9	10	10	8	10	2	6	7.95
APACHE	HUMINT	HUNTER	9	7	8	9	10	4	6	7.55
ARL	SIGINT									
ARMS										
BLACKHAWK										
BUCKEYE										
CONSTANT HAWK										
EP3										
F-16										
GLOBAL HAWK										
GUARDRAIL										
HUNTER										
JSTARS										
KIOWA										
P3AIP										
PREDATOR										
PROJECT LIBERTY										
RAVEN										
U2										
WARRIOR ALPHA										

TASKS

NAI LOCATIONS

- ISR TASK 1.1: DOCUMENT VEHICLE MOVEMENT AROUND NAI 7453A
- ISR TASK 1.2: INTERVIEW LOCAL POPULATION IN NAI 74588
- ISR TASK 1.3: MONITOR RADIO COMMUNICATIONS ORIGINATING FROM NAI 7455A
- ISR TASK 1.4: MONITOR INSURGENT ACTIVITY ON THE ROOFS OF NEARBY BUILDINGS

LTIOV

0000 0100 0200 0300 0400 0500 0600 0700 0800 0900 1000 1100 1200 1300 1400 1500 1600 1700 1800 1900 2000 2100 2200 2300 0000

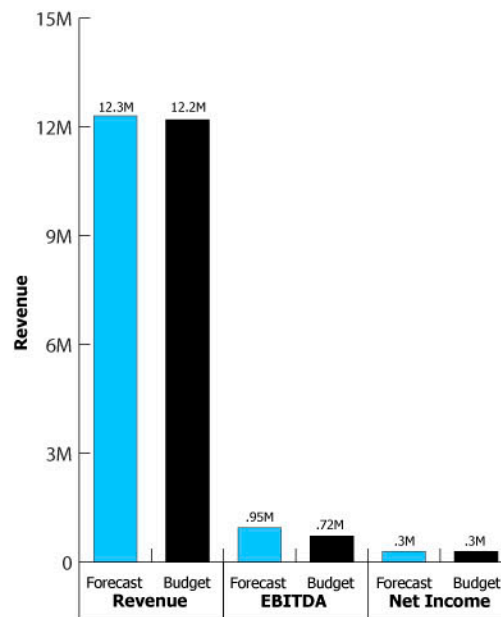
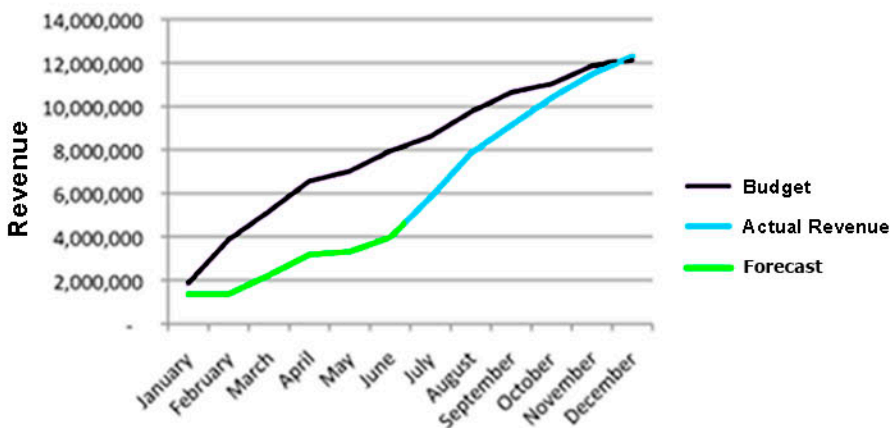


Financials

- 9. Present 2010 projected financial results**
- 10. Company Profitability**
- 11. Present current financials through June 30, 2010**
- 12. Present Five Year Plan**

Financials

Full Year Budget, Actuals, Forecast FY10 (=CY)



Revenue Results

Revenue budget of \$12.1M vs. Forecast of \$12.3M

Forecast 101% of Budget

Revenue lags in first half relative to Budget due to delays in contracting

EBITDA Results

Budget of \$.7M vs. Forecast of \$.9M

Forecast is 128% of Budget
EBITDA lags in the first half relative to Budget, but is forecast to exceed Budget due to catching up on timing delays, production cost reductions through improved subcontractor management, closing the LA studio office, and tighter controls on General and Administrative expenses.

Net Income forecasted to hit Budget

So What...

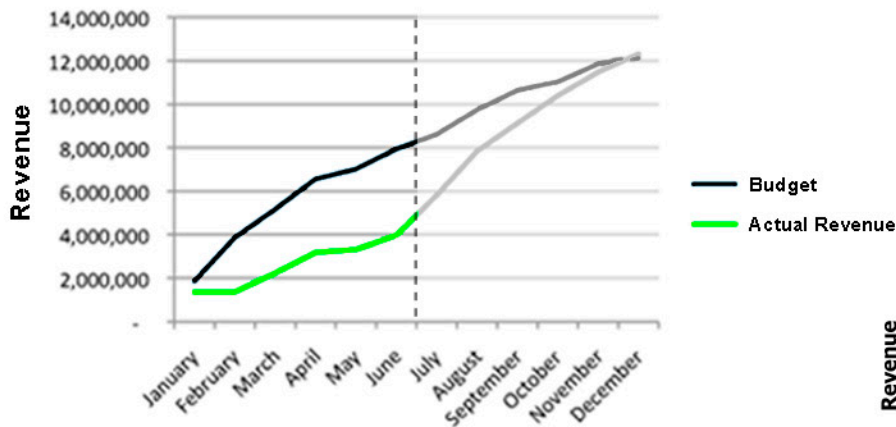
InVisM has great customer relations by delivering on time despite contract delays.

Short or limited Periods of Performance with our contracts result in budget volatility, cash flow timing sensitivity, and operational challenges to meet delivery timeframes.

Operational process improvements including the implementation of client management systems and project management systems has allowed us to tighten costs and more closely manage the contracting process.

Financials

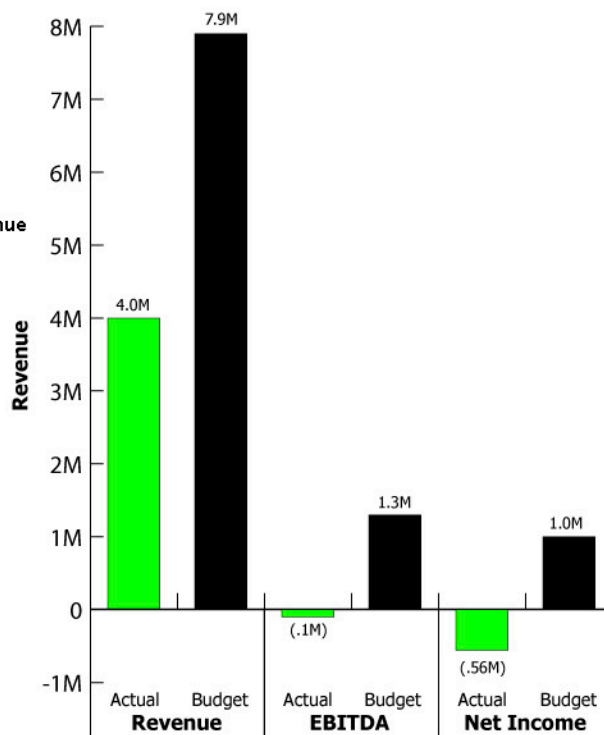
Q1 and Q2 Budget and Actuals FY10 (=CY)



Revenue Results

Actual revenue of \$4.0M (50%) of Budget revenue of \$7.9M due primarily to delays to contract start dates:

- Wolfhound delayed to Q4 (\$600)
- Army National Guard unsigned (400)
- Army360 delay (1,300)
- WIT delay (600)
- AF delay and rework (1,050)



EBITDA Results

Actual EBITDA of (\$0.1M) (-7%) of Budget EBITDA of \$1.3M due to delays and writeoffs:

- Contract revenue delays (\$640)
- LA writeoffs and severance (180)
- Subcontracter Cost Variance (160)
- Subcontracter Payments Timing (340)

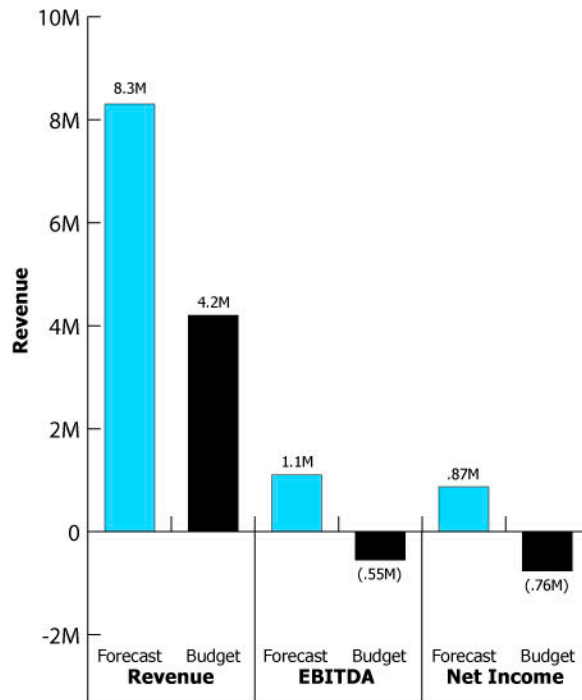
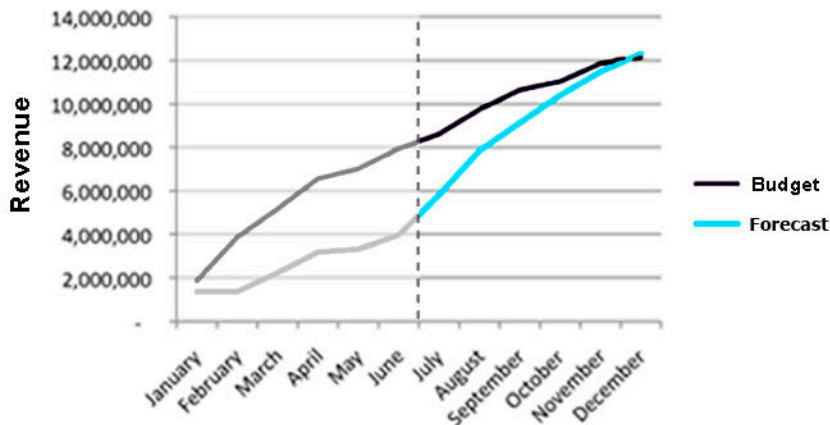
So What...

Three Army contracts were signed 90 days later than expected and production was delayed vs. Budget. We will deliver on time in accelerated plan.

AirForce product delivery issues resulted in internal production process improvements and client management systems development.

Financials

Q3 and Q4 Budget and Forecast FY10 (=CY)



Revenue Results

Revenue in the second half is forecast at \$8.3M (200%) of Budget of \$4.2M, reflecting the catch-up on timing delays from first half as well as new project opportunities:

– WolfHound timing	\$750
– WIT timing	400
– AirForce timing	300
– Army360 timing	800
– STRIDES new project	100
– STEP new project	850
– Army IMT-BCT new project	325
– Army360 FY2011	450

EBITDA Results

EBITDA is forecast at \$1.1M vs. Budget of (\$0.5M) for variance of \$1.6M:

– EBITDA from contract catch-up	\$300
– From new projects	600
– From cost reductions of LA studio	450
– From G&A, and travel cost reductions	200

So What...

Contracts with the 17th AirForce, Army Culture, and NSA will fill Q4 trough

Addition of the HLP production company ensures our ability to reduce costs, improve project EBITDA, and deliver quality products on time.

InVisM, INC

Revenue By Project

For The Period Ending 6/30/10

Project Description	Billed/Revenue		Billed CTD	Received CTD	A/R	Remaining to Bill	2010 Revenue
	YTD	Received YTD					
SBIR Phase II	\$ 14,286	\$ -	\$ 569,377	\$ 555,092	\$ 14,286	\$ 135,681	\$ 149,967
CCOP/GMTS FY09 TO 47	74,660	69,035	138,820	133,195	5,625	57,738	132,398
Army Resiliency	152,825	152,825	813,453	813,453	-	-	152,825
AFCLC (VEST)	-	-	727,200	727,200	-	142,500	142,500
WIT Force	1,050,000	1,000,000	1,450,000	1,400,000	50,000	450,000	1,500,000
ISR Art of Warfare	1,344,000	832,000	1,504,000	992,000	512,000	1,696,000	3,040,000
Army 360 Phase 2	1,179,600	1,174,600	1,937,600	1,932,600	5,000	1,462,400	2,642,000
Berlin ILA	9,000	9,000	9,000	9,000	-	-	9,000
iPad Army 360 Install	79,926	-	79,926	-	79,926	-	79,926
TRTD	66,076	48,164	128,707	110,795	17,912	-	66,076
TOTALS	\$ 3,970,373	\$ 3,285,624	\$ 7,358,085	\$ 6,673,335	\$ 684,749	\$ 3,944,319	\$ 7,914,692

InVisM, INC

Revenue Projection Summary for 2010

	Revenue Forecast
Current Contracts Invoiced through 6/30	\$ 3,970,000
Current Contracts Remaining Balance	\$ 3,945,000
Total Current Contracts	\$ 7,915,000
BCT - Army	\$ 325,000
CCOP FY10	\$ 60,000
DCGS-N	\$ 50,000
Wolfhound	\$ 750,000
Air Force VEST Option 1	\$ 720,000
17th Air Force	\$ 1,080,000
STRIDES	\$ 100,000
STEP	\$ 850,000
Army360 Maintenance for FY11	\$ 450,000
Total Contracts Pending	\$ 4,385,000
2010 Total Revenue	\$ 12,300,000

InVisM, INC

Cost Basis Summary Profitability Achievement

Cost Element	Average Hours per Week	Rate	Total Project Hours	Total Costs
Direct Labor:				
Employee 1	10	\$100.00	50	5,000
Fringe Charge on Direct Labor¹	28%			1,400
Other Direct Costs				600
Travel Costs				<u>2,000</u>
Total Direct Costs				9,000
G&A Charge on Total Direct Costs²	72%			6,480
Direct Materials				250
Subcontractors:				
Film Production Co.				1,000,000
Software Development Co				250,000
Consultants				<u>50,000</u>
Total Subcontractors & Consultants				1,300,000
G&A Charge on Subcontractors	5%			65,000
Total Projected Costs				1,380,730
InVisM Fee	10%			<u>138,073</u>
Contract Total				<u><u>1,518,803</u></u>

(1) Fringe represents health care, PTO, holidays, taxes and other benefits

(2) G&A represents executive and administrative costs, rent, utilities, legal, etc.

InVisM, INC
 Pro Forma Statement of Income
 For the period Ending 6/30/10

	<u>JUNE</u>	<u>YR-TO-DATE</u>
CONTRACT REVENUES	\$ 657,488	\$ 3,970,373
DIRECT COSTS	878,818	2,629,679
COST OF OPERATIONS	256,784	1,457,254
GROSS PROFIT FROM OPERATIONS	<u>(478,114)</u>	<u>(116,560)</u>
OTHER EXPENSES	89,508	448,188
NET INCOME BEFORE TAXES	<u>(567,622)</u>	<u>(564,748)</u>
INCOME TAXES	1,508	1,508
NET INCOME	<u>\$ (569,130.32)</u>	<u>\$ (566,256.09)</u>

InVisM, INC
 Pro Forma Balance Sheet
 Assets

AS OF
06/30/10

CURRENT ASSETS

Cash & Marketable Securities	\$	141,891
Notes & Other Receivables		27,931
A/R		735,479
Prepays		75,999
Inter-Company Receivable		11,999
		993,300

FIXED ASSETS

Furniture & Equipment - Net		111,251
		111,251

OTHER ASSETS

Intangible Assets - Net		647,220
		647,220

\$ 1,751,772

InVisM, INC
 Pro Forma Balance Sheet
 Liabilities & Equity

	<i>AS OF</i> <i>06/30/10</i>
CURRENT LIABILITIES	
Accounts Payable	\$ 678,892
Xeolux Payable	703,996
Notes Payable	2,215,000
Accrued Payroll, Taxes & Benefits	388,498
Accrued Interest	219,809
Current Portion - LTD	19,885
	4,226,081
LONG-TERM LIABILITIES	
Deferred Liabilities	1,000
Long Term Capital Leases	10,259
	11,259
STOCKHOLDER'S EQUITY	
Common Stock & Add'l Paid in Capital	63,153
R/E - Current Year	(566,256)
R/E - Prior Years	(1,982,464)
	(2,485,567)
	\$ 1,751,772

InVisM, INC
Pro Forma Statement of Cash Flows
June 2010

	In Month January 31, 2010	In Month February 29, 2010	In Month March 31, 2010	In Month April 30, 2010	In Month May 31, 2010	In Month June 30, 2010	YTD June 30, 2010
CASH FLOWS FROM OPERATING ACTIVITIES:							
Net income	\$ 997,778	\$ (464,303)	\$ (155,562)	\$ 469,003	\$ (844,042)	\$ (569,130)	\$ (566,256)
Depreciation and amortization	18,270	17,839	18,340	18,784	17,358	19,123	109,713
Accounts receivable (net) & Other Receivables	(647,152)	146,932	328,990	(163,413)	810,476	(451,215)	24,618
Prepaid expenses and other (a)	(34,262)	35,112	(8,115)	(2,551)	131,019	(188)	121,016
Accounts payable	(390,194)	(30,347)	379,143	(582,804)	26,669	438,908	(158,624)
Accrued expenses (b)	45,952	7,677	(30,429)	36,305	67,034	26,813	153,352
Net cash provided by operating activities	(9,608)	(287,090)	532,367	(224,675)	208,514	(535,689)	(316,181)
CASH FLOWS FROM INVESTING ACTIVITIES:							
Purchases of furniture and equipment	-	(2,912)	-	(2,153)	(7,575)	(8,735)	(21,374)
Net Capital Expenditures	-	(2,912)	-	(2,153)	(7,575)	(8,735)	(21,374)
Net cash used in investing activities	-	(2,912)	-	(2,153)	(7,575)	(8,735)	(21,374)
CASH FLOWS FROM FINANCING ACTIVITIES:							
Capital Lease Obligations	(1,793)	(1,008)	(1,027)	(1,046)	(1,066)	(86)	(6,025)
Redemption of preferred stock	34	(135)	-	-	-	45,000	44,899
Net cash used in financing activities	(1,760)	(1,143)	(1,027)	(1,046)	(1,066)	44,914	38,873
NET INCREASE IN CASH AND CASH EQUIVALENTS	(11,368)	(291,144)	531,340	(227,874)	199,873	(499,510)	(298,682)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	440,574	429,206	138,061	669,402	441,528	641,401	440,574
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 429,206	\$ 138,062	\$ 669,401	\$ 441,528	\$ 641,401	\$ 141,891	\$ 141,891

a - The write-off of Combat Films, Quest Pictures and Scott Peck.

b - The change in Accrued Expenses is due to new employees on the payroll as well as the continuing salary accrual of two directors.

InVisM, INC

Consolidated Financial Statements

Five-Year Plan

(\$000s)

	2010	2011	2012	2013	2014
INCOME STATEMENT					
REVENUE					
Government RealityV	6,300	15,000	23,400	28,500	36,600
Government Serious Games	3,195	4,500	9,000	9,000	9,000
Government Engineering Support	2,650	2,500	3,500	5,000	7,500
Commercial RealityV	-	-	4,500	21,000	33,000
Licensing Fees	-	-	-	500	500
Consulting - Metateq	225	233	241	249	258
TOTAL REVENUE	12,370	22,233	40,641	64,249	86,858
VARIABLE COST OF PRODUCTION	8,241	14,350	26,040	37,750	47,220
CONTRIBUTION FROM SALES	4,129	7,883	14,601	26,499	39,638
OPERATING EXPENSES					
Employee Related	2,433	5,642	8,518	11,320	14,042
General and Administrative	629	1,109	1,599	2,165	2,624
Marketing	121	181	463	806	1,285
TOTAL OPERATING EXPENSES	3,182	6,933	10,580	14,290	17,951
EBITDA	947	950	4,021	12,209	21,687
EBITDA Margin	7.7%	4.3%	9.9%	19.0%	25.0%
Depreciation	0	13	23	32	40
Software Development Amortization	40	640	1,440	2,240	3,040
Other Non-Operating	-	-	-	-	-
Interest Expense	151	99	62	67	72
Interest Income	15	39	15	28	93
PRE-TAX INCOME	771	237	2,511	9,899	18,629
Less taxes	-	-	578	3,960	7,452
NET INCOME	771	237	1,933	5,939	11,178
NI Margin	6.2%	1.1%	4.8%	9.2%	12.9%

InVisM, INC

Consolidated Financial Statements

Five-Year Plan

(\$000s)

	2010	2011	2012	2013	2014
BALANCE SHEET					
ASSETS					
Cash	5,754	1,970	1,075	4,589	14,041
A/R	1,031	1,853	3,387	5,354	7,238
Other Current Assets	299	299	299	299	299
Total Current Assets	<u>7,084</u>	<u>4,121</u>	<u>4,761</u>	<u>10,242</u>	<u>21,578</u>
Fixed Assets					
Furniture and Fixtures	47	69	87	103	117
Equipment	10	12	14	16	17
Computer Equipment	94	142	182	217	249
Patents/Trademarks	731	731	731	731	731
Acct Software	26	26	26	26	26
Accumulated Depreciation	(60)	(73)	(96)	(128)	(168)
Total Fixed Assets	<u>847</u>	<u>907</u>	<u>944</u>	<u>965</u>	<u>972</u>
Training Platform Development	200	3,200	7,200	11,200	15,200
Accumulated Amortization	(40)	(680)	(2,120)	(4,360)	(7,400)
Net Platform Development	<u>160</u>	<u>2,520</u>	<u>5,080</u>	<u>6,840</u>	<u>7,800</u>
TOTAL ASSETS	<u><u>8,091</u></u>	<u><u>7,548</u></u>	<u><u>10,785</u></u>	<u><u>18,047</u></u>	<u><u>30,350</u></u>
LIABILITIES					
A/P	739	1,288	2,303	3,326	4,154
A/P to Investor	480	-	-	-	-
Accrued Liabilities	203	470	710	943	1,170
Total Current Liabilities	<u>1,422</u>	<u>1,758</u>	<u>3,013</u>	<u>4,270</u>	<u>5,324</u>
Long Term Debt					
New Debt	-	-	-	-	-
Existing Leases	28	13	-	-	-
Investor Loan	1,959	858	920	987	1,058
Total LT Debt	<u>1,987</u>	<u>871</u>	<u>920</u>	<u>987</u>	<u>1,058</u>
EQUITY					
Common Stock	18	18	18	18	18
Preferred Shares	5,000	5,000	5,000	5,000	5,000
Retained Earnings	(336)	(99)	1,834	7,773	18,950
Total Equity	<u>4,682</u>	<u>4,919</u>	<u>6,852</u>	<u>12,791</u>	<u>23,968</u>
TOTAL LIABILITIES AND EQUITY	<u><u>8,091</u></u>	<u><u>7,548</u></u>	<u><u>10,785</u></u>	<u><u>18,047</u></u>	<u><u>30,350</u></u>
check	-	-	-	-	-

InVisM, INC

Sources and Uses of Funds

Five-Year Plan

(\$000s)

Sources and Uses	2010	2011	2012	2013	2014
Sources					
Revenue	12,370	22,233	40,641	64,249	86,858
WC - Receivables	(258)	(822)	(1,534)	(1,967)	(1,884)
WC - Current Liabilities	800	-	-	-	-
WC - Payables	(419)	337	1,255	1,256	1,054
New Debt	-	-	-	-	-
Investor Loans	-	-	-	-	-
New Common Equity	-	-	-	-	-
New Preferred Equity	5,000	-	-	-	-
Interest Income	15	39	15	28	93
Total Sources	17,509	21,786	40,377	63,567	86,122
Uses					
Expenses	11,423	21,283	36,620	52,040	65,171
Capex	2	73	59	53	47
Software Development	200	3,000	4,000	4,000	4,000
Income Taxes	-	-	578	3,960	7,452
New Debt Amortization	-	-	-	-	-
Investor Loan Amortization	550	1,200	-	-	-
Existing Lease Amortization	20	15	13	-	-
Interest Expense	-	-	-	-	-
Total Uses	12,196	25,571	41,271	60,053	76,670
Change in Cash	5,313	(3,784)	(894)	3,514	9,452
Beginning Cash	-	5,313	1,529	634	4,148
Ending Cash	5,313	1,529	634	4,148	13,600

Project Status

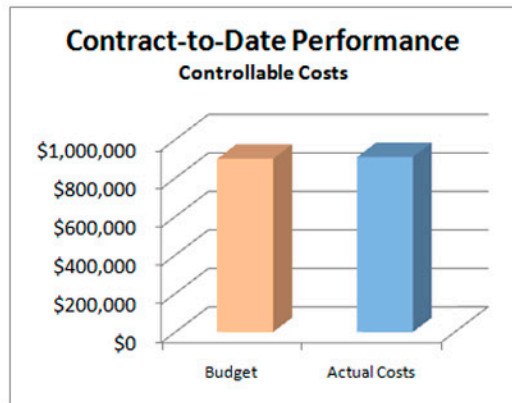
13. Projects

ARMY360 “Immersive Cultural Simulation Series”

Q3 Project Status

<p><u>Project Description:</u></p> <ul style="list-style-type: none"> Follow on 8-episode cultural series focusing on Afghanistan, Colombia, Djibouti, and Yemen Product trains soldiers through the use of immersive, interactive video <p><u>Customer:</u> U.S. Army Intel Center of Excellence (USAICoE), Fort Huachuca, AZ</p> <p><u>Prime Contractor:</u> Raytheon</p> <p><u>Project Manager:</u> Rick Schmidt</p> <p><u>Contract:</u></p> <ul style="list-style-type: none"> Value = \$3.4M; \$2.6M product and \$800K sustainment Period of Performance: 11/09 – 11/10 	<p><u>Key Milestones: What – When – Status</u></p> <ul style="list-style-type: none"> Phase I - Discovery: 08/04/10 (Completed) Phase II - Design: Final Script – 05/06/10 (Completed) Phase III - Development - Film Production – 10/07/10 (Completed) Phase IV - Delivery – Deliver Final Episode <ul style="list-style-type: none"> Episode 1 : 20 August Episode 2 : 27 August Episode 3 : 03 September Episode 4 : 10 September Episode 5 : 17 September Episode 6 : 24 September Episode 7 : 01 October Episode 8 : 08 October
<p><u>Issues:</u></p> <ul style="list-style-type: none"> No issue with cost, scope or delivery Changed production subcontractor to a different vendor Continuity of style (video) <p><u>Risk:</u></p> <ul style="list-style-type: none"> Customer may not accept new style <p><u>Mitigation Plan:</u></p> <ul style="list-style-type: none"> Vetted new new production subcontractor with customer; he/she found them acceptable Secured additional Subject Matter Expertise in Culture and Military matters Implemented new project management tool (Basecamp) and processes to ensure close client coordination 	<p><u>Growth Opportunity:</u></p> <ul style="list-style-type: none"> Customer is interested in InVisM developing content for additional countries Anticipated contract for Basic Officer Leadership Course (BOLC) Cultural product (\$375K)

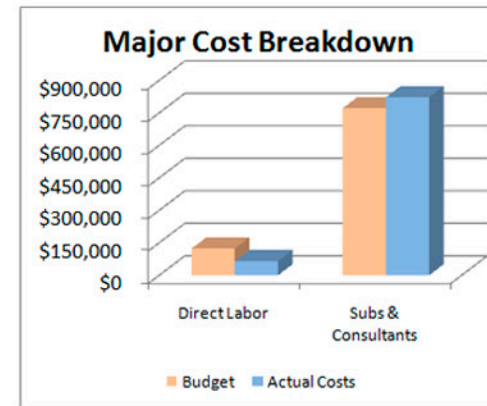
InVisM Contract Budget Army 360



June 2010 Observations

Year long contract started November, 2009
Controllable costs are on track

- § Controllable costs for incurred to date are \$909k of the \$2.0mm total controllable costs projected
 - This is 45% of total expected controllable costs
- § Controllable costs to date are on budget
 - Variance to budget is less than 1%
- § Production costs currently projected decreased to \$1.3mm from \$1.96mm originally expected
 - This is due to shifting production from Combat Films to Henry Less Productions
 - InVisM contribution expected increased to \$963k from initial \$203k projected

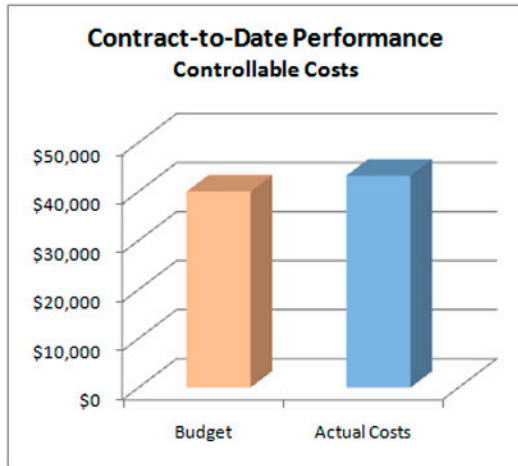


	Budget		Contract-To-Date		
	\$	% Contract Rev	Budget	Actual Costs	Variance
Direct Labor	\$ 251,307	7.4%	\$ 123,641	\$ 65,666	\$ 57,976
Direct Materials	48,500	1.4%	0	0	0
Travel Costs	42,322	1.2%	5,322	9,495	(4,173)
Other Direct Costs	0	0.0%	0	11,554	(11,554)
Subcontractors & Consultants	<u>1,678,422</u>	<u>49.4%</u>	<u>771,642</u>	<u>822,530</u>	<u>(50,888)</u>
Controllable Costs	2,020,552	59.4%	\$ 900,606	\$ 909,245	\$ (8,639)
Total Fringe & Overhead Application	<u>416,364</u>	<u>12.2%</u>			
Total Costs	2,436,915	71.7%			
InVisM Contribution	<u>963,085</u>	<u>28.3%</u>			
Contract Total	\$ 3,400,000	100.0%			

Air Force Culture and Language Center (AFCLC) VEST “Culture Project” Q3 Project Status

<p><u>Project Description:</u> Visual Expeditionary Skills Training (VEST)</p> <ul style="list-style-type: none"> • 3-year contract delivers 10 hours of culture training spanning 8 countries • Live-action, immersive film content with multiple outcome decision points • Augments Expeditionary Airmen Field Guides and AF general culture training <p><u>Customer:</u> U.S. Air Force Culture and Language Center (AFCLC)</p> <p><u>Prime:</u> Lewis Limited Consulting, LLC</p> <p><u>Project Manager:</u> Bill Brogan</p> <p><u>Contract:</u></p> <ul style="list-style-type: none"> • Total Value = \$3Mil • Base: 11/09 – 02/10, Value = \$910K (Iraq/Afghanistan) • Option 1: 02/10 – 02/11, Value = \$900K (Africa/SOUTHCOM) • Option 2: 02/11 – 02/12, Value = \$1.2M (Asia/Europe) 	<p><u>Key Milestones: What – When – Status</u></p> <ul style="list-style-type: none"> • Iraq and Afghanistan Rework Effort <ul style="list-style-type: none"> • Commence filming: 21/7/10 • Rough cut delivery: 23/8/10 • Final delivery to AFCLC: NLT 30/10/10
<p><u>Issues:</u></p> <ul style="list-style-type: none"> • Base option episodes require a “re-do”. Customer did not accept final product. No additional customer funding. • Maintain delivery schedule. Timely availability of funds to pay production subcontractor for required production milestones. • Need Option Year 1 “GO” by mid-August to deliver by 02/11 <p><u>Risk:</u></p> <ul style="list-style-type: none"> • Re-do efforts will cost InVisM \$442K. Hits bottom line. • OY1 timelines at risk - must begin production 08/10 to deliver by 02/11 <p><u>Mitigation Plan:</u></p> <ul style="list-style-type: none"> • New PM, USAF and education experts; increased customer involvement • Working with subcontractor to accept minimum, delayed payments; requested (TBD) NET 5 payment from AFCLC for remaining Base contract value • Working with AFCLC to accelerate contract modification 	<p><u>Growth Opportunity:</u></p> <ul style="list-style-type: none"> • “Digitize” AFCLC Expeditionary Airman Field Guides to enable deploying personnel interactive access on iPod Touch, iPhone, or iPad

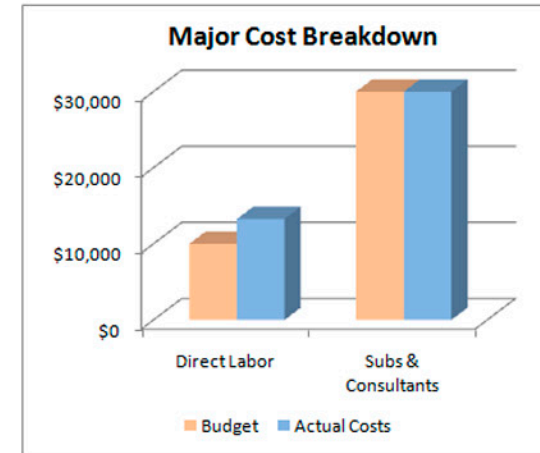
InVisM Contract Budget VEST



June 2010 Observations
Five month contract started May, 2010

§ Controllable costs incurred to date are \$43.3k of the \$442k total controllable costs projected
- This is 10% of total expected controllable costs

§ Controllable costs to date are \$43.3k compared to \$40k expected at this point
- This is due to higher than projected direct labor costs



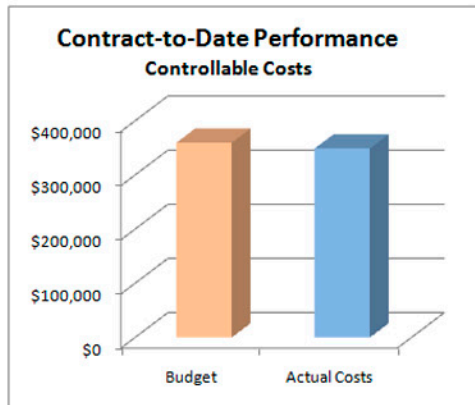
	Budget	Contract-To-Date		
	\$	Budget	Actual Costs	Variance
Direct Labor	\$ 99,322	\$ 9,992	\$ 13,260	\$ (3,268)
Direct Materials	0	0	0	0
Travel Costs	6,600	0	7	(7)
Other Direct Costs	0	0	0	0
Subcontractors & Consultants	<u>336,100</u>	<u>30,000</u>	<u>30,000</u>	<u>0</u>
Controllable Costs	442,022	\$ 39,992	\$ 43,266	\$ (3,274)

Weapons Intelligence Team – Forensics, Operational Reporting, Collection & Exploitation

Q3 Project Status

<p>Project Description: WIT Force/WIC Documentary</p> <ul style="list-style-type: none"> • WIT Force augments current Weapons Intelligence Course (WIC) through combination of film and virtual IED site exploitation • Features game-like user interface to reinforce critical WI evidence collection and processing skills • Enables trainees to make 'real-life' exploitation choices in the classroom prior to experiencing 'in-field' consequences • WIC documentary developed to market WIC capabilities <p>Customer: U.S. Army Intel Center of Excellence (USAICoE), Fort Huachuca, AZ</p> <p>Prime: Raytheon</p> <p>Project Manager: Nick Wilson</p> <p>Contract:</p> <ul style="list-style-type: none"> • Value = \$1.9Mil; \$1.5Mil WIT Force product and \$400K for documentary • POP: 11/09 to 11/10 	<p>Key Milestones: What – When – Status</p> <ul style="list-style-type: none"> • Phase I - Project Planning – 02/04/10 (Complete) • Phase II - Design: Develop Project Deliverables - 4/05/10 (Complete) • Phase III - Development: Beta Modules - 14/07/10 (Complete) Development: Shooting Scripts Lock - 14/07/10 (On Target) Development - Film Production - 09/08/10 (Adjusted) Development: Beta Application - 30/08/10 (On Target) Development: WIT Documentary – 01/09/10 (On Target) • Phase IV - Final Delivery – 18/09/10 (On Target) • WIT documentary delivery: <ul style="list-style-type: none"> • Rough cut: 15/08/10 • Final: 10/09/10
<p>Issues:</p> <ul style="list-style-type: none"> • Film production delayed by ~3 weeks <p>Risk:</p> <ul style="list-style-type: none"> • Increased project cost due to production delay (\$40K) • Increased risk of schedule and delivery slippage due to production delay <p>Mitigation Plan:</p> <ul style="list-style-type: none"> • Production subcontractor has approved re-shoot plan • Only a 3 week schedule slippage – this does not impact product delivery 	<p>Growth Opportunity:</p> <ul style="list-style-type: none"> • WIT Force represents a significant advancement in RealityV capability • Offers potential clients an example of RealityV's capability to leverage Film and Computer Generated Imagery (CGI), in addition to interactive training elements and games <ul style="list-style-type: none"> • Simulated virtual environments • Highly interactive tutorials • Opportunity within USAICoE for stand-alone product spin-off based on WIT Force "Searcher" module

InVisM Contract Budget Weapons Intelligence Training

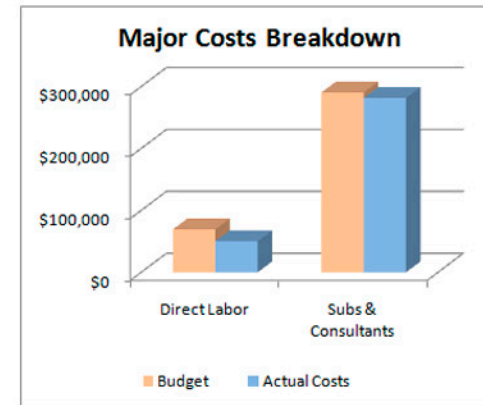


June 2010 Observations

Year long contract started November, 2009

Controllable costs are on track

- § Controllable costs incurred to date are \$350k of the \$1.27mm total controllable costs projected
 - This is 28% of total expected controllable costs
- § Controllable costs to date are underbudget
 - This is due to less than expected direct labor
- § **Production costs are expected to increase as result of production delay**
 - **Budget to be revised**



	Budget		Contract-To-Date		
	\$	% Contract Rev	Budget	Actual Costs	Variance
Direct Labor	\$ 138,606	7.3%	\$ 69,314	\$ 50,111	\$ 19,203
Direct Materials	0	0.0%	0	0	0
Travel Costs	20,000	1.1%	15,000	15,545	(545)
Other Direct Costs	0	0.0%	0	1,586	(1,586)
Subcontractors & Consultants	<u>1,110,587</u>	<u>58.5%</u>	<u>290,438</u>	<u>281,690</u>	<u>8,748</u>
Controllable Costs	1,269,193	66.8%	\$ 374,752	\$ 348,933	\$ 25,819
Total Fringe & Overhead Application	<u>236,478</u>	<u>12.4%</u>			
Total Costs	1,505,671	79.2%			
InVisM Contribution	<u>394,329</u>	<u>20.8%</u>			
Contract Total	\$ 1,900,000	100.0%			

InVisM

ASK | VISUALIZE | UNDERSTAND | SHARE

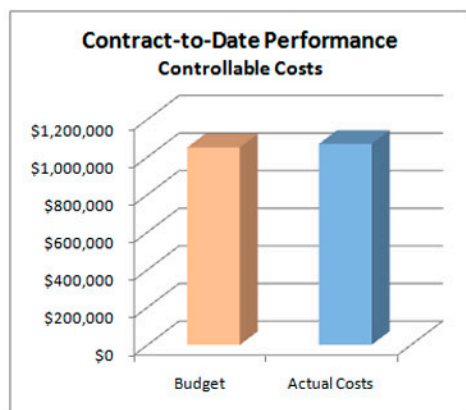
ISR – Art of Warfare

Q3 Project Status

<p><u>Project Description:</u></p> <ul style="list-style-type: none"> • Enhance soldier critical thinking in ISR integration and synchronization • Platform includes gaming, video, learning science and innovative technologies for training and simulation • Adapt to real world, changing conditions within ISR • Use of an interactive and collaborative decision making environment <p><u>Customer:</u> U.S. Army Intelligence Center of Excellence (USAICoE)</p> <p><u>Prime:</u> Raytheon</p> <p><u>Project Manager:</u> Ken Granville and Mike Brooker</p> <p><u>Contract:</u></p> <ul style="list-style-type: none"> • Value = \$3.2M • POP: 11/09 – 11/10 	<p><u>Key Milestones: What – When – Status</u></p> <ul style="list-style-type: none"> • Phase 1: Project Planning - 30/04/10 (Complete) • Phase II: Design – 30/06/10 (Complete) • Phase III: Develop film production – 31/07/10 • Phase III: Development Alpha – 12/08/10 • Phase III: Development Beta – 30/09/10 • Phase IV: Customer delivery – 17/11/10
<p><u>Issues:</u></p> <ul style="list-style-type: none"> • No follow on contract • Customer required unrestricted licensing agreement <p><u>Risk:</u></p> <ul style="list-style-type: none"> • No sustainment or version modification <p><u>Mitigation Plan:</u></p> <ul style="list-style-type: none"> • Follow on discussions with prime • Achieve funding through different USG and/or commercial advocates • Seek funding from DIOCC (DIA) and USD(I) • Seek subcontract relationship with ISC and/or Oberon • Follow on discussions with COR 	<p><u>Growth Opportunity:</u></p> <ul style="list-style-type: none"> • DCGS-N integration • Multiple joint service and IC applications • Build on established relationships with Raytheon, ISC, SAIC and Oberon

InVisM Contract Budget

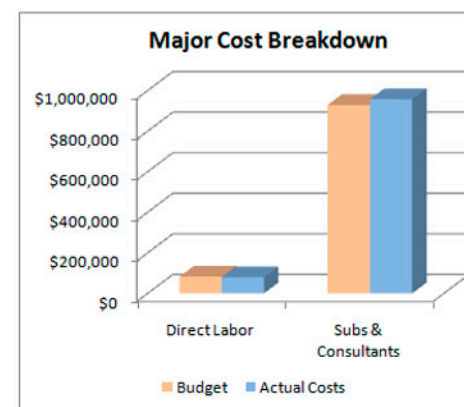
ISR Art of Warfare



June 2010 Observations

Year long contract started November, 2009
Controllable costs are on track

- § Controllable costs incurred to date are \$1.07mm of \$2.36mm total controllable costs projected
 - This is 45% of total expected controllable costs
- § Controllable costs to date are over-budget by less than 2%
- § Subcontractor costs reduced by \$342k
- § Pipeworks doing production that Combat Films was to do as part of their existing contract
 - InVisM contribution expected increased to \$496k from initial \$168k projected

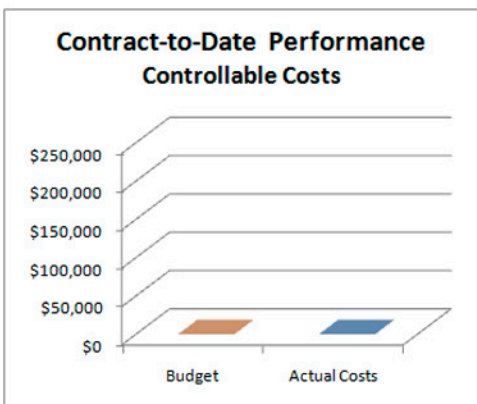


	Budget		Contract-To-Date		
	\$	% Contract Rev	Budget	Actual Costs	Variance
Direct Labor	\$ 163,806	5.1%	\$ 82,267	\$ 79,289	\$ 2,978
Direct Materials	0	0.0%	0	0	0
Travel Costs	52,800	1.7%	39,600	32,890	6,710
Other Direct Costs	0	0.0%	0	100	(100)
Subcontractors & Consultants	<u>2,145,000</u>	<u>67.0%</u>	<u>928,275</u>	<u>956,844</u>	<u>(28,569)</u>
Controllable Costs	2,361,606	73.8%	\$ 1,050,142	\$ 1,069,123	\$ (18,981)
Total Fringe & Overhead Application	<u>342,095</u>	<u>10.7%</u>			
Total Costs	2,703,701	84.5%			
InVisM Contribution	<u>496,299</u>	<u>15.5%</u>			
Contract Total	\$ 3,200,000	100.0%			

Initial Military Training (IMT) / Basic Combat Training (BCT) – “What is Culture?” Project Q3 Project Status

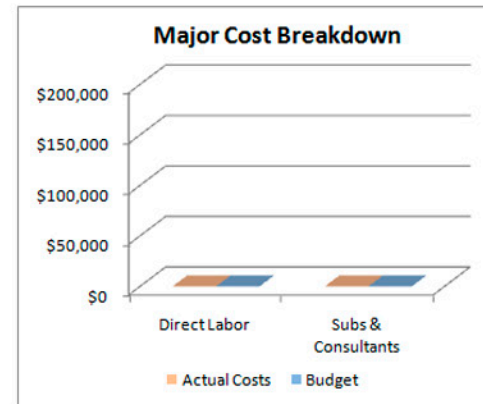
<p><u>Project Description:</u></p> <ul style="list-style-type: none"> • Trains US Army basic trainees in the principles of culture in the United States • Product is a 50-minute instructor-facilitated and high-engagement training video and CGI tool • Uses film-based/CGI content production to deliver a revolutionary alternative to traditional classroom training using RealityV <p><u>Customer:</u> U.S. Army Training and Doctrine Command (TRADOC)</p> <p><u>Prime:</u> Raytheon</p> <p><u>Project Manager:</u> Rick Schmidt</p> <p><u>Contract:</u></p> <ul style="list-style-type: none"> • Value = \$325K • POP: 7/10 – 9/10 	<p><u>Key Milestones: What – When – Status</u></p> <ul style="list-style-type: none"> • July 7 – Project Kickoff (Completed) • July 8 – Product Preliminary Design Spec (Submitted) • July 9 – Product Preliminary Design Spec (Approved) • July 14 – Product Script Submitted (Completed) • July 15 – Product Script Approved • July 19 – Pre-production • July 28 – Filming • July 29 – Filming Completed • Aug 20 – Rough Cut Submitted • Sep 1 – Final Product Submission
<p><u>Issues:</u></p> <ul style="list-style-type: none"> • Compressed a 6 month schedule into a 56-day schedule <p><u>Risk:</u></p> <ul style="list-style-type: none"> • Accelerated content development and delivery • Timely invoicing and funds receipt may impact project schedule • Maintain close customer coordination and reviews to ensure a 1 September delivery <p><u>Mitigation Plan:</u></p> <ul style="list-style-type: none"> • Close coordination with client and prime contractor to ensure active support on project milestones & invoicing payment 	<p><u>Growth Opportunity:</u></p> <ul style="list-style-type: none"> • Anticipated contract for Basic Officer Leadership Course (BOLC) Cultural product (\$375K) • By using RealityV, for the first time, InVisM can demonstrate the power of hosting classroom training using the company’s technologies, filming capability, and educational

InVisM Contract Budget BCT Episode Development



June 2010 Observations
Two month contract just undertaken

- § Short-term project (56 days) with meaningful contribution to InVisM expected
- Contribution of \$42k expected on \$325k contract

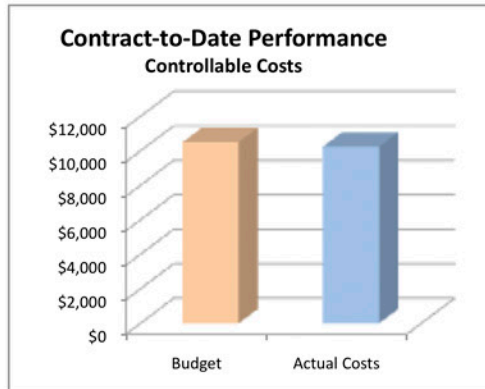


	Budget		Contract-To-Date		
	\$	% Contract Rev	Budget	Actual Costs	Variance
Direct Labor	\$ 33,062	10.2%	\$ -	\$ -	\$ -
Direct Materials	0	0.0%	0	0	0
Travel Costs	0	0.0%	0	0	0
Other Direct Costs	0	0.0%	0	0	0
Subcontractors & Consultants	<u>200,000</u>	<u>61.5%</u>	<u>0</u>	<u>0</u>	<u>0</u>
Controllable Costs	233,062	71.7%	\$ -	\$ -	\$ -
Total Fringe & Overhead Application	<u>49,727</u>	<u>15.3%</u>			
Total Costs	282,789	87.0%			
InVisM Contribution	<u>42,211</u>	<u>13.0%</u>			
Contract Total	\$ 325,000	100.0%			

Sensor Signal Lab (SSL) Small Business Innovation Research (SBIR) Q3 Project Status

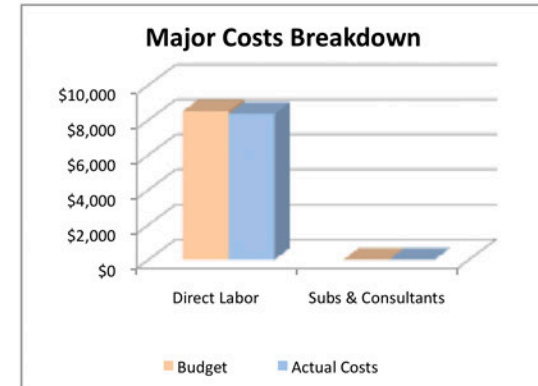
<p><u>Project Description:</u></p> <ul style="list-style-type: none"> • SBIR funded project • Software application for precision RF modeling/visualization of electromagnetic energy multi-path and attenuation in urban and maritime environments <p><u>Customer:</u> U.S. Navy SPAWAR San Diego</p> <p><u>Project Manager(s):</u> Mike MacDonald, Jake Kolb and Lu Reinoso</p> <p><u>Contract:</u></p> <ul style="list-style-type: none"> • Value: \$570K Phase II (executed) • POP: 1/09 – 1/10 • Value: \$135K Phase II Option • POP: 6/7/10 – 12/6/10 	<p><u>Key Milestones: What – When – Status</u></p> <ul style="list-style-type: none"> • Proto-type delivered 1/10 • Phase II Option Kick-off 7/10 • Complete software enhancements 11/10 • Field tests 11/10 • Final software enhancements 11/10 • Delivery 12/10
<p><u>Issues:</u></p> <ul style="list-style-type: none"> • SBIR Phase III transition partner and commercialization opportunities have not been identified <p><u>Risk:</u></p> <ul style="list-style-type: none"> • SSL technology development ceases <p><u>Mitigation Plan:</u></p> <ul style="list-style-type: none"> • Actively working with PEO C4I SBIR/STTR Project Officer • Actively working with defense contractors for commercialization funding 	<p><u>Growth Opportunity:</u></p> <ul style="list-style-type: none"> • Training application for SIGINT/IO operators • Commercialization opportunities in TELCOM market • R&D funding to further develop SSL technologies

InVisM Contract Budget SSL/SBIR Phase II Option 3



June 2010 Observations
Six month option on existing contract started June, 2009
Controllable costs are on track

- § Controllable costs incurred to date are \$10k of the \$56k total controllable costs projected
 - This is 18% of total expected controllable costs
- § Controllable costs to date are underbudget
 - This is primarily due to less than expected direct labor, and travel to lesser degree



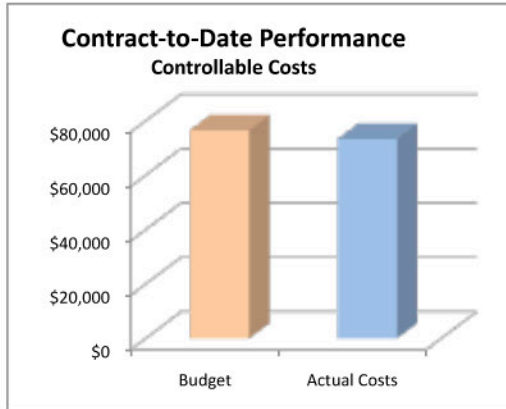
	Budget		Contract-To-Date		
	\$	% Contract Rev	Budget	Actual Costs	Variance
Direct Labor	\$ 49,258	36.5%	\$ 8,504	\$ 8,342	\$ 162
Direct Materials	0	0.0%	0	0	0
Travel Costs	7,000	5.2%	2,000	1,909	91
Other Direct Costs	0	0.0%	0	0	0
Subcontractors & Consultants	0	0.0%	0	0	0
Controllable Costs	56,258	41.7%	\$ 10,504	\$ 10,251	\$ 253
Total Fringe & Overhead Application	<u>64,229</u>	<u>47.6%</u>			
Total Costs	120,487	89.2%			
InVisM Contribution	<u>14,513</u>	<u>10.8%</u>			
Contract Total	\$ 135,000	100.0%			

Cryptologic Carry-On Program (CCOP)

Q3 Project Status

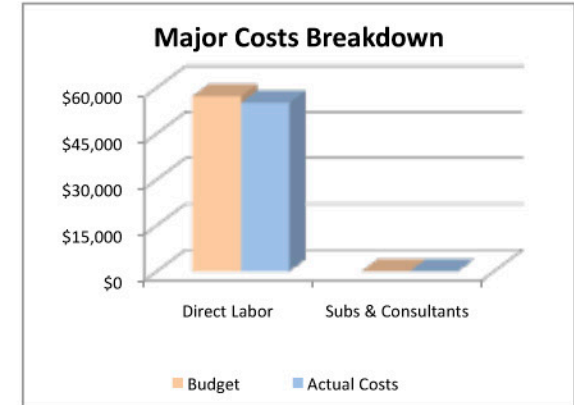
<p><u>Project Description:</u></p> <ul style="list-style-type: none"> • Provide GeoCommander/GeoStorm hardware and software procurement, installation and technical support. • Provide expert consulting for National and Tactical SIGINT/IO systems integration. <p><u>Customer:</u> U.S. Navy SPAWAR San Diego</p> <p><u>Prime:</u> Stanley Associates</p> <p><u>Project Manager(s):</u> Mike MacDonald, Rick Schmidt, Sean King</p> <p><u>Contract:</u></p> <ul style="list-style-type: none"> • Value \$290K • POP 5/18/09 – 5/20/11 	<p><u>Key Milestones: What – When – Status</u></p> <ul style="list-style-type: none"> • CCOP for Managers Seminar <ul style="list-style-type: none"> • 3-4 August @ C5F Bahrain • 10-11 September @ C2F Norfolk VA • NSA systems integration testing <ul style="list-style-type: none"> • August @ JIATF South – Key West FL
<p><u>Issues:</u></p> <ul style="list-style-type: none"> • No contract in place for FY10/FY11 • Prime contract expires 5/20/11 <p><u>Risk:</u></p> <ul style="list-style-type: none"> • Project ceases <p><u>Mitigation Plan:</u></p> <ul style="list-style-type: none"> • FY10 cost proposal submitted on 7/20/10. Expect award 10/1/10 • FY11 RFP/SOW being processed. Expect award 1/1/2011 <p>InVisM is teaming with Stanley for prime contract recompetete</p>	<p><u>Growth Opportunity:</u></p> <ul style="list-style-type: none"> • FY10: \$62K • FY11: \$84K • Integrate InVisM KLET technologies • Potential matching funds from NSA for systems integration

InVisM Contract Budget CCOP



June 2010 Observations
Two year long contract started May, 2009
Controllable costs are on track

- § Controllable costs incurred to date are \$73k of the \$115k total controllable costs projected
 - This is 64% of total expected controllable costs
- § Controllable costs to date are underbudget
 - This is primarily due to less than expected direct labor, and travel to lesser degree



	Budget		Contract-To-Date		
	\$	% Contract Rev	Budget	Actual Costs	Variance
Direct Labor	\$ 89,131	30.7%	\$ 57,218	\$ 55,036	\$ 2,182
Direct Materials	0	0.0%	0	0	0
Travel Costs	24,250	8.4%	18,750	17,754	996
Other Direct Costs	1,335	0.5%	585	588	(3)
Subcontractors & Consultants	0	0.0%	0	0	0
Controllable Costs	114,716	39.6%	\$ 76,553	\$ 73,379	\$ 3,175
Total Fringe & Overhead Application	<u>126,033</u>	<u>43.5%</u>			
Total Costs	240,749	83.0%			
InVisM Contribution	<u>49,251</u>	<u>17.0%</u>			
Contract Total	\$ 290,000	100.0%			

Simulations, Training, and Education Program (STEP) Project

Q3 Project Status

<p><u>Project Description:</u></p> <ul style="list-style-type: none"> Received verbal notice InVisM will be awarded a sole source contract to develop a prototype game-based learning system Product will teach analysts to search for new targets while complying with Intelligence Community (IC) collection policies <p><u>Customer:</u> NSA Associate Directorate of Education and Training (ADET)</p> <p><u>Project Manager(s):</u> Ken Granville and Mike MacDonald</p> <p><u>Contract:</u></p> <ul style="list-style-type: none"> Value = \$1Mil POP: 10/10 – 10/11 	<p><u>Key Milestones: What – When – Status</u></p> <ul style="list-style-type: none"> One year to execute discovery, design, produce, integrate and deliver prototype product Specific milestones TBD...anticipate 8/10 with kick off NLT 09/10
<p><u>Issues:</u></p> <ul style="list-style-type: none"> Contract not yet awarded Client requirements include a classified game...no SCIF or experience in classified production Client requires ownership of all source code <p><u>Risk:</u></p> <ul style="list-style-type: none"> First classified game for InVisM Client expectations could exceed available funding <p><u>Mitigation Plan:</u></p> <ul style="list-style-type: none"> InVisM will comment on the Statement of Objectives to highlight capability versus cost PM management and tools (Basecamp) Hire cleared project team Find solution to SCIF requirement Best-in-class security manager (Rader Network) 	<p><u>Growth Opportunity:</u></p> <ul style="list-style-type: none"> Possibility that initial prototype product will result in a multiple year upgrade

Strategic Technology and Rapid Instructional Design Solutions (STRIDES)

Q3 Project Status

<p><u>Project Description:</u> Develop scenario-driven technology-based simulation and gaming solutions</p> <p><u>Customer:</u> National Security Agency (NSA), Associate Directorate for Education and Training (ADET)</p> <p><u>Project Manager(s):</u> Mike MacDonald, Ken Granville, Doug McCreight</p> <p><u>Contract:</u></p> <ul style="list-style-type: none"> • Value: \$30M-\$50Mil Technical Task Order (TTO) driven services • POP: 7/10 to 6/15 • InVisM POP: TBD • InVisM Value: TBD 	<p><u>Key Milestones: What – When – Status</u></p> <ul style="list-style-type: none"> • BAH – Government Kick-off meeting week of 12/07/10. No feedback from BAH. • BAH Team kick-off meeting will be held prior to 1 August - BAH to share strategy and government guidance
<p><u>Issues:</u></p> <ul style="list-style-type: none"> • No contract • No guaranteed work share • Protection of product IP <p><u>Risk:</u></p> <ul style="list-style-type: none"> • InVisM is a government directed subcontractor to BAH <p><u>Mitigation Plan:</u></p> <ul style="list-style-type: none"> • Working with BAH to secure 1 FTE to begin NLT 1/1/11 • Close professional relationship with key ADET leadership will minimize any associated risk – contract/personnel 	<p><u>Growth Opportunity:</u></p> <ul style="list-style-type: none"> • One FTE for requirements definition/gaming SME • Strategic placement of SME facilitates on-site activities, planning and opportunities for integrating InVisM technologies

WOLFHOUND

Q3 Project Status

<p><u>Project Description:</u> Develop hybrid training solution for a tactical direction finding (DF) system</p> <p><u>Customer:</u> JIEDDO, U.S. Army</p> <p><u>Prime:</u> BAH, Praemittias subcontractor and InVisM vendor to Praemittias</p> <p><u>Project Manager(s):</u> Mike MacDonald and Lu Reinoso</p> <p><u>Contract:</u></p> <ul style="list-style-type: none"> • Value: Praemittias \$18M • POP: 3/10 – 2/12 • InVisM Value: \$1M (\$750K product/\$250Kservices) • InVisM POP: 10/10 – 10/11 	<p><u>Key Milestones: What – When – Status</u></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 2px 10px 2px 20px;">• Project Kick-off</td> <td style="text-align: right; padding: 2px 10px 2px 20px;">10/10</td> </tr> <tr> <td style="padding: 2px 10px 2px 20px;">• Design Document</td> <td style="text-align: right; padding: 2px 10px 2px 20px;">11/10</td> </tr> <tr> <td style="padding: 2px 10px 2px 20px;">• Design Document Review</td> <td style="text-align: right; padding: 2px 10px 2px 20px;">12/10</td> </tr> <tr> <td style="padding: 2px 10px 2px 20px;">• Content Production Pre Production</td> <td style="text-align: right; padding: 2px 10px 2px 20px;">1/11</td> </tr> <tr> <td style="padding: 2px 10px 2px 20px;">• Product Testing and Review</td> <td style="text-align: right; padding: 2px 10px 2px 20px;">2/11</td> </tr> <tr> <td style="padding: 2px 10px 2px 20px;">• Final Product Delivery</td> <td style="text-align: right; padding: 2px 10px 2px 20px;">3/11</td> </tr> <tr> <td style="padding: 2px 10px 2px 20px;">• Begin services on</td> <td style="text-align: right; padding: 2px 10px 2px 20px;">4/11</td> </tr> </table>	• Project Kick-off	10/10	• Design Document	11/10	• Design Document Review	12/10	• Content Production Pre Production	1/11	• Product Testing and Review	2/11	• Final Product Delivery	3/11	• Begin services on	4/11
• Project Kick-off	10/10														
• Design Document	11/10														
• Design Document Review	12/10														
• Content Production Pre Production	1/11														
• Product Testing and Review	2/11														
• Final Product Delivery	3/11														
• Begin services on	4/11														
<p><u>Issues:</u></p> <ul style="list-style-type: none"> • No contract • Awaiting response from Praemittias on cost proposal <p><u>Risk:</u></p> <ul style="list-style-type: none"> • Partial funding <p><u>Mitigation Plan:</u></p> <ul style="list-style-type: none"> • In weekly contact with Praemittias leadership 	<p><u>Growth Opportunity:</u></p> <ul style="list-style-type: none"> • Additional funding to support foreign language translation requirements (estimate \$150K per language) • Integrate InVisM KLET technologies 														

17th Air Force (AFRICOM) VEST (30-Minute) "Culture Project"

Q3 Project Status

<p>Project Description: Visual Expeditionary Skills Training (VEST)</p> <ul style="list-style-type: none"> • 1-year contract will deliver 2 hours of culture training spanning 4 countries (Morocco/Botswana/Nigeria/Sudan) • Live-action, immersive film content with multiple outcome decision points • Augments Expeditionary Airmen Field Guides & AF general culture training <p>Customer: U.S. Air Force Culture and Language Center (AFCLC) on behalf of Air Forces Africa (17th Air Force)</p> <p>Prime: Lewis Limited Consulting, LLC</p> <p>Project Manager: Bill Brogan</p> <p>Contract:</p> <ul style="list-style-type: none"> • Total Value = \$1.2M • POP: Base – 09/10 – 02/11; Option 1 – 03/11 – 09/11 	<p>Key Milestones: What – When – Status</p> <ul style="list-style-type: none"> • Sep 01 – Project Kickoff • Sep 21 – Submit treatment • Sep 28 – Treatment approval • Oct 19 – Submit scripts • Nov 02 – Script feedback/approval • Dec 31 – Rough cut delivered • Jan 07 – Rough cut feedback/approval • Feb 21 – Final product delivery
<p>Issues:</p> <ul style="list-style-type: none"> • AFCLC committed InVisM to \$150K/episode without InVisM consultation • Anticipated \$150K revenue per episode presents development challenges to ensure target 15% profit <p>Risk:</p> <ul style="list-style-type: none"> • AFCLC continues to advocate InVisM products at unprofitable price points • InVisM's ability to deliver product with 15% profit <p>Mitigation Plan:</p> <ul style="list-style-type: none"> • InVisM is partnering with AFCLC to establish realistic cost and delivery expectations • New approach to execute in blocks of four regionally-similar countries with intertwined storyline leveraging set locations, actors and costumes 	<p>Growth Opportunity:</p> <ul style="list-style-type: none"> • Additional 16 African nations • Hardware platform delivery for episodes on iPad and iTouch • "Digitize" AFCLC Expeditionary Airman Field Guides to enable deploying personnel interactive access on iTouch and iPad • Migrate AF success to other COCOMs

Distributed Common Ground System – Navy (DCGS-N)

Q3 Project Status

<p><u>Project Description:</u></p> <ul style="list-style-type: none"> • Intelligence, Surveillance, and Reconnaissance platform for collection and targeting • Task is to update the DCGS-N Navy Training Systems Plan (NTSP) <p><u>Customer:</u> U.S. Navy SPAWAR, San Diego</p> <p><u>Project Manager(s):</u> Mike MacDonald and Lu Reinoso</p> <p><u>Contract:</u></p> <ul style="list-style-type: none"> • Awarded to BAE in April 2010 • Value: \$150-200Mil IDIQ • POP: 1 yr base with 5 options • InVisM Value: \$27K, follow on \$520K FY11 – FY12 • InVisM POP 8/1/10 – 9/30/10, follow on FY11 – FY12 	<p><u>Key Milestones: What – When – Status</u></p> <ul style="list-style-type: none"> • DCGS-N Requirements Working Group 23-24 August 2010 • DCGS-N Program Review 25-26 August
<p><u>Issues:</u></p> <ul style="list-style-type: none"> • No contract for specific work <p><u>Risk:</u></p> <ul style="list-style-type: none"> • Minimal...InVisM has hired a BNR from OPNAV Staff <p><u>Mitigation Plan:</u></p> <ul style="list-style-type: none"> • Current TA • Submitted cost proposal for FY10 to BAE. Anticipate award 10/1/10. • Working with BAE DCGS-N PM for FY11 and beyond funding 	<p><u>Growth Opportunity:</u></p> <ul style="list-style-type: none"> • InVisM hired Lu Reinoso – a BNR from senior Navy leadership and BAE leadership based on his past performance with the DCGS-N program • At least one FTE for FY11 and possibly FY12 • Integrate InVisM KLET technologies into the DCGS family of systems • Expand InVisM lines of business

Business Development

14. Business Development

15. Business Development Pipeline Reports

Business Development

- **Objective** – Provide the Board of Directors with a clear understanding of InVisM's business development plans
- **Background** – Fundamental to InVisM's growth plans is the organization of an effective sales force to lead both the expansion of sales to the US military and the migration from providing only customized solutions to specific military training needs to the provision of products and services to a broader education and training marketplace.
- **Agenda** – Business Development Pipeline Reports

InVisM Business Development Pipeline Report (Badham)

<u>Project Name</u>	<u>Type</u>	<u>Lead</u>	<u>B&P Num</u>	<u>Next important date</u>	<u>PoW</u>	<u>InVisM Revenue</u>	<u>Prime/Sub</u>	<u>Partners</u>	<u>Memo</u>	<u>Next Steps</u>
BUSINESS DEVELOPMENT										
Moe Vela		Spider								
Lee Vanarsdale (Sundial and TLDG)		Spider								
Lamont Woody		Spider								
Strategic Operations		Roberts / Marks							San Diego based role player	Call and arrange informal meeting (Aug)
CDR Nick Homan		Brogan								
Mike Lynch - HEI Electronics		Spider								
Matt Sturges - Apple		Phelps								
Fortune 100 company		Phelps								
SAIC Brian Keller		Marks							w ISC Steve Dufour	
USASOC		Marks								Brief leadership Ft Bragg TBD EOM Aug
PURSUIITS										
Embry Riddle Aeronautical University	Comm	Phelps/ Spider	BP10-061	44,378	10	1,000,000	TBD		Gordon has provided feedback on agency contract - Roberts to get legal review.	Follow up at ERAU by Spider and Phelps NLT 8/15/10
Army DCGS-A	TBD	Phelps/ Granville	BP10-071	TBD	10	1,500,000	TBD		Horizontal expansion from ISR AoW	Granville follow up NLT 8/1/10
309th and HT-JCOE Interrogation Scenarios	TBD	Phelps	5139	TBD	10	2,000,000	TBD		White paper submitted	Phelps follow up NLT 8/1/10
GEOINT and G-JCOE	TBD	Phelps	5139	TBD	10	1,500,000	Sub	ISC	Possible sole source to ISC, but more probable open comp	Phelps follow up NLT 8/1/10
Civilians on the Battlefield	TBD	Badham	5139	TBD	10	TBD	TBD		Role Player resources RFP	MKB to call contracting officers to make enquires about source of RFP and opportunity to follow up EOM JUL
Garrett Group	TBD	Phelps	5139	TBD	10	TBD	TBD		Sources Sought submitted	Phelps follow up NLT 8/1/10
MICA (Canada)	Comm	Badham	BP10-080	July 22 mtg at MICA	30	500,000	TBD		MICA is leadership training provider	Prepare for July 22 meeting @ MICA
SES-I (EJ Sinclair)	TBD	Spider	5139	TBD	10	TBD	Sub	SES-I	Army on NETT for aviation systems such as BFT, GANG, DAWs; 15P (Flight Operations) and 15Q (Air Traffic Control) training	Spider follow up NLT 8/1/10

InVisM Business Development Pipeline Report (Badham)

Project Name	Type	Lead	B&P Num	Next important date	PoW	InVisM Revenue	Prime/Sub	Partners	Memo	Next Steps
SOCOM Intel QRC Rockwell Collins (Ed Clark)	TBD	Spider	5139	TBD	10	TBD	Sub	Rockwell Collins	Possible SOCOM initiative for SIGINT, Enterprise Architecture IT and Technical Survey Technology	Telecon scheduled NLT 7/23/10 with Spider, Badham, Ken, and Jake
Flippen Group	TBD	Spider/ Badham	BP10-083	TBD	10	TBD	TBD		Leadership training, mobile distribution	20 July meeting scheduled with Badham, Spider, Flip
COPLINK Video training	Comm	Phelps	BP09-057	TBD	10	300,000	Sub	i2	5-10 non-interactive videos; possible universal use	
AF International Officers English Training (Lackland AFB)	TBD	Phelps	BP10-068	TBD	30	600,000	Sub	Lewis Limited	Tied to AFCLC deliveries	
Army BOLC Course	FFP	Schmidt	BP10-069	TBD	50	325,000	Sub	Raytheon	Tied to IMT	
Marine Corps Intelligence Activity Cultural Support	IDIQ	MacDonald	BP09-058	TBD	50	1,000,000	Sub	Centrum	Expect award 9/17/10	
CCOP 2010	T&M	MacDonald/Reinoso	BP10-076	11/30/10	75	70,000	Sub	Stanley	Expect award 8/10	Awaiting P.O.
AFSPACECOM SIDC 3IS	TBD	Granville/ Roberts	BP09-019	07/01/14	50	250,000	Sub	Alutiq	Expect award 9/10	
FY 11 CCOP	T&M	MacDonald	BP10-067	09/31/11	75	75,000	Sub	Stanley	Expect award 8/10	
TOTAL "PUSUITS"						9,120,000				
AWARDED CONTRACT VEHICLES										
VA OPM SOR #3	IDIQ	Phelps	BP09-059	TBD	100	TBD	Sub	Carney		Need update from Phelps
Air Force Culture & Language Center Option Year 1	FFP	Brogan	BP09-056	TBD	100	900,000	Sub	Lewis Limited	HOA, Western Africa and South America, plus more technology;	Finalize MOA and SOW
DCGS-N	T&M	MacDonald/Reinoso	BP09-020	03/30/15	100	500,000	Sub	BAE		
17th AF	FFP	Brogan	BP10-065	TBD	75	1,800,000	Sub	Lewis Limited	Awaiting assignment to contract/Support AFRICOM	Complete MOA and SOW
Marine Corps Systems Command Commercial Enterprise Omnibus support services (CEOss) BPA	FFP/TO/B	MacDonald	BP09-044	06/30/14	5	0	Sub	Centrum		Develop strategy.
Total "AWARDED CONTRACT VEHICLES"						3,200,000				

InVisM Business Development Pipeline Report (Badham)

<u>Project Name</u>	<u>Type</u>	<u>Lead</u>	<u>B&P Num</u>	<u>Next important date</u>	<u>PoW</u>	<u>InVisM Revenue</u>	<u>Prime/Sub</u>	<u>Partners</u>	<u>Memo</u>	<u>Next Steps</u>
CURRENTLY UNDER CONTRACT										
ICS Sustainment	FFP	Schmidt	7035	09/30/10	100	800,000	Sub	Raytheon	iPod and web access	
A360 Phase 2	FFP	Schmidt	7035	09/30/10	100	2,600,000	Sub	Raytheon	8 scenarios; first script in development	
WOLFHOUND Training Support	FFP	MacDonald	7037	TBD	100	1,000,000	Sub	Praemittias		
WIT Force	FFP	Schmidt	7033	09/30/10	100	1,900,000	Sub	Raytheon	4 scenarios and a documentary	
SBIR Phase 2	CPFF	MacDonald	7026-001	12/06/10	100	135,681	Prime	SPAWAR		
CCOP/GMTS FY09 OPN T.O. #47	T&M	MacDonald	7030	09/30/10	100	196,558	Sub	Stanley	Schmidt, Granville, Phelps, Buchanan, King are billing; Requested additional \$156K for labor/travel	
iPad procurements	FFP	Schmidt	7038	TBD	100	85,000	sub	Raytheon	Procurement of 50 iPads	
Basic Culture Training (BCT) - Army	FFP	Schmidt	7039	09/01/10	100	325,000	TBD		Scedule approved by LTG Hertling	Get O.O. and sign letter of contract.
						Total "UNDER CONTRACT"	6,632,239			

InVisM Business Development Pipeline Report (USG IC) (Granville)

<u>Project Name</u>	<u>Type</u>	<u>Lead</u>	<u>B&P Num</u>	<u>Next important date</u>	<u>PoW</u>	<u>InVisM Revenue</u>	<u>Prime/ Sub</u>	<u>Partners</u>	<u>Memo</u>	<u>Next Steps</u>
<u>BUSINESS DEVELOPMENT</u>										
<u>PURSUIITS</u>										
DIOCC	TBD	Granville	BP10-081	TBD	10	TBD	TBD			Granville follow up NLT 8/1/10
OSD OUSDI ISR Programs	TBD	Granville/ Phelps	BP10-082	TBD	10	TBD	TBD		Additional briefing materials sent to KevinWest	Granville follow up NLT 8/1/10
JCAC DNA (NSA)	TBD	MacDonald	BP09-042	TBD	30	350,000	Sub	AT&T/MetaTeq	Expect award 7/10	
STEP	IDIQ	Granville/ MacDonald		TBD	50	1,000,000	Prime	SOW being written by client.	Roberts to coordinate response to SOW	
						TOTAL "PUSUIITS"	1,350,000			
<u>AWARDED CONTRACT VEHICLES</u>										
NSA NCS ADET STRIDES	IDIQ	MacDonald	BP09-053	TBD	100	1,000,000	Sub	BAH		BAH kickoff meeting 7/10
BOS NRO DDMS	TBD	Granville	BP09-039	12/31/12	5	0	Sub	L-3	Under team contract, but no work currently assigned. L-3 interested in marketing materials for NRO.	Follow up with Granville. Open High Rise account NLT 8/1/10
						Total "AWARDED CONTRACT VEHICLES"	1,000,000			
<u>CURRENTLY UNDER CONTRACT</u>										
ISR: Art of War	FFP	Granville	7034	09/30/10	100	3,200,000	Sub	Raytheon	Design document in progress	
						Total "UNDER CONTRACT"	3,200,000			

Board Committee(s)

16. Vote on Committee(s)

17. Recommend Audit and Compensation Committees and Members

Vote on Committee(s):

Other Business

18. Board Agenda

19. Identify and Seat Fourth External Board Director NLT Q4 BOD Meeting

Other Business:

Board Agenda – Each future Board Meeting and participants

- Convene the Board
- Minutes approval and task review
- Financials
- Project Status
- Business Development
- Committee(s) meeting(s)
- Other Business
- Wrap-Up

Other Business:

**Identify and Seat Fourth External Board Director NLT
Q4 BOD Meeting**

Wrap-Up

20. Taskers Review

21. Chairman's final comments

22. Confirmation of next Board Meeting date

Confirm Next Board Meeting Dates:

- Tuesday, November 16, 2010
- Tuesday February 22, 2011
- Tuesday, May 24, 2011
- Tuesday, August 23, 2011
- Tuesday, November 15, 2011