



SKYFIBER™

Optical Wireless Broadband To Connect The World

SKYFIBER™ Corporate Backgrounder

OUR CORPORATE VISION

Today's global economy is transforming communications and network business models, propelling telecommunications into a \$2.1 trillion market segment, accounting for a full 3% of the global gross economic product. The Internet is firmly established as the dominant vehicle through which business is conducted, and it continues to revolutionize the way we interact with each other in our daily lives. Demand for expanding services and better delivery channels is building exponentially.

It has taken over 200 years to accumulate the massive amount of information currently housed in the U.S. Library of Congress. Today, YouTube.com transmits that same volume of data nearly 3 times every hour. The availability of over one billion iPhone applications is only one example of how, even as individuals, our interactions are increasingly dependent on communication and network connectivity.

This transformation has resulted in unprecedented demands for greater capacity, faster speeds, and higher quality broadband coverage to support the proliferation of voice, data and video content in both wired and mobile enterprises. Current infrastructure capacity is stressed if not saturated. Corporate enterprises must determine how to increase bandwidth availability for their employees or risk impacting productivity and critical business operations. Dial-up lines, and in many cases even DSL, are already well past their ability to answer the demand. Carriers are unable to deploy additional bandwidth fast enough. The cost of deployment, and the time required to do so, are often prohibitive in today's competitive climate.

This paradigm shift in the world's communication model poses challenges for communications carriers, operators and other suppliers, as well as the businesses and individuals who are dependent on readily available communication services. It poses an even greater challenge for businesses and individuals in emerging countries and other unreachable areas that do not have access to the communications infrastructure and services needed to compete in the 21st century!

SKYFIBER™ was founded on the belief that demand for bandwidth would continue to rapidly expand; that both the cost of deployment and the time required to deploy must decrease to meet demand. By offering solutions to address exactly these conditions, SKYFIBER endeavors to have a positive impact on the growth efforts within the business sector as well as in aiding the development efforts of emerging and underserved populations.

SKYFIBER™ has a unique opportunity to positively impact the marketplace by:

- Extending high capacity bandwidth to enterprises in dense urban areas where burying fiber or managing microwave zoning requirements are too complex and costly.
- Enabling mobile operators to capitalize on increasing demand for wireless broadband by providing Last Mile solutions today and helping accelerate revenue in the Next Mile for operators in existing and emerging markets.
- Providing broadband service to emerging nations that can't otherwise afford the acquisition costs and logistics for the basic services needed to compete in the 21st century.
- Providing green technology that facilitates a global transition to environmentally responsible networks.
- Removing cost of entry and time to market barriers for corporations, municipalities and emerging nations that cannot afford the typical equipment acquisition fees or the time required for installation.

ABOUT SKYFIBER™

Founded in 1996, SkyFiber, Inc. delivers patented Optical Wireless Broadband networking products that address the rapidly growing global requirements for fast, secure, and affordable high capacity wireless networking solutions. SKYFIBER™ is a privately held corporation of 60+ employees, with offices in Bryan, TX, Dallas, TX, Philadelphia, PA, San Jose, CA, and a partner network that spans the globe. SKYFIBER solutions can economically augment or replace traditional fiber optic and microwave technologies to meet customer needs for wireless backhaul, enterprise and campus area networks, last-mile extension, private data networks, emergency response networks, and a variety of revenue generating opportunities for municipalities.

SKYFIBER offers the industry's first On-Demand broadband licensing model, providing a lower cost of entry and faster time to market than that available with traditional solutions such as fiber or microwave. With the on-demand model, a monthly subscription fee provides bandwidth to meet the customer's current capacity needs, eliminates on-going equipment maintenance costs, and enables the customer to maintain total flexibility to increase capacity or take advantage of technological advances. SKYFIBER markets its solutions into the Enterprise and Telecommunications global markets and is expanding market penetration by developing strategic partnerships to identify referral opportunities and to provide implementation services.

Led by Co-Founder Mark Doucet, SKYFIBER has assembled a team of seasoned executives with deep industry and technology expertise in fields including high tech, telecommunications, engineering, corporate enterprise, and finance. SKYFIBER's executives have consistently delivered superior results and demonstrated excellence in all aspects of their business operations.

The SKYFIBER Executive Team includes:

Mark Doucet; Chairman, Chief Executive Officer and Chief Technology Officer
Adrian Steckel; Vice Chairman
David Achim; President, Chief Operating Officer
Mike Chambers; Chief Strategy Officer

LIMITATIONS OF TRADITIONAL TECHNOLOGIES

- physical construction costs
- installation delays
- right-of-way permitting requirements
- risk of damage to other utility infrastructures
- high equipment costs
- high on-going maintenance costs
- risk of equipment obsolescence
- no upgrade path to accommodate capacity growth needs
- environmentally disruptive installation
- insufficient security levels
- spectrum interference and availability
- FCC spectrum licensing fees and on-going licensing maintenance

Philip Peterson; Vice President Sales and Marketing
Samir Sheth; Vice President Engineering
Keith Doucet; Vice President of Manufacturing
Jeff Hinton; Vice President Solution Enablement

PATENTED SUPERIORITY AND RELEVANT SOLUTIONS

SKYFIBER™ has a rich patent portfolio that significantly differentiates its products and services from all other competitors in the market. Most notable is the landmark patent, successfully defended in federal court, for the use of Optical Wireless Broadband (OWB) in a mesh (point-to-multipoint, or P2MP) network environment. This means that no other provider can effectively deliver a mesh network using Optical Wireless technology. These unique design advancements enable SKYFIBER to deliver carrier-grade reliability unmatched by our competitors.

Reflecting a continued commitment to developing ground-breaking products, SKYFIBER's Next Generation product features the ability to increase capacity through a field upgradable software key. As bandwidth demands increase, SKYFIBER's design enables capacity to be increased, extending the value of the customer's investment. With free space optical link data rates of 125Mbps and 1.25Gbps, the SKYFIBER solution provides full support of Fast Ethernet and Gigabit Ethernet services.

As a complement to the technical superiority of the SKYFIBER hardware, SKYFIBER Network is a solution-based methodology that is a core element of SKYFIBER's ability to deliver true robustness to networks. Within SKYFIBER Network, in-depth business focus is merged with industry leading expertise in wireless optical network design. Our patented architectural elements form interconnected blueprints for SKYFIBER's business solutions which, when properly configured, establish a network topology to surpass business, competitive differentiation and economic value generation objectives.

SKYFIBER is not necessarily a replacement for fiber or microwave technology, but can work in conjunction with existing infrastructure to provide a hybrid extension. SKYFIBER technology has multiple applications and advantages in building point-to-point (P2P) and patented mesh networks for private and public sector enterprises, or for service providers offering bundled services to network customers.

- **Wireless Backhaul:** Enabling mobile operators to reduce OPEX and CAPEX expenses, reduce churn and maintain margins.
- **Public/Private Area Networks:** Securing and providing service in a dedicated network environment.
- **Campus Fiber Extensions:** Providing affordable bandwidth expansion on a limited budget to corporate, academic or medical campus environments.
- **Emergency Response Networks:** Enabling municipalities and other public services entities to restore service quickly in emergency and disaster recovery situations.
- **Turbocharged Existing Networks:** Augmenting existing infrastructure to increase bandwidth capacity on either a permanent or an on-demand basis.
- **On Demand Networking:** Accelerating service readiness by eliminating or reducing project delays due to spectrum licensing, right-of-way, engineering or zoning issues.

Enhancing their position as an industry innovator, SKYFIBER™ offers the industry's first On-Demand broadband licensing model, providing a lower cost of entry and faster time to market than that available with traditional solutions such as fiber or microwave. With a fiber solution, for example, it can take six months or more to obtain the necessary permits, procure right-of-way access, and to complete construction. On top of construction expenses, fiber bears recurring access costs as high as \$5000 per month. With SKYFIBER, installation can often be completed in a matter of days and monthly subscription costs can be as low as \$300.

- Predictable, manageable OPEX expenditure
- No on-going equipment maintenance fees
- Cost-effective upgrade path; start with 100mb today and upgrade to 1gb as capacity demand increases
- No risk of equipment obsolescence
- Total flexibility to take advantage of new technology as it becomes available
- Accommodation of unique usage patterns, such as seasonal spikes or special event communication needs
- Ideal for maintaining a disaster response or backup solution
- Time to market advantage when paired with accelerated implementation

WORLD-CLASS CUSTOMERS

SKYFIBER™ has over 300 optical wireless implementations deployed for global leaders and innovators such as Wal-Mart, AT&T, Nokia, and American Airlines. SKYFIBER customers represent a broad range of industries, including government, defense development operations, financial services, state and federal agencies, manufacturing, education, healthcare, cellular network operators and communications research.

Each of these customers face rapidly growing demands for an infrastructure that can support unprecedented volumes of video, voice and data traffic in a high quality, cost-effective manner. Each of these customers relies on SKYFIBER to provide that solution. Not only has the ability to deliver 99.999% availability been proven, SKYFIBER, in fact, offers the lowest cost per megabyte of any solution on the market today.

With SKYFIBER's patented, license-free Optical Wireless networks, customers are able not only to meet the demand for greater bandwidth but can also:

- Maximize cost-effectiveness by leveraging existing infrastructure for low-cost expansion.
- Realize the value of accelerated time-to-market.
- Deliver unparalleled communications security with a virtually zero RF footprint solution.
- Mitigate the risk of obsolescence with components that can be upgraded or redeployed.
- Take advantage of an on-demand licensing model that employs a monthly subscription fee based only on current bandwidth capacity needs and eliminates recurring equipment maintenance expense.

PARTNERING FOR SUCCESS

SKYFIBER™ partners with an elite group of proven leaders to deliver a holistic, value-based solution that ensures customer success. Leveraging industry and technology expertise to assess each customer's current and future business needs, physical environment and identified performance requirements results in an optimal services and product mix that is tailored to their individual needs. These partnerships assure every customer a solution that delivers long-term value through an appropriately architected combination of speed, distance and availability and total lifecycle management.

To learn more about the SKYFIBER Partner Program, please e-mail partners@skyfiber.com.

Benefits at a Glance

- Exclusive patent for mesh (P2MP) Optical Wireless Broadband Network working
- Fully deployed in a fraction of the time and at up to 1/10th the cost of fiber or microwave
- Patented technology and implementation methodology delivering 99.999% availability
- Upgradable and Scalable, grows and changes to meet changing needs
- Zero RF footprint ensuring the most secure network transmission available
- No FCC licensing requirements
- EMI and RF Interference-free
- No sensitive electronics exposed to harsh outdoor environments
- Small physical footprint, providing maximum flexibility and reducing the complexities of zoning, site access and lease costs
- Patented separation of antenna and electronics, requiring no rooftop power installation
- Up to 66% lower power consumption and elimination of microwave smog, delivering an eco-friendly "green" solution
- Tremendous installation density, enabling deployment of multiple devices in any given area without loss of security
- Significant reduction in installation, lease and maintenance costs associated with fiber access

SKYFIBER SOLUTIONS OVERVIEW

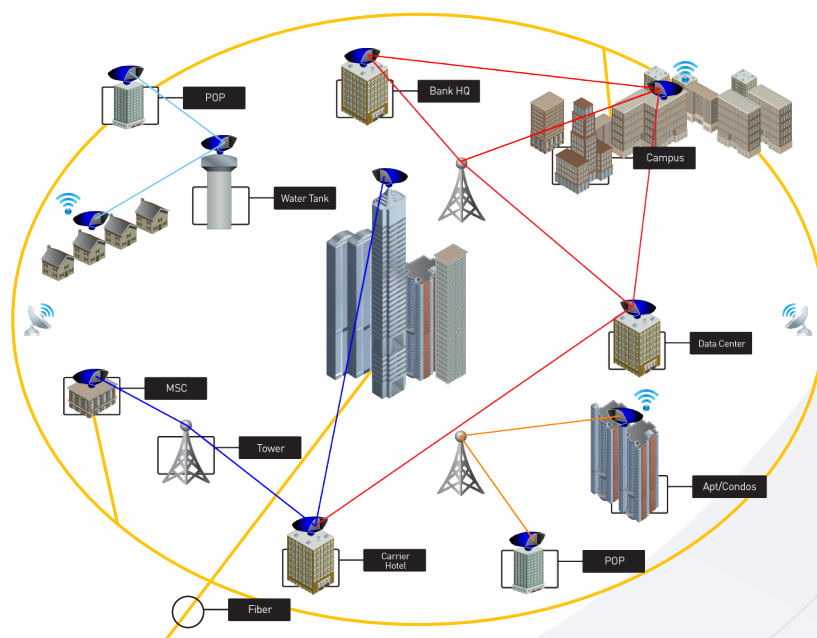
SKYFIBER delivers its bandwidth via Optical Wireless Broadband technology, using exclusive patents to provide mesh solutions that employ Point to Multipoint (PtMP) architectures. Optical Wireless Broadband, or OWB, is a technology that uses infra-red light to transmit highly-secure optical wireless data, utilizing air as the transmission medium.

SKYFIBER's portfolio is comprised of three main products:

1. SkyLINK: This product delivers a secure, reliable point-to-point Optical Wireless Broadband link, sending up to 1.25Gbps of bandwidth over distances of up to 1.6 km per link. SkyLINK can also be deployed with a MW Radio backup, for applications where system redundancy is necessary to meet Business Continuity Plan requirements. This solution provides redundant bandwidth backup, without the cost of laying fiber or the risk of fiber being cut or damaged.

2. SkyCAST: SKYFIBER provides customers with multiple ways to maximize the value of their bandwidth, by providing Broadband Delivery Solutions. With SkyCAST, customers can deliver customized amounts of bandwidth to up to 24 different users. The SkyCAST 4p product allows distribution of bandwidth from 2 to 4 users, and the SkyCAST 24p provides distribution from 2 to 24 users with dynamic multicast capabilities.

3. SkyMESH: Delivers customized network solutions, designed to match a customer's unique coverage needs. SKYFIBER holds exclusive patents on Optical Wireless Broadband Point to Multi-Point (PtMP) architecture, allowing us to deliver the only viable mesh OWB solutions in the industry.



SKYFIBER™ Patented Network Architecture

SKYFIBER BUSINESS ADVANTAGE

SKYFIBER's product innovation, technical superiority, and business solutions expertise are the result of five key factors that drive our product design and development strategy:

SECURITY

SKYFIBER™ provides the most secure network transmission technology available today, and the most secure that is likely to be available in the future. SKYFIBER's customers include those who have adopted our technology in an effort to reduce the risk of financial data theft, identity theft exposure, data jamming, and physical wire or fiber destruction. The ability to interconnect facilities via SKYFIBER's secure optical wireless network solutions allows organizations to transfer vast quantities of information at low cost with greater simplicity, and with negligible risk of compromise. The SKYFIBER solutions are ideally suited for any public or private sector business demanding the highest levels of security from their private area, wide area and even citywide broadband networks.

SYNERGY

Optical Wireless Broadband solutions from SKYFIBER are ideal to help customer leverage existing network investments. We work synergistically with other communications providers to enhance the effectiveness of their service offering. Satellite communications, WiMAX and fiber optic extension are excellent examples of traditional areas of communications technology that may benefit from coexistence with SKYFIBER solutions.

SERVICE AVAILABILITY

Ensuring delivery of a system that meets appropriate service availability levels requires three key elements: network reliability, speed of deployment, and ease of operations. Leveraging over 12 years in the industry, SKYFIBER closely evaluates each customer's existing infrastructure and business goals. Using our network architecture expertise, we deliver carrier grade reliability through carefully designed networks.

SUPERIOR SAVINGS

SKYFIBER's patented product innovation, including separation of antenna and electronic components and the exclusive point-to-multipoint (P2MP) mesh network, in conjunction with a value-based approach to solution configuration uniquely enable accelerated growth of market share and revenue, ensuring the highest rates of OPEX and CAPEX savings available in the industry.

STRATEGIC EDGE

At SKYFIBER, we recognize that true value goes beyond product and technology expertise. It must also encompass expertise in the markets we pursue, the business priorities in them, and the way we focus our efforts to maximize client value and value generation. Leveraging a deep portfolio of patented innovation, SKYFIBER also looks beyond the technology sphere to identify and offer optical wireless network solutions that enable public or private enterprises and mobile operators to respond to the increasing demand for wireless broadband while reducing OPEX and CAPEX expenses.

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