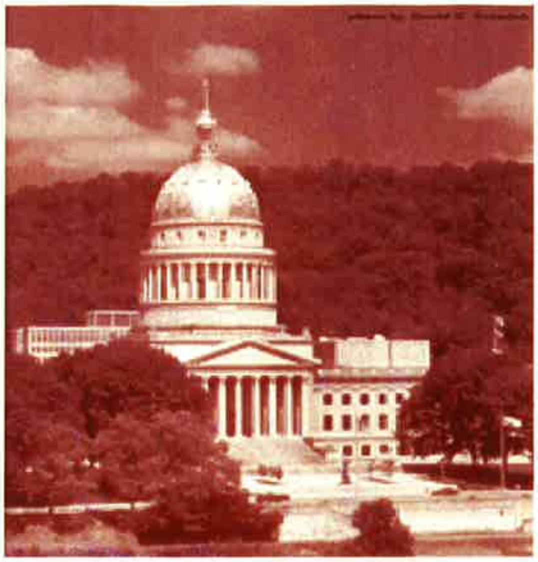

WEST VIRGINIA JOBS INVESTMENT TRUST

JUNE 30, 2008

INVESTMENT ANALYSES

Kelley M. Goes, Chairman of the Board
Richard C. Ross, Executive Director

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CONFIDENTIAL

AugustaSystems

INVESTMENT ANALYSIS

JUNE 30, 2008

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

AUGUSTA SYSTEMS, INC.

Investment Analysis Index

I. Background Information

Augusta Systems, Inc., was founded in 2002 and headquartered in Morgantown, West Virginia. The initial goal of the Company was to provide enterprise emissions management products and services to aid clients in determining and implementing optimum greenhouse gas (GHG) emission management strategies. In time, they have emerged as a provider of sensor optimization enabling technologies for security, asset tracking, and monitoring purposes.

Augusta Systems software and computing systems technologies deliver at-point sensor processing, at-point data filtering, resilient communications, rapid data alignment from diverse sources including wireless sensor networks, RFID systems, and electro-optic sensors, among several other applications and systems.

Utilizing its expertise in technology research and development, Augusta Systems, in conjunction with project partners and the U.S. Navy's Office of Naval Research, has also developed communications and control technologies for coordinated behavior of small, unmanned aerial vehicles (UAVs).

II. Basic Considerations

A. Type of Investment

1. Amount and Purpose

- August 2003: Investment of a $200,000 Convertible Debenture used for software development and working capital.
- February 2003: $50,000 convertible debenture used for software development and general working capital.

B. Type of Business

1. **Legal Form** – "C" Corporation

2. **Functional Type of Organization –** Augusta Systems, Inc. is managed by five team members who are responsible for daily operations. They are; Patrick Esposito, P.E., Ph.D.CEO; Patrick Esposito, II, COO; John Moody, Ph.D., Director, Systems Engineering; Michelle Varga, Director of Client Services; and, James Dobbs, Director of Corporate Relations.

3. **Business Operations** – The Company's main headquarters is located in Morgantown, West Virginia, and located nearby to the United States Department of Energy's National Energy Technology Laboratory (USDOE/NETL). This close proximity to USDOE/NETL provides Augusta Systems with collaborative opportunities for research and development (R&D).

4. **Quality of Management** – Patrick Esposito, P.E., Ph.D. is the CEO and possesses over thirty years of experience in energy and environmental engineering and serves as the Chairperson of the West Virginia Governor's Energy Task Force. His son, Patrick Esposito, II is COO and brings knowledge in regulatory affairs, government relations, and business development from WV State Government. The Director of Systems Engineering, John Moody, Ph.D., directs systems engineering efforts in the defense/aerospace sector, focusing on communications, controls, embedded computing systems and sensor applications. The Director of Client Services, Michelle Varga, brings background in emerging business operations including human resources, investment capital solicitation, business development and marketing from two Washington, D.C. based start-up businesses; and, the Director of Corporate Relations, James Dobbs, delivers skills in public affairs and strategic communications, and has served as Deputy Press Secretary to U.S. Senator Robert C. Byrd.

C. Types of Financial Statements of the Company

1. **Annual:** Internal- reviewed

2. **Interim:** Quarterly – unaudited

III. Financial Analysis

A. Information Regarding the Company (business plans, etc.)

Augusta Systems provides enabling technologies for sensor optimization. These technologies assist business and government with managing the data overload resulting from wide-scale sensor deployments for security, asset tracking, and monitoring by providing flexible tools to streamline the process of developing and managing sensor-based systems.

October 2007 - Augusta Systems received a three-year, competitively awarded contract from the U.S. Navy valued at up to $10 million, for technologies that will enable a distributed, intelligent network of battlefield sensors and unmanned vehicles.

June 2007 - Augusta Systems ThreatViewer™ product was chosen to be implemented at the 2007 U.S. Open Championships golf tournament held in Pittsburgh, PA. ThreatViewer™ is an integrated security product that provides remote monitoring capabilities.

May 2006 - Augusta Systems was selected to present at the Mid-Atlantic Venture Association's Capital Connection held in Washington, D.C. It is one of the nation's most successful and influential venture events.

May 2005 – Augusta Systems opened a Pittsburgh office to better serve its clients. The Company's new office is located downtown in the former Westinghouse Tower at 11 Stanwix Street, Suite 1411. Pittsburgh provides Augusta Systems with many possibilities for growth. With its manufacturing base, its emerging robotics sector, its critical infrastructure and a host of other industries that rely upon sensors for data-gathering, it is an ideal location for sensor intelligence solutions.

November 2005 - Augusta Systems, in collaboration with West Virginia University and Altarum Institute of Ann Arbor, Michigan, was awarded a two-year, $750,000 contract through the U.S. Navy's Phase II Small Business Technology Transfer (STTR) program to develop a technology that would improve the ability of unmanned aircraft to locate and recognize objects, an achievement known as automatic target recognition.

Augusta Systems broadened the contract research and development (R&D) pipeline substantially for 2006. These contract R&D activities are multi-year endeavors that provide a sustainable revenue base for several years forward. While other initiatives are still pending, which may include additional project starts and increased revenues, Augusta Systems has learned that the new project starts will likely add at least over $4.2 million in annual revenue, for a total of at least $6.5 million in annual contract R&D revenues, and allow for the establishment of new Augusta Systems presences in three locations, which will help to increase shareholder return on investment and diversify the client base to include both U.S. Navy and U.S. Army clients, with the Morgantown office maintaining the managerial control and majority of anticipated positions.

July 2003 - Augusta Systems was awarded a $5 million Department of Defense contract to design and develop an intelligent control system for ultra-lightweight, unmanned aerial vehicles. The Company is working in collaboration with ALION Science and Technology and the West Virginia University Institute of Technology to develop this second line of business.

B. Financial Statement Analysis

Exhibit A, attached, lists key elements and financial ratios from the March 31, 2008 interim internal quarterly financials and the December 31, 2007 & 2006 reviewed year-end, 2005 & 2004 compiled year end, and 2003 internal year end financial statements for Augusta Systems, Inc.

IV. Events Subsequent to the Initial Investment and the Effect on the Investment

March 2007 - PrairieGold Venture Partners, a South Dakota based venture fund, invested $250,000 in Series B preferred stock. This investment is on the same terms as the JIT Series B investment. PraireGold invests in early stage life science, information technology and greentech companies.

November 2005 - JIT converted the $250,000 Note plus all accrued interest to shares of Series B preferred stock. Including other note holders, the total series B preferred stock purchase was $780,273. After the series B financing round, the JIT ownership in Augusta Systems is just under 4% of the total outstanding shares.

August 2003 - The JIT Board approved a change of the previously approved $200,000 preferred stock investment to a convertible debenture carrying the same terms and conditions as the $50,000 debenture set forth in the January 15, 2003 Term Sheet, and the additional capital required for release of the $200,000 in funding was reduced from $1,800,000 to a minimum of $150,000. The Company then closed a $350,000 round with $150,000 participation from the West Virginia High Technology Consortium Foundation.

V. Methodology of Current Evaluation of the Investment

Factors that may be considered in the evaluation of investments in equity and debt securities of startup companies and other securities for which market quotations are not readily available are:

- the amount that might reasonably be expected to be received upon current sale of the securities;
- the fundamental analytical data relating to the investment;
- the nature and duration of restrictions on disposition of the securities;
- an evaluation of the forces that influence the market in which these securities are purchased and sold;
- type of security;
- cost at date of purchase;

- size of holding;
- discount from market value of unrestricted securities of the same class at the time of purchase;
- financial statements;
- special reports prepared by analysts;
- information as to any transactions or offers with respect to the security;
- existence of merger proposals or tender offers affecting the securities;
- price and extent of public trading in similar securities of the issuer or comparable companies;
- the nature of the business and history of the enterprise from its inception;
- the general economic outlook and the condition of and outlook for the specific industry;
- an evaluation of the securities and economic condition of the portfolio company;
- the portfolio company's capacity for earnings;
- the portfolio company's market position;
- competition;
- the portfolio company's goodwill and other intangible values;
- recent sales of securities by the portfolio company;
- market prices of publicly traded securities of corporations of comparable size and earnings in the, or similar lines of, business;
- likelihood of exercise of conversion privileges of convertible securities;
- actual performance compared to expected performance; and
- other relevant matters.

The American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide, *Audits of Investment Companies*, requires venture capital companies to record their investment portfolios at quoted market prices or, in the absence of quoted prices, at amounts representing estimates of fair value using methods determined in good faith by the board of directors or general partner.

Financial Accounting Standards Board (FASB) Statement No. 114, *Accounting by Creditors for Impairment of a Loan*, excludes all companies that record investments at fair value, in accordance with specialized practice, from the requirements to report loan loss contingencies. In any event, the FASB requires that loan loss provisions be accrued only when it is *probable* that an asset has been impaired and that the amount of the loss be *reasonably* estimable.

The AICPA Investment Companies Special Committee states in its report, *Accounting for Venture Capital Investment Companies*, that "Startup companies generally do not have a record of earnings or operating information. Startup and other early-stage companies generally report losses in the early years, and portfolio companies seeking second-stage financing may not yet be showing profits. An operating loss reported by a portfolio company does not necessarily mean that the venture capital investment company should reduce the carrying amount of its investment. In determining value, the board of directors should also consider such factors as the cost of the investment, actual performance compared to expected performance, and earning potential."

The Investment Companies Special Committee believes that investments in startup companies should be presented at value. Value is usually assumed to be the same as cost during the early stages of such investments unless there is persuasive evidence of a quantifiable increase or decrease in the value of the investment based on consideration of such factors as those discussed above.

VI. Overall Conclusion

Based on the foregoing, the WV Jobs Investment Trust finds it most appropriate to record its investment in Augusta Systems, Inc. at value, which is currently presumed to be the same as cost or $295,983.

DATACASTER™

INVESTMENT ANALYSIS

JUNE 30, 2008

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

DATACASTER, INC.

Investment Analysis Index

I. Background Information

Datacaster Corporation is located in Martinsburg, WV and aims to provide the leading platform for GeoLocation Fusion ("GLF"), a newly emerging discipline that supports the collection, integration, analysis and distribution of location-based geospatial information in real-time across the enterprise. Datacaster manages information related to vast real-world assets held or managed by energy, utility, government, natural resource and other sectors.

II. Basic Considerations

A. Type of Investment

1. Amount and Purpose

- November 2007: Investment of $250,000 in a Convertible Debenture used for commercial development and operations costs.

B. Type of Business

1. **Legal Form** – "C" Corporation

2. **Functional Type of Organization** – The executive management of the Company responsible for daily operations are: David Levine, CEO, and Chris Thatcher, CTO.

3. **Business Operations** – Datacaster Corporation headquarters is located in Martinsburg, WV.

4. **Quality of Management –David Levine, President** - Mr. Levine is a career technology entrepreneur who founded Emergent Game Technologies (formerly Butterfly.net) in 2000 to provide the technology infrastructure for networked games. Mr. Levine raised over $13 million in venture capital and created partnerships with IBM, Intel, MCI and Sony. Previous entrepreneurial endeavors included the creation of Ultraprise Corporation, provider of the leading business-to-business exchange for the financial services industry. For Ultraprise, Mr. Levine raised $50 million in venture capital from such strategic partners as GE Capital, Citigroup, FBR and First Union.

Christopher Thatcher, CTO is a recognized and well established member of the Open Source community, contributing a significant Javascript framework, Claypool, to address the growing complexity of Web 2.0 applications and their demands on the client. Before joining Datacaster, Chris was employed by CACI as a contractor to the Library of Congress' Office of Strategic Initiatives developing Web systems for the United Nations sponsored World Digital Library, as well as the Libraries own Federated Search, and National Digital Newspaper Project Transfer.

Datacaster has also put together a strong Board of Directors with significant expertise in computer software, fundraising, and growing early stage technology companies.

C. Types of Financial Statements of the Company

1. **Annual:** unaudited

2. **Interim:** unaudited

III. Financial Analysis

A. Information Regarding the Company (business plans, etc.)

The Datacaster platform fuses geospatial information with enterprise systems and real-time data from the field for companies that manage large land areas as part of their core business operations. The platform provides a map-based interface that allows users to interact with the central authoritative data store, structure data retrieval, and update workflow operations.

The primary uses for the Datacaster platform are:

- Delivering geospatial applications to business units.
- Field and mobile integration.
- Third party (municipal/contractor).
- Authoritative merged datastore (municipal, linear, transportation, etc.).
- Spatial and keyword searching tools across the enterprise datastore.

Datacaster's application fuses imagery and data sources to provide an intelligent, full 3D model. It can be flown-through in real-time, with areas zoomed into, or out of, to provide the appropriate level of detail and context.

Current methods for interacting with 3D environments typically require a dedicated software installation with a powerful client-side computer. Datacaster can provide server-side snapshots or data preparations and send them to a Web page without powerful computing capabilities. Datacaster provides GIS and LBS functions through geographically referenced data access points. These GeoPoints can contain multimedia data such as video, images, audio, textual information or hyperlinks, or combine tabular database queries. The Company will target customers in the energy industry, focusing initially on the natural resource, utility and municipality sectors.

B. Financial Statement Analysis

Exhibit A, attached, lists key elements and financial ratios from the June 30, 2008 interim, and the December 31, 2007 year-end internal financial statements.

IV. Events Subsequent to the Initial Investment and the Effect on the Investment

The JIT's $250,000 convertible debt investment in Datacaster was part of a total $350,000 bridge round. The West Virginia University Research Corporation (WVURC) and West Virginia High Technology Consortium Foundation (WVHTFC) invested $100,000 at the initial closing with JIT funding the subsequent closing of $250,000.

V. Methodology of Current Evaluation of the Investment

Factors that may be considered in the evaluation of investments in equity and debt securities of startup companies and other securities for which market quotations are not readily available are:

- the amount that might reasonably be expected to be received upon current sale of the securities;
- the fundamental analytical data relating to the investment;
- the nature and duration of restrictions on disposition of the securities;
- an evaluation of the forces that influence the market in which these securities are purchased and sold;
- type of security;
- cost at date of purchase;
- size of holding;
- discount from market value of unrestricted securities of the same class at the time of purchase;
- financial statements;
- special reports prepared by analysts;
- information as to any transactions or offers with respect to the security;

- existence of merger proposals or tender offers affecting the securities;
- price and extent of public trading in similar securities of the issuer or comparable companies;
- the nature of the business and history of the enterprise from its inception;
- the general economic outlook and the condition of and outlook for the specific industry;
- an evaluation of the securities and economic condition of the portfolio company;
- the portfolio company's capacity for earnings;
- the portfolio company's market position;
- competition;
- the portfolio company's goodwill and other intangible values;
- recent sales of securities by the portfolio company;
- market prices of publicly traded securities of corporations of comparable size and earnings in the, or similar lines of, business;
- likelihood of exercise of conversion privileges of convertible securities;
- actual performance compared to expected performance; and
- other relevant matters.

The American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide, *Audits of Investment Companies*, requires venture capital companies to record their investment portfolios at quoted market prices or, in the absence of quoted prices, at amounts representing estimates of fair value using methods determined in good faith by the board of directors or general partner.

Financial Accounting Standards Board (FASB) Statement No. 114, *Accounting by Creditors for Impairment of a Loan*, excludes all companies that record investments at fair value, in accordance with specialized practice, from the requirements to report loan loss contingencies. In any event, the FASB requires that loan loss provisions be accrued only when it is *probable* that an asset has been impaired and that the amount of the loss be *reasonably* estimable.

The AICPA Investment Companies Special Committee states in its report, *Accounting for Venture Capital Investment Companies*, that "Startup companies generally do not have a record of earnings or operating information. Startup and other early-stage companies generally report losses in the early years, and portfolio companies seeking second-stage financing may not yet be showing profits. An operating loss reported by a portfolio company does not necessarily mean that the venture capital investment company should reduce the carrying amount of its investment. In determining value, the board of directors should also consider such factors as the cost of the investment, actual performance compared to expected performance, and earning potential."

The Investment Companies Special Committee believes that investments in startup companies should be presented at value. Value is usually assumed to be the same as cost during the early stages of such investments unless there is persuasive evidence of a quantifiable increase or decrease in the value of the investment based on consideration of such factors as those discussed above.

VI. Overall Conclusion

Based on the foregoing, the WV Jobs Investment Trust finds it most appropriate to record its investment in Datacaster Corporation at value, which is currently presumed to be the same as cost or $250,000.

INVESTMENT ANALYSIS

JUNE 30, 2008

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

EMERGENT GAME TECHNOLOGIES, INC.

Investment Analysis Index

I. Background Information

- Emergent Game Technologies (EGT) was founded in 1999 in Shepherdstown, WV as Butterfly.net, Inc. and is now headquartered in Los Angeles, California. The company was funded initially by the founders and a seed round of $500,000 from the Walker Investment Fund. JIT invested $500,000 in the Series B preferred stock round which closed in April 2002.

In August 2005, Emergent merged with NDL, the company that created the Gamebryo game development engine and tools. Emergent Game Technologies is a leading source for all the game development tools required to build, test, manage and expand interactive games. Gamebryo enjoys widespread adoption among game developers.

II. Basic Considerations

A. *Type of Investment*

1. Amount and Purpose

Investment of $500,000 in Series B convertible preferred stock in May 2002, as a part of a $1,500,000 round, used for working capital.

B. *Type of Business*

1. **Legal Form** – "C" Corporation.

2. **Functional Type of Organization -** Emergent Game Technologies, Inc. is comprised of focused, talented and experienced software engineers. The management of Emergent Game Technologies and those responsible for the daily operations are; Geoffrey Selzer, Chairman and CEO; Scott Johnson, Executive Vice-President; John Austin, Senior Vice President of Sales and Business Development; Michael Steele, Vice President and General Manager of Live Game Services; Larry Mellon, Vice President of Engineering and Systems Architecture; and, Doug Kubel, Vice President of Product Development.

3. **Business Operations** – The Company has developed or acquired through license agreements, middleware solutions for game developers that provide the tools required to build, test and manage interactive games. Their 3D graphics engine, Gamebryo, has been used by developers to create more than 70 games with 70 more in production. The Gamebryo game engine is the best

choice for developers seeking a rich set of tools to expand their production pipeline. The Company has developed a metrics product that offers developers simple tools for efficiently and routinely collecting, analyzing, and sharing game data with team members. Emergent's Automation product gives developers the power to rein in the mounting complexity of building and testing today's games, and significantly reduces the cost and pain of managing the build process. The Automation product merges build solutions with automated testing capabilities to give developers control over the entire continuum of build/test processes.

The Company continues to develop their Server product whose core is the original "Butterfly Grid" technology that allows the players of Massively Multiplayer Games (MMGs) to play and interact in ways that extend the current state of the art. Players can co-inhabit games and environments, interact and play with each other, and experience a persistent game space irrespective of their access device. Players can use widely different platforms from Pocket PCs to high-performance 128 bit game consoles, and still have fun. The key to this technology is a multi-layered architecture that presents the window into the world in a way that is natural and intuitive to users of all types of platforms. Current so-called platform independent systems (such as the World Wide Web) try to simulate platform independence by forcing an arbitrary interface convention on all users of the system, regardless of their access platform.

4. **Quality of Management** – CEO Geoffrey Selzer, from 1995 through 1998 served as Vice President of Creative Development and Production for Disney Interactive where he was responsible for the design, development and production of the interactive software titles at Disney interactive. Prior to his work at Disney, Mr. Selzer was acting publisher for the New American Magazine group for 2-1/2 years after an 8-year successful career as an investment banker focused on Mergers and Acquisitions. President Scott Johnson was co-founder and CEO of Mobility Entertainment (MENT), a successful mobile entertainment developer that delivered more than twenty titles, including an IGN "Game of the Year." Prior to that, he was Vice President and Chief Financial Officer for Universal Interactive, which he helped transform into one of the fastest-growing video game publishers, releasing multiple hit titles and reaching revenues in excess of $300 million. VP-John Austin, served as CEO of NDL prior to the merger and is a veteran of the games middleware market, having been around since shortly after NDL announced the NetImmerse product in 1998. He has more than 20 years of experience in the computer graphics industry, encompassing management and engineering positions at Hewlett-Packard, Inc., Sun Microsystems. VP-Michael Steele was the Executive Producer for *The*

Matrix Online at ubi.com. Prior to building the online operations team and infrastructure for ubi.com. He was the Vice President of Technology for Turbine Entertainment; and Director of Development for Hasbro/Microprose and Director of Engineering for Disney Online.

C. Types of Financial Statements of the Company

1. **Annual:** unaudited

2. **Interim:** Quarterly - unaudited

III. Financial Analysis

A. Information Regarding the Company (business plans, etc.)

Emergent Game Technologies, Inc. has a strategic alliance with IBM and Sony Entertainment. Their achievements include:

- June 2008 - The Company's booking sales target of $10M was accomplished by delivering 112 deals with an average booking of $82K plus $1.0M in support renewals. The Company closed the Walnut Creek, CA office and moved the server team to Chapel Hill, N.C. with the core of the operations.

- March 2007 - The Company continues to sign license agreements for their Emergent Elements technologies, including recently signed licenses with Austin-based Online Alchemy and Bethesda Softworks. Online Alchemy is an independent videogame and technology development studio. Bethesda Softworks, a Rockville, MD developer and publisher of interactive entertainment software has produced numerous award-winning titles.

- March 2006 - Shanda Interactive Entertainment, China's largest publisher of Interactive games, and Emergent agree to a license agreement for multi-game, multi-platform development. Shanda operates one of the industry's most diverse portfolio of online games and interactive entertainment, including some of the most popular massively multi-player online role playing games, or MMORPGs, and casual online games in China as well as online chess and board games and network PC games. Shanda is also a provider of cartoon, literary and music content. As of June 30, 2005, Shanda had approximately 460 million registered accounts, 18.5 million active paying accounts and more than 2.5 million total peak concurrent users for all of its games in commercial service.

- August 2005 – Emergent merges with NDL, a maker of 3D graphics technology for the interactive entertainment industry. NDL, headquartered in Chapel Hill, N.C., is an independent developer of 3D graphics software used by leading game publishers and developers such as Atari, Vivendi Universal Games, Firaxis, Mythic Entertainment, Bethesda Softworks, and Irrational Games. The company's flagship product, the Gamebryo graphics engine and toolkit, is the culmination of two decades of 3D graphics expertise. The merger brings credibility, talent and revenues to EGT.

- May 2005 – Butterfly.net, Inc. changed its name to Emergent Game Technologies, Inc. Emergent Game Technologies builds on its established online games infrastructure solutions to develop evolutionary tools for evolutionary games. The name change reflects the direction of the strategy to take the company into a broader, more expansive market.

- March 2005 - Butterfly.net, Inc. announced that Geoffrey T. Selzer was appointed Chief Executive Officer. A media specialist with a background in production, design and finance, Selzer leads Butterfly.net's senior management team. Company founder, David Levine resigned his executive position to work with the West Virginia Development Office. Mr. Levine remains a consultant to the Company and an active member of the Company's Board of Directors.

- February 2003 – Butterfly.net, Inc. signed a PlayStation®2 Tools and Middleware agreement with Sony Computer Entertainment, Inc. to provide technology and networking services for the PlayStation®2 computer entertainment system. As part of the agreement, IBM and Butterfly activated computing grid that allows online game developers to take advantage of the advanced capabilities of PlayStation®2 by more efficiently provisioning resources to meet the demands of console gamers. Clients which use Butterfly's software to create online components pay a hosting fee for the service that varies according to usage.

B. Financial Statement Analysis

Exhibit A, attached, lists key elements and financial ratios from the March 31, 2008 interim and the December 31, 2007, 2006, 2005, 2004 and 2003 internal year end financial statements.

IV. Events Subsequent to the Initial Investment and the Effect on the Investment

- Emergent Game Technologies secured $12M in its Series D round of funding. Jerusalem Venture Partners (JVP) and Worldview Technology Partners led the round with Adena Ventures, Walker Ventures, Copan, and Cisco Systems also participating. Sales growth of more than 100% over the past twelve months, with incorporation of its technology into over 200 gaming titles, and broad industry recognition of Emergent's leading game development solutions, led the Company to close its successful funding round.

- The Company currently has over $3,011,836 in convertible notes (JIT $0) on the books as of June 2006. JIT has not participated in any of the recent bridge rounds. It is likely the notes will convert to equity in the future, which will further dilute JIT's percentage ownership in the Company.

- In March 2004, Butterfly.net, Inc. closed a $10M Series C investment round from a group of top-tier global venture firms and network-infrastructure leader, Cisco Systems. The Series C round, co-led by Jerusalem Venture Partners and Worldview Technology Partners included participation from Cisco, Copan and previous investors Adena Ventures and Walker Ventures. With this financing round, Allon Bloch, Colin Savage, and Spencer Hyman have joined Butterfly.net's Board of Directors. JIT's underlying price per share remains the same as the previous round.

- On December 31, 2001, Butterfly.net, Inc. closed a deal with IBM, the world's largest provider of information technology, for IBM to host the Butterfly.net, Inc. systems in their e-business hosting center, provide the Linux servers to operate the infrastructure and to jointly market the MMG infrastructure. Under terms of the deal, Butterfly.net, Inc. received a credit on hosting that exceeds the first-year costs of the collocation facilities and bandwidth, favorable leasing terms for the hardware and market development funds for promotional activities. Butterfly.net, Inc. management has been working with the media and entertainment practice leads at IBM in Los Angeles to design a joint marketing and sales plan and drive adoption of the MMG infrastructure.

- In June 2002, the Company signed a Term Sheet with Adena Funds for the final $500,000 of the Series B round. That investment was subsequently funded.

- From January 2001 to date, the Company has successfully signed a series of globally known, as well as lesser-known, game developers and has established itself as the platform of choice for ease of use and functionality.

V. Methodology of Current Evaluation of the Investment

Factors that may be considered in the evaluation of investments in equity and debt securities of startup companies and other securities for which market quotations are not readily available are:

- the amount that might reasonably be expected to be received upon current sale of the securities;
- the fundamental analytical data relating to the investment;
- the nature and duration of restrictions on disposition of the securities;
- an evaluation of the forces that influence the market in which these securities are purchased and sold;
- type of security;
- cost at date of purchase;
- size of holding;
- discount from market value of unrestricted securities of the same class at the time of purchase;
- financial statements;
- special reports prepared by analysts;
- information as to any transactions or offers with respect to the security;
- existence of merger proposals or tender offers affecting the securities;
- price and extent of public trading in similar securities of the issuer or comparable companies;
- the nature of the business and history of the enterprise from its inception;
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- recent sales of securities by the portfolio company;
- market prices of publicly traded securities of corporations of comparable size and earnings in the, or similar lines of, business;
- likelihood of exercise of conversion privileges of convertible securities;
- actual performance compared to expected performance; and
- other relevant matters.

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The Investment Companies Special Committee believes that investments in startup companies should be presented at value. Value is usually assumed to be the same as cost during the early stages of such investments unless there is persuasive evidence of a quantifiable increase or decrease in the value of the investment based on consideration of such factors as those discussed above.

VI. Overall Conclusion

Based on the foregoing, the WV Jobs Investment Trust finds it most appropriate to record its investment in Emergent Game Technologies, Inc. at value, which is currently presumed to be the same as cost or $500,000.

GAULEY MOUNTAIN MOULDING, INC.

INVESTMENT ANALYSIS

JUNE 30, 2008

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

GAULEY MOUNTAIN MOULDING, INC.

Investment Analysis Index

I. Background Information

Gauley Mountain Moulding Corporation located in Craigsville, West Virginia, started doing business in September 1997, and is a small manufacturer and distributor of hardwood doors, flooring, and moldings. The Company has developed a market niche by offering a complete line of finished wood products (except for furniture and cabinets) for the interior of a home in high-grade oak and poplar. Contractors and retail customers alike are impressed by the quality and selection of the products sold. They are also a distributor for hardwood flooring manufactured in Arkansas. Gauley Mountain Moulding is a one-stop shop for wood flooring, moldings, doors and stair parts.

II. Basic Considerations

A. Type of Investment

1. Amount and Purpose

May 9, 2001 - Investment of $15,000 in convertible preferred stock and $43,500 in a convertible secured term loan that was used to:

- Purchase leased equipment.
- Purchase new equipment.
- General working capital.

B. Type of Business

1. **Legal Form** "C" Corporation

2. **Functional Type of Organization –** Gauley Mountain Moulding employs five people on a full-time basis. There are three production employees and the husband and wife team of Roland and Mary Griffith. Roland, President/Owner of the Company, is in charge of the production area. His wife, Mary, is in charge of accounting, accounts payable and receivable.

3. **Business Operations** – The United States wood products industry remains a world leader in the production and trade of a multitude of products used in residential and light commercial construction as well as consumer-oriented products. Gauley Mountain Moulding Corporation has received a very welcome response for its products. Almost all retail sales have come by word-of-mouth recommendations from satisfied customers within a 100-

mile radius of the business location. Contractor sales had been slow to develop, but now the Company has about fifteen customers, ten from the local Nicholas County area, two at Snowshoe in Pocahontas County, two in Lewisburg in Greenbrier County, and one in the Charleston area.

The Company also sells flooring that is purchased rather than manufactured. The flooring segment of the millwork industry is large, and larger companies with larger investments in facilities and equipment are able to produce at lower costs. But many customers would like to purchase flooring, so the Company stocks flooring provided by a distributor on consignment and sells this flooring at a ten per cent profit margin. The Company has also started applying finishes and coatings to some of the doors and moldings it produces and will be a high-profit addition to the business.

4. **Quality of Management** – Roland Griffith received training at the Robert C. Byrd Wood Technology Center in Princeton, West Virginia, and is a serious, responsible and cautious individual. Mary Griffith eagerly seeks instruction and guidance in doing the Company's books. Each of them has been very willing to seek and accept advice and counsel.

C. Types of Financial Statements of the Company

1. **Annual:** unaudited
2. **Interim:** unaudited

III. Financial Analysis

A. Information Regarding the Company (business plans, etc.)

June 2006 – Gauley Mountain Moulding had a solid year with inventories remaining firm, payables down and sales up 45% from last year. In addition, David Hofstetter agreed to join the Board of Directors. Mr. Hofstetter founded Parkline, Inc., a manufacturer of non-residential metal buildings. Under his leadership, the company grew from 35 employees to 120 employees with plants in Eleanor, WV and Bristow, OK. Since 1988, he has been Vice Chairman and CFO of Coal Fillers, Inc., a coal based producer with plants in Raleigh County, WV and Tazewell County, VA. Mr. Hofstetter is also President of Indian Head II, an Advantage Valley property developer.

Through a relationship with a former manager at Sterling Construction, Gauley Mountain Moulding traveled to Virginia in July 2004 to bid on a residential housing development project south of Lewisburg that could include up to 500 high-end homes.

2004 - The Company developed a close relationship with Sterling Construction Management in White Sulphur Springs, WV. Sterling Construction Management is the lead contractor for the Greenbrier Resort's proposed second home development that could include between 200 and 500 high-end custom homes over a five to ten year period. The Company also has a relationship with McCabe Henley properties in Charleston and the March Westin Company, in Morgantown, WV. These relationships have generated repeat business over the past few years. The Company landed a $60,000 contract in Morgantown with March Westin.

The Company also completed construction of a 2,800 square foot building adjacent to the current location. This area is used to store finished goods inventory as demand for stained and finished products has occurred. The new addition significantly improved workflow and finished goods storage capacity. Funding for this expansion was financed through Bank One in the form of a short-term construction loan, with the Company securing funding from the Natural Capital Investment Fund (NCIF) to pay off the Bank One debt. NCIF total financial commitment to the Company including both Owner's equity and debt was $64,500. The Company was also approved for a $50,000 line of credit from BB&T.

B. Financial Statement Analysis

Exhibit A, attached, lists key elements and financial ratios from the June 30, 2008 unaudited statement and the December 31, 2007 thru 2003 year-end compiled unaudited financial statements.

IV. Events Subsequent to the Initial Investment and the Effect on the Investment

Gauley Mountain Moulding has paid the JIT in full, the original $43,500 term loan. They have also paid down the Chase Bank LOC and put in place a $50,000 LOC from BB&T, which is secured by the Founders personal residence.

The JIT investment was made simultaneously with an investment equal in amount and structure by The Conservation Fund's Natural Capital Investment Fund. No significant events have occurred since JIT's investment in the Company.

V. Methodology of Current Evaluation of the Investment

Factors that may be considered in the evaluation of investments in equity and debt securities of startup companies and other securities for which market quotations are not readily available are:

- the amount that might reasonably be expected to be received upon current sale of the securities;
- the fundamental analytical data relating to the investment;
- the nature and duration of restrictions on disposition of the securities;
- an evaluation of the forces that influence the market in which these securities are purchased and sold;
- type of security;
- cost at date of purchase;
- size of holding;
- discount from market value of unrestricted securities of the same class at the time of purchase;
- financial statements;
- special reports prepared by analysts;
- information as to any transactions or offers with respect to the security;
- existence of merger proposals or tender offers affecting the securities;
- price and extent of public trading in similar securities of the issuer or comparable companies;
- the nature of the business and history of the enterprise from its inception;
- the general economic outlook and the condition of and outlook for the specific industry;
- an evaluation of the securities and economic condition of the portfolio company;
- the portfolio company's capacity for earnings;
- the portfolio company's market position;
- competition;
- the portfolio company's goodwill and other intangible values;
- recent sales of securities by the portfolio company;
- market prices of publicly traded securities of corporations of comparable size and earnings in the, or similar lines of, business;
- likelihood of exercise of conversion privileges of convertible securities;
- actual performance compared to expected performance; and
- other relevant matters.

The American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide, *Audits of Investment Companies*, requires venture capital

companies to record their investment portfolios at quoted market prices or, in the absence of quoted prices, at amounts representing estimates of fair value using methods determined in good faith by the board of directors or general partner.

Financial Accounting Standards Board (FASB) Statement No. 114, *Accounting by Creditors for Impairment of a Loan*, excludes all companies that record investments at fair value, in accordance with specialized practice, from the requirements to report loan loss contingencies. In any event, the FASB requires that loan loss provisions be accrued only when it is *probable* that an asset has been impaired and that the amount of the loss be *reasonably* estimable.

The AICPA Investment Companies Special Committee states in its report, *Accounting for Venture Capital Investment Companies*, that "Startup companies generally do not have a record of earnings or operating information. Startup and other early-stage companies generally report losses in the early years, and portfolio companies seeking second-stage financing may not yet be showing profits. An operating loss reported by a portfolio company does not necessarily mean that the venture capital investment company should reduce the carrying amount of its investment. In determining value, the board of directors should also consider such factors as the cost of the investment, actual performance compared to expected performance, and earning potential."

The Investment Companies Special Committee believes that investments in startup companies should be presented at value. Value is usually assumed to be the same as cost during the early stages of such investments unless there is persuasive evidence of a quantifiable increase or decrease in the value of the investment based on consideration of such factors as those discussed above.

VI. Overall Conclusion

Based on the foregoing, the WV Jobs Investment Trust finds it most appropriate to record its investment in Gauley Mountain Moulding Corporation at value, which is currently presumed to be same as cost or $15,000.

INVESTMENT ANALYSIS

JUNE 30, 2008

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

GTR LABS, INC.

Investment Analysis Index

I. Background Information

GTR Labs, Inc. is a later stage company with a manufacturing facility in Gassaway, West Virginia. The Company was organized in 1996 under the laws of the State of Connecticut. The primary products being developed center on new approaches to X-ray generators. Currently, the Company manufactures a family of microprocessor-controlled, high-frequency X-ray generators that, when connected as a component in a medical X-ray room, provide a continuous and uninterrupted source of extremely accurate ionizing radiation for the production of diagnostic medical images. The unique nature of the microprocessor provides extreme accuracy in the production of X-rays and allows levels of diagnostic imaging never before achieved.

II. Basic Considerations

A. Type of Investment

1. Amount and Purpose

A loan of $450,000 to supplement working capital. In April of 2001 GTR Labs concluded a conversion to a "C" corporation. Concurrently with that event, JIT and Peter Silitch, the two principal creditors of the Company, each converted portions of their respective loans to the Company to proportionate shares of convertible preferred stock. Other former LLC members each received a like amount of common stock of the reorganized Company. JIT currently has a 32.2% equity ownership on a fully diluted basis. JIT also holds the balance of the loan principal of $172,735 and accrued interest.

2. Sources Considered for Repayment

Working capital from operations.

3. Secondary Source of Repayment

a. The loan is secured by a lien on all business assets of the Company, including, but not limited to, all inventory, equipment, furniture, fixtures, accounts receivable, and other rights to payment and general intangibles, with the security interest subject only to the existing security interest in the collateral granted to the Bank of Gassaway.

b. Joint and several guarantees by Ewell Ferguson and Peter Silitch.

c. An Initial Public Offering (IPO), an acquisition or a private placement of our shares.

B. Type of Business

1. **Legal Form** – "C" Corporation

2. **Functional Type of Organization** – GTR Labs was a member-managed Limited Liability Company. In April 2001, it was converted to a Connecticut "C" corporation. The Board of Directors consists of Ewell Ferguson and Peter Silitch of GTR Labs; Don Gallion of FCX Systems, Inc. of Morgantown, WV; Former Air Corp General Kent McLaughlin; and, Matt Wender, who represents JIT.

3. **Business Operations** - Designer, manufacturer and distributor of products (microprocessor-controlled, high-frequency X-ray generators) for the medical industry, including the veterinarian and chiropractic professions.

4. **Quality of Management** - Of the two members who are responsible for daily operations, Ewell Ferguson, who serves as the manager of operations, has a degree in electrical technology. His life's work experiences have been in the design, manufacture, and sale of medical equipment. The second, Peter Silitch, has a degree in Applied Physics and holds two patents in the field of electronics and communications. Peter was a founding member of the Westinghouse Learning Corporation. Other team members have various related degrees and years of associated experience in design, research, and development.

C. Types of Financial Statements of the Company

1. **Annual:** Compiled - unaudited

2. **Interim:** Internal - unaudited

III. Financial Analysis

A. Information Regarding the Company (business plans, etc.)

GTR Labs was founded in early 1996 and has developed innovative state-of-the-art high-voltage power supplies for the X-ray industry. The X-ray generator market is divided into two sectors: (1) OEM system manufacturers, which includes General Electric, Siemans, Phillips, Picker, and others, and (2) service organizations that repair, retrofit, and refurbish X-ray systems. Major OEMs are increasingly outsourcing their generator requirements. Service organizations tend to purchase generators from independent generator manufacturers.

The Company has completed its ISO 9001:2000 certification (GTR believes it is the only Company in WV to date to have achieved this level of certification) and UL certification.

In 2004, GTR Labs added two new members to its Board of Directors. New member, Don Gallion is Chairman, President, and CEO of FCX Systems, Inc. located in Morgantown, West Virginia. FCX Systems designs, manufactures and sells solid state frequency converters and air conditioning units for the commercial aviation, military, shipyards, utility, and industrial industries. FCX sales are throughout the United States and fifty-three foreign countries. Also, Former Air Corp General Kent McLaughlin joined the GTR Board. Mr. McLaughlin organized and commanded the West Virginia Air National Guard for thirty years. Both men have brought a wealth of experience to the Board that has proven beneficial to the growth of the Company.

April 2004 – GTR Labs hired Bill Mallory to serve as sales representative. Russell Cope, a GTR design engineer and graduate from Virginia Tech, continues to work on the design and development of the X-ray and C-arm design as well as other X-ray related equipment.

June 2006 – GTR Labs sales for 2006 were up 56% from 2005, with 215 units sold in six months compared to 155 the year before. The Company had 15 employees and entered into a joint software agreement with Control-X to develop European style proportional control systems for generators that began sometime during the 3rd quarter.

June 2008 – GTR Labs is continuing to see annual increases in sales volume. The Company has benefited from increased foreign orders. In addition, the Company successfully passed along an increase in prices as well continuing to build some sub-assemblies in house, thus lowering the overall cost of goods sold. GTR Labs additionally benefited in cost savings as well as enhanced product performance following the introduction of a new generation of capacitors developed by Hitachi. This new capacitor has the potential to open additional opportunities to install X-ray facilities in third world countries as well as remote sites.

B. Financial Statement Analysis

Exhibit A, attached, lists key elements and financial ratios from the April 30, 2008 interim, the December 31, 2007, 2006 and 2005 year-end compiled, and the December 31, 2004 and 2003 internal year-end financial statements.

IV. Events Subsequent to the Initial Investment and the Effect on the Investment

In April 2001, the Company completed its conversion to a "C" corporation. Concurrently, the JIT and Peter Silitch, the Company's two largest creditors, converted substantial portions of their respective debt to convertible preferred stock in the Company. Former "members" of GTR Labs, LLC received a like amount of common stock equity in the new Company. The purpose of the reorganization is to configure the Company so that prospective new investors will have the opportunity to invest in one or more additional series of preferred shares under terms to be negotiated at the time.

In April of 2004, the JIT note became due and was restructured as a three-year note with the first year payments to included interest only. Payments for year two and three will include principal and interest with the principal amortized over ten years. The current balance including interest as of June 1, 2004 was $223,988.

The Company continues to meet their debt obligation on the three-year JIT note. First year payments were interest only, therefore the current balance as of June 30, 2008 remains at $172,735.

V. Methodology of Current Evaluation of the Investment

Factors that may be considered in the evaluation of investments in equity and debt securities of startup companies and other securities for which market quotations are not readily available are:

- the amount that might reasonably be expected to be received upon current sale of the securities;
- the fundamental analytical data relating to the investment;
- the nature and duration of restrictions on disposition of the securities;
- an evaluation of the forces that influence the market in which these securities are purchased and sold;
- type of security;
- cost at date of purchase;
- size of holding;

- discount from market value of unrestricted securities of the same class at the time of purchase;
- financial statements;
- special reports prepared by analysts;
- information as to any transactions or offers with respect to the security;
- existence of merger proposals or tender offers affecting the securities;
- price and extent of public trading in similar securities of the issuer or comparable companies;
- the nature of the business and history of the enterprise from its inception;
- the general economic outlook and the condition of and outlook for the specific industry;
- an evaluation of the securities and economic condition of the portfolio company;
- the portfolio company's capacity for earnings;
- the portfolio company's market position;
- competition;
- the portfolio company's goodwill and other intangible values;
- recent sales of securities by the portfolio company;
- market prices of publicly traded securities of corporations of comparable size and earnings in the, or similar lines of, business;
- likelihood of exercise of conversion privileges of convertible securities;
- actual performance compared to expected performance; and
- other relevant matters.

The American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide, *Audits of Investment Companies*, requires venture capital companies to record their investment portfolios at quoted market prices or, in the absence of quoted prices, at amounts representing estimates of fair value using methods determined in good faith by the board of directors or general partner.

Financial Accounting Standards Board (FASB) Statement No. 114, *Accounting by Creditors for Impairment of a Loan*, excludes all companies that record investments at fair value, in accordance with specialized practice, from the requirements to report loan loss contingencies. In any event, the FASB requires that loan loss provisions be accrued only when it is *probable* that an asset has been impaired and that the amount of the loss be *reasonably* estimable.

The AICPA Investment Companies Special Committee states in its report, *Accounting for Venture Capital Investment Companies*, that "Startup companies generally do not have a record of earnings or operating information. Startup and other early-stage companies generally report losses in the early years, and portfolio companies seeking second-stage financing may not yet be showing profits. An operating loss reported by a portfolio company does not necessarily mean that the venture capital investment company should reduce the carrying amount of its investment. In determining value, the board of directors should also consider such factors as the cost of the investment, actual performance compared to expected performance, and earning potential."

The Investment Companies Special Committee believes that investments in startup companies should be presented at value. Value is usually assumed to be the same as cost during the early stages of such investments unless there is persuasive evidence of a quantifiable increase or decrease in the value of the investment based on consideration of such factors as those discussed above.

VI. Overall Conclusion

Based on the foregoing, the WV Jobs Investment Trust finds it most appropriate to record its investment in GTR Labs, Inc. at value, which is currently presumed to be the same as cost or $605,577.

IMAGETREE CORPORATION

INVESTMENT ANALYSIS

JUNE 30, 2008

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

IMAGETREE CORPORATION

Investment Analysis Index

I. Background Information

ImageTree Corporation, located In Morgantown, WV provides innovative forest and standing timber analysis solutions that are unparalleled in speed of delivery, granularity of detail, and overall accuracy. ImageTree's integrated approach leverages advanced automated feature extraction (AFE) algorithms, comprehensive field forestry utilities and sophisticated probabilistic sampling methods in a production environment managed by experienced forestry professionals. This integrated system assists land owners, forest stewards, and timber managers in reducing their overall forestry management costs, improving the productivity of their operational teams, and providing insights into valuation and health that enables a maximum return on timber assets while enhancing the overall productivity and well-being of the ecosystem.

II. Basic Considerations

A. Type of Investment

1. Amount and Purpose

- August 2006 - Investment of $250,000 in Series B Preferred Stock as a part of a total "B" round of $4,500,000 used for general working capital.

B. Type of Business

1. **Legal Form** – "C" Corporation

2. **Functional Type of Organization** – ImageTree Corporation provides forest imaging technology for advanced forestland management. The Company's Board of Directors includes: Scott Nissembaum (Chair), PA Early Stage; Mort Collins, Battelle Ventures; Mark Redlus; ImageTree Corporation; Rob Garland, independent; and, Mike Clutter, Independent.

3. **Business Operations** – The Company's main headquarters is located in Morgantown, WV.

4. **Quality of Management** – Mark Redlus, CEO, has been a serial entrepreneur and executive leader in the information technology industry for the last decade. Mr. Redlus served as CEO of Red Sector A, Inc., a Philadelphia-based Internet consultancy and software integrator from 1996-1999, and grew that entity 2100% during his tenure culminating in a successful sale at a 3.5X revenue to CoreTech Consulting Group in 1999.

Robert Pliszka, Vice President Operations and Forestry, is responsible for overseeing field forestry activities, production operations, biometric support, and raw material supplier management for ImageTree. He has nearly 10 years of operational and management experience in forestry, GIS, and Remote Sensing Applications. George Fulton, Executive Vice President, creates new products, builds its brand and business and market-strategy development. His corporate leadership experience includes positions at The TORO Company, General Mills, Eddie Bauer and a Minneapolis advertising agency in various marketing capacities. Mike Coleman, Vice President of Sales, is at the forefront of ImageTree's sales efforts. He is an initial customer contact for those learning about ImageTree and how their services support forest management. Mr. Coleman brings 19 action-packed years of executive management and enterprise-level selling experience to ImageTree from the Hewlett Packard Company.

C. Types of Financial Statements of the Company

1. **Annual:** Internal - unaudited

2. **Interim:** Quarterly – unaudited

III. Financial Analysis

A. Information Regarding the Company (business plans, etc.)

ImageTree is a Delaware C corporation funded and established in 2005 by PA Early Stage Partners, a venture fund located in Wayne, PA. The new Company was established with corporate headquarters in Morgantown, WV and made key hires of experienced technology entrepreneurs and senior forestry professionals. ImageTree acquired the integrated technology platform, associated intellectual property, selected assets, and management team personnel from International Hardwood Consulting (dba Falcon Informatics) in December 2005.

B. Financial Statement Analysis

Exhibit A, attached, lists key elements and financial ratios from the April 30, 2008 internal quarterly and the December 31, 2007 and 2006 year-end unaudited financial statements for ImageTree, Inc.

IV. Events Subsequent to the Initial Investment and the Effect on the Investment

In May 2008, Imagetree, Inc. closed a $1,680,000 bridge round, (75,000 JIT) in the form of a convertible promissory note with warrants to purchase Series C preferred stock.

In June 2007, Imagetree, Inc. closed a $2 million debt facility from BlueCrest Capital of which $473,000 was used to payoff and closeout the existing Square 1 facility.

V. Methodology of Current Evaluation of the Investment

Factors that may be considered in the evaluation of investments in equity and debt securities of startup companies and other securities for which market quotations are not readily available are:

- the amount that might reasonably be expected to be received upon current sale of the securities;
- the fundamental analytical data relating to the investment;
- the nature and duration of restrictions on disposition of the securities;
- an evaluation of the forces that influence the market in which these securities are purchased and sold;
- type of security;
- cost at date of purchase;
- size of holding;
- discount from market value of unrestricted securities of the same class at the time of purchase;
- financial statements;
- special reports prepared by analysts;
- information as to any transactions or offers with respect to the security;
- existence of merger proposals or tender offers affecting the securities;
- price and extent of public trading in similar securities of the issuer or comparable companies;
- the nature of the business and history of the enterprise from its inception;
- the general economic outlook and the condition of and outlook for the specific industry;
- an evaluation of the securities and economic condition of the portfolio company;
- the portfolio company's capacity for earnings;
- the portfolio company's market position;
- competition;

- the portfolio company's goodwill and other intangible values;
- recent sales of securities by the portfolio company;
- market prices of publicly traded securities of corporations of comparable size and earnings in the, or similar lines of, business;
- likelihood of exercise of conversion privileges of convertible securities;
- actual performance compared to expected performance; and
- other relevant matters.

The American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide, *Audits of Investment Companies*, requires venture capital companies to record their investment portfolios at quoted market prices or, in the absence of quoted prices, at amounts representing estimates of fair value using methods determined in good faith by the board of directors or general partner.

Financial Accounting Standards Board (FASB) Statement No. 114, *Accounting by Creditors for Impairment of a Loan*, excludes all companies that record investments at fair value, in accordance with specialized practice, from the requirements to report loan loss contingencies. In any event, the FASB requires that loan loss provisions be accrued only when it is *probable* that an asset has been impaired and that the amount of the loss be *reasonably* estimable.

The AICPA Investment Companies Special Committee states in its report, *Accounting for Venture Capital Investment Companies*, that "Startup companies generally do not have a record of earnings or operating information. Startup and other early-stage companies generally report losses in the early years, and portfolio companies seeking second-stage financing may not yet be showing profits. An operating loss reported by a portfolio company does not necessarily mean that the venture capital investment company should reduce the carrying amount of its investment. In determining value, the board of directors should also consider such factors as the cost of the investment, actual performance compared to expected performance, and earning potential."

The Investment Companies Special Committee believes that investments in startup companies should be presented at value. Value is usually assumed to be the same as cost during the early stages of such investments unless there is persuasive evidence of a quantifiable increase or decrease in the value of the investment based on consideration of such factors as those discussed above.

VI. Overall Conclusion

Based on the foregoing, the WV Jobs Investment Trust finds it most appropriate to record its investment in ImageTree, Inc. at value, which is currently presumed to be the same as cost or $250,000.

INVESTMENT ANALYSIS

JUNE 30, 2008

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

INTEGRATED SOFTWARE METRICS, INC.

Investment Analysis Index

I. Background Information

Integrated Software Metrics, Inc. (ISM) was founded in 2003 to develop new tools that detect, analyze, and predict errors in software code. Robert M. Chapman created the initial technology concept and commercialized it with the help of Lead Developer and software error analysis expert, Justin DiStefano. The Company office is located at the West Virginia High Technology Consortium Foundation's Business Incubator in Fairmont, WV. The Company has a suite of products that perform multiple functions including metrics generations, error data capture and analysis. As these tools are applied to software code, they predict which software elements of the projects will have errors. ISM's differentiating factor is the prediction, opposed to detection, of errors in software code. Also, the use of their proprietary machine learner (artificial intelligence) is unique in the market. The Company has current revenues from ongoing multi-year services contracts with various government and aerospace contractors. The core of the technology was developed in conjunction with NASA through the NASA Metrics Data Program.

II. Basic Considerations

A. Type of Investment

1. Amount and Purpose

- January 2007 - Investment of a 2-year 10%, $100,000 convertible debenture with warrants used primarily for sales and marketing of their products.

B. Type of Business

1. **Legal Form** – "C" Corporation

2. **Functional Type of Organization** – Integrated Software Metrics, Inc. is managed by two team members who are responsible for daily operations. They are; Robert M. Chapman, CEO, and Justin DeStefano, Chief Technology Officer.

3. **Business Operations** – The Company's main headquarters is located in Fairmont, WV at the West Virginia High Technology Consortium Foundation.

4. **Quality of Management** – The Core management team of Mike Chapman and Justin Stefano are extremely driven individuals with a great desire to

succeed. They have held positions as software development leads, software managers and quality assurance personnel. This gives them the unique ability to speak the language of their customers and provides a thorough understanding of their customers needs. Also, the Company has personal relationships with Federal entities and government subcontractors which will continue to benefit the Company's business development efforts.

C. Types of Financial Statements of the Company

1. **Annual:** Unaudited

2. **Interim:** Quarterly – unaudited

III. Financial Analysis

A. Information Regarding the Company (business plans, etc.)

ISM's product family, Predictive, consists of a set of tools that predict errors in source code and does so at the function level of software code. Currently, (2006) Predictive tools can be used on C and C++ code as well as Java. Other languages are in development. The suite of tools performs multiple functions, including metrics generation, error data capture/association and analysis. As these tools are applied to software code, they predict which software elements of the projects will have errors.

ISM's differentiating factor is the prediction, opposed to detection, of errors in software code. Also, the use of their proprietary machine learner (artificial intelligence) is unique in the market. The Company has current revenues from ongoing multi-year services contracts with various government and aerospace contractors.

B. Financial Statement Analysis

Exhibit A, attached, lists key elements and financial ratios from the March 31, 2008 internal quarterly and December 31, 2007 and December 31, 2006 internal year-end financial statements for Integrated Software Metrics.

IV. Events Subsequent to the Initial Investment and the Effect on the Investment

June 2, 2008 - The ISM Board of Directors voted to take necessary actions for dissolution of the Company. The Company's sales for their commercial products were unable to gain enough traction in the market place to support the business. Revenues from previous government contracting services also suffered significantly given budget constraints and other factors out of the control of ISM, leading to the close of the business.

January 2007 - The JIT Board approved a $100,000 investment in Integrated Software Metrics. The investment was a two-year 10% Convertible Debenture with 40%-100% warrant coverage for notes purchased. Warrant coverage was based on closing dated of first preferred equity round. The company had an outstanding demand note with warrants from the West Virginia High Technology Consortium Foundation with a principal amount of $150,000.

V. Methodology of Current Evaluation of the Investment

Factors that may be considered in the evaluation of investments in equity and debt securities of startup companies and other securities for which market quotations are not readily available are:

- the amount that might reasonably be expected to be received upon current sale of the securities;
- the fundamental analytical data relating to the investment;
- the nature and duration of restrictions on disposition of the securities;
- an evaluation of the forces that influence the market in which these securities are purchased and sold;
- type of security;
- cost at date of purchase;
- size of holding;
- discount from market value of unrestricted securities of the same class at the time of purchase;
- financial statements;
- special reports prepared by analysts;
- information as to any transactions or offers with respect to the security;
- existence of merger proposals or tender offers affecting the securities;
- price and extent of public trading in similar securities of the issuer or comparable companies;
- the nature of the business and history of the enterprise from its inception;
- the general economic outlook and the condition of and outlook for the specific industry;
- an evaluation of the securities and economic condition of the portfolio company;
- the portfolio company's capacity for earnings;
- the portfolio company's market position;
- competition;
- the portfolio company's goodwill and other intangible values;

- recent sales of securities by the portfolio company;
- market prices of publicly traded securities of corporations of comparable size and earnings in the, or similar lines of, business;
- likelihood of exercise of conversion privileges of convertible securities;
- actual performance compared to expected performance; and other relevant matters.

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The Investment Companies Special Committee believes that investments in startup companies should be presented at value. Value is usually assumed to be the same as cost during the early stages of such investments unless there is persuasive evidence of a quantifiable increase or decrease in the value of the investment based on consideration of such factors as those discussed above.

VI. Overall Conclusion

Based on the foregoing, the WV Jobs Investment Trust finds it most appropriate to record its investment in Integrated Software Metrics, Inc. at $0.00.

JBLCo

INVESTMENT ANALYSIS

JUNE 30, 2008

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

JBLCo

Investment Analysis Index

I. Background Information

JBLCo, Inc. was founded as Compro Systems in St. Albans, West Virginia in 1983 to develop automated motor truck scale data collection systems for industrial markets with initial concentration on the coal mining transport and delivery markets. In 1993, Compro Systems founded Phoenix Scale technologies dedicated to designing, producing and servicing value priced single idler industrial conveyor belt scales. In 1999, with a vision of complimenting Compro's scale automation offerings with truck scale hardware, accessories and services, Compro acquired Shamrock Scale Company of Morristown, Tennessee, a nationally recognized source. Shamrock is an on-site consultation, project engineering and turnkey installer of truck scales. In May 2001, Compro purchased John B. Long Company (JBLCo) located in Knoxville, TN. JBLCo is a developer and manufacturer of bulk material sampling equipment for industrial markets. JBLCo's revenues are also supplemented by an industry standard line of mine support equipment and accessories. These four entities have been molded into one corporate management and technical team and have relocated the St. Albans operations to Tennessee.

II. Basic Considerations

A. Type of Investment

1. Amount and Purpose

- Investment of $500,000 in Series A convertible preferred stock. Funds were used to refinance debt incurred in the acquisition of the businesses referred to above and to relocate appropriate segments of those businesses and their respective jobs to West Virginia.

B. Type of Business

1. **Legal Form** – "C" Corporation

2. **Functional Type of Organization** - The management for JBLCo Inc. include Steve Campbell, CEO, and David Robinson, Director of Sales and Marketing.

3. JBLCo, Inc. designs and manufactures automated truck scale data collection systems that are utilized in various industries including coal, power generation, aggregates, grain, and solid wastes. JBLCo is a supplier of

innovative sampling systems and components, mine transportation and safety equipment, and related services to the bulk materials and mining industries.

The focus of JBLCo's business lines is in the coal and aggregate industries with over 90% of gross revenues coming from the United States domestic market and approximately 75% of this business coming from the Eastern United States. Approximately 60% of gross revenues are generated from the coal industry and are evenly split between the producers (coal mining, production and treatment) and users (coal fired power plants).

4. **Quality of Management** – The Senior Management, including Jeff Hoops and Steve Campbell, have experience in supplying equipment and services to the mining and industrial markets of North America and abroad. The Company currently has numerous employees with many holding engineering or other technical degrees. The second tier managers and technical staff are an experienced and growth oriented management staff.

C. Types of Financial Statements of the Company

1. **Annual:** unaudited

2. **Interim:** Quarterly - unaudited

III. Financial Analysis

A. Information Regarding the Company (business plans, etc.)

JBLCo has several promising new products to offer the market to meet changing industry needs and one new manufacturing change. First is the addition of a newly designed and patented heavy material truck/rail batch weighing, load-out facility. This specially designed load-out is 60% smaller than the current competitors, 30% cheaper, and approximately 15% more efficient. Second, the Company is also looking to address the industry's need for more timely material handling analysis. In early 2000, the Company began investing product research and development as an industrial partner with Western Kentucky University to incorporate neutron activation technology into the Company's JBLCo line of sampling equipment. Such technology expands the ability to determine the elemental concentration in coal feedstock either at the mine or as fed into an electric power plant. Every indication is that environmental pressures will put increasingly tighter control on combustion and scrubbers for coal power plant use that will require just this capability for real time measurement of, for example, sulphur, ash, and nitrogen. This technology is in the research and development phase and is not commercially viable. The Company has donated all assets related to this project to WKU. Third, JBLCo has been working with manufacturers of special video imaging equipment that will provide on-line size analysis of aggregate products. This new product is expected to improve the ability of aggregate plants to maintain consistent product size distribution. Coupled with the JBLCo sampling equipment, on-line video imaging is an exciting new development in the aggregate industry. Finally, with the increasing competition for heavy truck scales, the Company is now positioned to manufacture scales in-house instead of purchasing scales on the wholesale market. In-house scale manufacturing will improve customer turnaround, provide increased design flexibility, and double gross margins.

The Company changed its name from CSI Group to JBLCo, Inc. This was done in order to complete the separation of the Company from Compro Systems. JBLCo, (John B. Long Company) is a well know credible brand in the industry.

June 2005 - The JBLCo Board signed a letter of intent to hire Jeff Hoops as the new CEO of JBLCo, Inc. Mr. Hoops brings a wealth of experience in the industry having been the former Vice President of Arch Coal's Eastern Operations as well as the President and founder of Solomons Mining Company. Mr. Hoops received equity in JBLCo in exchange for a $650,000 investment and the guarantee of a $2M line of credit. The JIT percentage of equity ownership was reduced as a result.

June 2006 - Under the leadership of current CEO, Jeff Hoops, the Company performed well. The 2005 year-end financials showed revenues increasing slightly while net income increased significantly from $49K to $387K. The Company reduced its total liabilities by more than$1.6M and acquired a scale company to increase sales and market share.

B. Financial Statement Analysis

Exhibit A, attached, lists key elements and financial ratios from the March 31, 2008 interim and the combined December 31, 2007-2003 year end internally generated financial statements.

IV. Events Subsequent to the Initial Investment and the Effect on the Investment

In August 2003, the Compro Board, with recommendation from the consulting firm of Nachman Hays, elected Steve Campbell as CEO of the Company to head all operations. Mike Shafer resigned from the Company and surrendered his stock but did retain certain business assets. As a result of the stock surrender by former CEO and majority stockholder, Mike Shafer, JIT's equity position increased from 10% to 23% ownership of the Company.

In September 2003, Mountaineer Capital made an additional $500,000 investment in Compro Systems. This was structured as a secured note and has no effect on the equity position of JIT. Additionally, Mountaineer Capital purchased, at a deep discount, the existing $2.8 million dollar debt held by Huntington National Bank.

2002 - No significant internal events occurred since JIT's investment in the Company, however, the coal industry continued in the doldrums and capital spending for that industry was down significantly. The automated scale part of Compro's business was therefore suffering and the total revenue for the Company was well behind projections. There were some modest signs of recovery and the JBL line continued to perform acceptably.

V. Methodology of Current Evaluation of the Investment

Factors that may be considered in the evaluation of investments in equity and debt securities of startup companies and other securities for which market quotations are not readily available are:

- the amount that might reasonably be expected to be received upon current sale of the securities;
- the fundamental analytical data relating to the investment;
- the nature and duration of restrictions on disposition of the securities;
- an evaluation of the forces that influence the market in which these securities are purchased and sold;
- type of security;
- cost at date of purchase;
- size of holding;
- discount from market value of unrestricted securities of the same class at the time of purchase;
- financial statements;
- special reports prepared by analysts;
- information as to any transactions or offers with respect to the security;
- existence of merger proposals or tender offers affecting the securities;
- price and extent of public trading in similar securities of the issuer or comparable companies;
- the nature of the business and history of the enterprise from its inception;
- the general economic outlook and the condition of and outlook for the specific industry;

- an evaluation of the securities and economic condition of the portfolio company;
- the portfolio company's capacity for earnings;
- the portfolio company's market position;
- competition;
- the portfolio company's goodwill and other intangible values;
- recent sales of securities by the portfolio company;
- market prices of publicly traded securities of corporations of comparable size and earnings in the, or similar lines of, business;
- likelihood of exercise of conversion privileges of convertible securities;
- actual performance compared to expected performance; and
- other relevant matters.

The American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide, *Audits of Investment Companies*, requires venture capital companies to record their investment portfolios at quoted market prices or, in the absence of quoted prices, at amounts representing estimates of fair value using methods determined in good faith by the board of directors or general partner.

Financial Accounting Standards Board (FASB) Statement No. 114, *Accounting by Creditors for Impairment of a Loan*, excludes all companies that record investments at fair value, in accordance with specialized practice, from the requirements to report loan loss contingencies. In any event, the FASB requires that loan loss provisions be accrued only when it is *probable* that an asset has been impaired and that the amount of the loss be *reasonably* estimable.

The AICPA Investment Companies Special Committee states in its report, *Accounting for Venture Capital Investment Companies*, that "Startup companies generally do not have a record of earnings or operating information. Startup and other early-stage companies generally report losses in the early years, and portfolio companies seeking second-stage financing may not yet be showing profits. An operating loss reported by a portfolio company does not necessarily mean that the venture capital investment company should reduce the carrying amount of its investment. In determining value, the board of directors should also consider such factors as the cost of the investment, actual performance compared to expected performance, and earning potential."

The Investment Companies Special Committee believes that investments in startup companies should be presented at value. Value is usually assumed to be the same as cost during the early stages of such investments unless there is persuasive evidence of a quantifiable increase or decrease in the value of the investment based on consideration of such factors as those discussed above.

VI. Overall Conclusion

Based on the foregoing, the WV Jobs Investment Trust finds it most appropriate to record its investment in JBLCo, Inc. at value, which is currently presumed to be the same as cost or $500,000.

MANNETTE

STEEL DRUMS

LTD

INVESTMENT ANALYSIS

JUNE 30, 2008

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

MANNETTE STEEL DRUMS, INC.

Investment Analysis Index

I. Background Information

Mannette Steel Drums, Inc. located in Morgantown, WV is a manufacturer of steel drum instruments. Ellie Mannette, founder and CEO, is widely regarded as the "father of the modern day steel drum" and has dedicated his life to the steel drum art form. Dr. Mannette founded the Company in 2000, and has trained a group of skilled apprentices to build and tune drums. Mannette's instruments are celebrated for their high quality of craftsmanship, balanced tone, and widest range of any steel drum manufacturer.

The Steel Drum, or Pan, is a unique instrument, and one of the most recently invented. It is a skillfully hammered 55-gallon drum which has been carefully tuned to produce tones. The Steel Drum carries the full chromatic range of notes, and can produce numerous types of music.

II. Basic Considerations

A. *Type of Investment*

1. Amount and Purpose

Funds used as working capital.

- $50,000 (8%; plus 2% royalty) senior subordinate debenture
- $25,000 preferred stock; put right at end of five years for 100% of investment plus a premium of 15% compounded.

B. *Type of Business*

1. **Legal Form** – "C" Corporation

2. **Functional Type of Organization -** The management of Mannette Steel Drums and those responsible for the daily operations are; Ellie Mannette President and Chanler Bailey, CEO.

3. **Business Operations** – Mannette operates from their manufacturing facility in Morgantown, WV with twelve full time and two part time employees. The Company manufactures two lines of steel drum instruments; a Professional Series and a Classic Series. All drums are manually produced from 55 gallon steel drums sourced from suppliers. Prior to shipping, drums

are tuned by the founder or a qualified apprentice. Mannette Steel Drums sells principally to school band directors and professional steel drum players. Currently, the customer mix is as follows: 70% schools, 16% professionals, 9% individuals, 4% churches, and 1% mix. The WVU Research Corporation has provided various different resources to Mannette including: sales and marketing support, production efficiency improvement processes, market research, etc.

4. **Quality of Management** – Ellie Mannette is responsible for much of the innovation of the steel drums and for taking them to a very high level of tonal sophistication. For these achievements he was awarded in 1999 the National Heritage Fellowship Award from the NEA for lifetime achievement and excellence in the traditional arts. In November 2003, he was inducted into the Percussive Arts Society Hall of Fame, the highest honor an artist can receive for contributions in the field of percussion. Chanler Bailey, CEO, has been with Mannette since 2000. Mr. Bailey started as an apprentice under Ellie Mannette and has developed into a master craftsman. With a strong desire to see the Company grow and succeed, Mr. Bailey transitioned from craftsman to operations manager and in May 2005, officially took over all operations as CEO of the Company.

   The Board of Directors include: Mike Kelly, President of Dulaney Oil; Ron Justice, Mayor of Morgantown, WV. Chanler Bailey and COO Kathie George represent Mannette on the Board. The JIT has observer rights to all Mannette Board meetings.

C. Types of Financial Statements of the Company

1. **Annual:** unaudited

2. **Interim:** Quarterly - unaudited

III. Financial Analysis

A. Information Regarding the Company (business plans, etc.)

June 2006- The Company was working with Tom O'neil at the Deleware based Company, Hydrosteel, LLC to produce the low end drum line. Hydrosteel built a prototype machine capable of automating a significant portion of the steel drum manufacturing process. The electronic device includes a robotic arm that pneumatically forms the drum surface. The WVU Technology Transfer Office is aiding Mannette in contract negotiations between the two companies.

Mannette offers two specific lines of drums made up of the Classic Series and the Professional Series. The Classic Series include instruments crafted and tuned entirely by employees for a wide market. This line is sold to non-professional musicians and schools. These drums are either finished with powder coating or chrome. The Professional series are constructed by the top craftsman and final tuning is performed by Ellie Mannette. By the 2nd quarter of 2006, Mannette plans to introduce a low-end drum line that will market to educational institutions, particularly middle schools and financially disadvantaged high schools. This market is projected to account for a significant amount of the sales for the Company.

Mannette recommends that all drums be tuned at least once a year to maintain the professional high quality sound. To support this recommendation, Mannette offers tuning support services that are performed by only the most qualified staff members. Mannette earns as much as $200 for each drum that is tuned.

B. Financial Statement Analysis

Exhibit A, attached, lists key elements and financial ratios from the March 31, 2008 interim, and the twelve months ended December 31, 2007-2004 year end internal financial statements.

IV. Events Subsequent to the Initial Investment and the Effect on the Investment

In March 2005, the JIT Board approved a $50,000 debenture; the proposed investment is an 8%, interest bearing note with maturity date of 60 months from the date of issue. Additionally, the JIT Board approved a $25,000 preferred stock investment.

The JIT also collected a monthly 2% royalty fee based on the monthly gross sales of the Company. Mannette Steel Drums has struggled financially since the onset of the investment and was delinquent in their payments of royalties. JIT subsequently terminated the royalty arrangement. The Company's total accrued unpaid interest exceeds $8,000.

V. Methodology of Current Evaluation of the Investment

Factors that may be considered in the evaluation of investments in equity and debt securities of startup companies and other securities for which market quotations are not readily available are:

- the amount that might reasonably be expected to be received upon current sale of the securities;
- the fundamental analytical data relating to the investment;
- the nature and duration of restrictions on disposition of the securities;
- an evaluation of the forces that influence the market in which these securities are purchased and sold;
- type of security;
- cost at date of purchase;
- size of holding;
- discount from market value of unrestricted securities of the same class at the time of purchase;
- financial statements;
- special reports prepared by analysts;
- information as to any transactions or offers with respect to the security;
- existence of merger proposals or tender offers affecting the securities;
- price and extent of public trading in similar securities of the issuer or comparable companies;
- the nature of the business and history of the enterprise from its inception;
- the general economic outlook and the condition of and outlook for the specific industry;
- an evaluation of the securities and economic condition of the portfolio company;
- the portfolio company's capacity for earnings;
- the portfolio company's market position;
- competition;
- the portfolio company's goodwill and other intangible values;
- recent sales of securities by the portfolio company;
- market prices of publicly traded securities of corporations of comparable size and earnings in the, or similar lines of, business;
- likelihood of exercise of conversion privileges of convertible securities;
- actual performance compared to expected performance; and
- other relevant matters.

The American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide, *Audits of Investment Companies*, requires venture capital companies to record their investment portfolios at quoted market prices or, in the absence of quoted prices, at amounts representing estimates of fair value using methods determined in good faith by the board of directors or general partner.

Financial Accounting Standards Board (FASB) Statement No. 114, *Accounting by Creditors for Impairment of a Loan*, excludes all companies that record investments at fair value, in accordance with specialized practice, from the requirements to report loan loss contingencies. In any event, the FASB requires that loan loss provisions be accrued only when it is *probable* that an asset has been impaired and that the amount of the loss be *reasonably* estimable.

The AICPA Investment Companies Special Committee states in its report, *Accounting for Venture Capital Investment Companies*, that "Startup companies generally do not have a record of earnings or operating information. Startup and other early-stage companies generally report losses in the early years, and portfolio companies seeking second-stage financing may not yet be showing profits. An operating loss reported by a portfolio company does not necessarily mean that the venture capital investment company should reduce the carrying amount of its investment. In determining value, the board of directors should also consider such factors as the cost of the investment, actual performance compared to expected performance, and earning potential."

The Investment Companies Special Committee believes that investments in startup companies should be presented at value. Value is usually assumed to be the same as cost during the early stages of such investments unless there is persuasive evidence of a quantifiable increase or decrease in the value of the investment based on consideration of such factors as those discussed above.

VI. Overall Conclusion

Based on the foregoing, Jobs Investment Trust finds it most appropriate to record its investment in Mannette Steel Drums, Inc. at value, which is currently presumed to be $27,438.

MOUNTAINEER TROUT FARM, LLC

INVESTMENT ANALYSIS

JUNE 30, 2008

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

Mountaineer Trout Farm, LLC

Investment Analysis Index

I. Background Information

Mountaineer Trout Farm, LLC is an aquaculture business formed in March 2007, and is a joint partnership run by Ted Miller (since deceased) of Birch Creek Deer Farms located in Pennsylvania, and S. E. Thompson, Jr., of Gainesville, Florida. Operations are at the Lillybrook Aquafarm site located in Josephine, West Virginia. The site uses water from the former Lillybrook Mine. The water is ideal in temperature, chemistry, and is free of water-borne disease. The site is gravity-fed, thus eliminating redundant pumping systems, which significantly reduce operating costs and gives the Company a cost advantage.

II. Basic Considerations

A. *Type of Investment*

1. Amount and Purpose

Mountaineer Trout Farm, LLC entered into a sub-lease agreement with WVJIT for a period of thirty (30) years with two ten (10) year renewal options.

2. Sources Considered for Repayment

The sub-lease is payable monthly, in arrears. WVJIT will collect five percent of the "gate price" of the fish sold. Gate price is the selling price of live fish when they are transported from the fish farm. Sales may be made for stocking purposes or processed for consumption. The percentage will be applied to sales resulting from an arms length transaction. Any sales made to close associates, family, or otherwise at a favorable price not consistent with market prices, will be based on an assumed sales price of $1.40 per pound.

WVJIT in turn will pay a royalty of 1.25% to the landowner, Piney Land.

B. *Type of Business*

1. **Legal Form** – Limited Liability Company.

2. **Functional Type of Organization** - The Company is a joint ownership of Ted Miller and S. E. Thompson, Jr.

3. **Business Operations** - Aquaculture project - hatching, growing, delivering and selling trout.

4. **Quality of Management** –Tom Ort has over twenty years experience in raising trout in North Carolina.

C. Types of Financial Statements of the Company

1. **Annual:** Not Available

2. **Interim:** Not Available

III. Financial Analysis

A. Information Regarding the Company (business plans, etc.)

Mountaineer Trout Farm, LLC was formed to take advantage of a natural resource - mine water used to supply an aquaculture project.

The Company has completed ten new pairs of concrete raceways each measuring 100 feet by 20 feet. The raceways have been constructed with Company funds and borrowed funds from Farm Credit. The raceways are estimated to enable first year production of up to 300,000 pounds of trout and increasing to a maximum capacity of 400,000 in future years.

The lease gives Mountaineer Trout Farm, LLC the right of first refusal on any future lease for the McAlpin Farm site.

With regard to the possible use of the second site, management sees its initial use as overflow capacity for larger trout raised at the Lillybrook site. By utilizing this second site and with the completion of the raceways at the Lillybrook site, and the possible utilization of the McAlpin site, the Company believes capacity will increase to 750,000 pounds of trout per year within three to five years.

Mountaineer Trout Farms, LLC has been selling trout since October 2007. The selling price of their product has ranged from $1.50 to $2.00 per pound. The Company will pay five percent to JIT for trout produced and sold.

Based on 400,000 pounds of fish being sold from the Lillybrook site, and assuming an average "gate price" of $1.50, the sub-lease revenue of 5% would be $30,000 less the 1.25% royalty payable to Piney Land Company of $7,500 or $22,500 per year. If the right of first refusal for the McAlpin site is exercised, then lease revenues will significantly increase.

B. Financial Statement Analysis

Not available.

IV. Events Subsequent to the Initial Investment and the Effect on the Investment

2008 - Mountaineer Trout had the sad misfortune of losing one of the two founders of the Company, Ted Miller. Fortunately, Ted and his partner Sonny Thompson had earlier entered into a contract with Tom Ort to manage the fish farm and develop additional sites for growing fish. Tom has over twenty years experience in raising trout in North Carolina. Tom is currently negotiating a loan agreement with 4-C EDA for additional working capital as well as the expansion of four additional raceways. During the past year the Company has completed ten pairs of raceways. The Company expects to grow more than twice the volume ever achieved with round tanks.

2007 - Mountaineer Trout Farms, LLC business is limited to the grow-out and sale of live fish. The prior tenant of the fish farms, High Appalachian of WV, utilized the processing plant in Sophia for value added processing. Since the equipment was not needed by Mountaineer Trout, WVJIT has since sold it to a processor located in Monroe County, WV and the building has also since been sold.

V. Overall Conclusion

Based on the foregoing, the WV Jobs Investment Trust finds it most appropriate to record its investment in the assets owned or controlled by WVJIT for use in the aquaculture industry, some of which are leased to Mountaineer Trout Farm, LLC at $626,610.

NEW FRONTIER FIREWOOD, LLC

INVESTMENT ANALYSIS

JUNE 30, 2008

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

NEW FRONTIER FIREWOOD, LLC

Investment Analysis Index

I. Background Information

New Frontier Firewood, LLC, is a Green Bank, WV Company that supplies bundled firewood products and is operated by its founder, Lynn Grimes. The Company offers bundled firewood, bundled chiminea wood, bundled kindling wood, and bulk firewood. Most of the Company's business is derived from retail stores through a broker. New Frontier Firewood has a golden opportunity to entrench itself in the bundled firewood market due to the increased demand and short supply of mass producers and is one of the first facilities in the state to supply this product to large volume markets.

II. Basic Considerations

A. Type of Investment

1. Amount and Purpose

May 10, 2006 - Investment of up to $200,000 that was funded as follows: $50,000 in Preferred Membership Units and $150,000 in subordinated debt that was used to acquire equipment owned by Deer Creek Management, LLC and for working capital.

B. Type of Business

1. **Legal Form** – Limited Liability Company.

2. **Functional Type of Organization** – New Frontier Firewood, LLC is currently managed by Lynn Grimes.

3. **Business Operations** – New Frontier Firewood, LLC is a successor Company to Frontier Firewood Supply, Inc., who had been in business since 2003, and was a producer and seller of bundled and bulk firewood. The Company organized and restarted operations in August 2006, by acquiring the real estate and improvements through a court approved asset purchase from Deer Creek Management, LLC. Deer Creek was an asset holding entity and was placed in voluntary bankruptcy in August 2005 to satisfy creditor claims. New Frontier Firewood was funded by WVJIT and Mountaineer Capital, LP. Both investors contributed equity and debt along with a real-estate loan from the WV Infrastructure and Jobs Council.

4. **Quality of Management** – Lynn Grimes has been in the logging/timber business since 1967. Through a series of events, Lynn Grimes expanded his

logging operation to include a facility to process pulpwood (unusable as saw logs) into packaged firewood for the consumer market.

C. Types of Financial Statements of the Company

1. **Annual:** Internal unaudited

2. **Interim:** Internal unaudited

III. Financial Analysis

A. Information Regarding the Company (business plans, etc.)

Through a series of events Lynn Grimes expanded his logging operation to include a facility to process pulpwood (unusable as saw logs) into packaged firewood for the consumer market. Prior to entering the firewood business, the pulpwood produced by the logging operation was sold to the Mead Westvaco pulp mill in Covington, Virginia.

The expansion into firewood created an opportunity to add value to the pulpwood and increase the overall margin from this byproduct. It was the belief of Mr. Grimes that the continued profitability of the timbering operation would carry the start up expenses of Frontier Firewood. Unfortunately, in the winter of 2002-03, snow and ice storms were accompanied by extremely cold temperatures which severely limited logging. Spring, summer and fall 2003 had above normal levels of rainfall further limiting logging. Finally, abnormal levels of rainfall in the spring of 2004, winter of 2004 and spring 2005, further hampered the profitability of the logging operation. Over this period of time, Mr. Grimes was forced to borrow funds to keep the firewood operations running.

Frontier Firewood was victim to weather related circumstances, poor financial planning, and inadequate working capital. JIT and others were contacted by Mr. Grimes in the spring of 2005.

In September 2005, the logging related businesses owned by Mr. Grimes, filed for protection under the Federal Bankruptcy Code.

In October 2005, Harry Watt, an expert in value-added wood products with the Extension Office at North Carolina State University, was retained by the WV Department of Forestry as a consultant to determine the current capacity, efficiency, and cost analysis as well as make recommendations for operational improvements of the firewood Company. Mr. Watt spent a week in Green Bank where he observed a limited period of the firewood operation, reviewed past performance data and had discussions with management. At the conclusion of the week he produced an extensive report on product costing, manufacturing capacity, and improvement proposals for the Company as well as potential for success. Harry Watt again visited the facility in December 2005 to update the report. The final report update was in April 2006. Mr. Watt's most recent visit was November 2006.

In April 2006, WV JIT, along with Mountaineer Capital, each invested $50,000 in equity and $150,000 in debt for the formation of New Frontier Firewood, LLC. Due to delayed court actions and secured creditor negotiations the asset purchase on behalf of the new Company and the restart of operations was delayed until late August 2006.

Packaged firewood is seasonal; retail deliveries are primarily made September through March. Sales are booked with retail companies in the April, May and June period. To meet fall deliveries, cutting and packaging must start much earlier to build inventory in advance of the required delivery dates.

Prior to JIT and Mountaineer Capital's funding approval and as part of the source for working capital, New Frontier had order commitments from a large broker with a commitment to pay upon the completion of the packaging. The broker, Lost Coast Forest Products, sells to several large national retail chain stores.

While the initial funding for New Frontier Firewood was approved in April 2006, the restart of operations did not occur until August 2006. Unfortunately, as soon as the Company was funded, it had to immediately begin packaging and shipping firewood to meet its commitment to Lost Coast. This hurried restart did not allow most of the planned improvements to be implemented prior to the restart, nor did it allow for the natural air-drying of the pulpwood to take place.

In order to meet the delivery of orders, New Frontier started running an extended ten hour shift, packaging six days a week. The winter brought some very cold days and difficult working conditions. Due to the increases (discussed later under item 7) direct costs actually incurred were far in excess of the anticipated costs and the gross margin was virtually eliminated. The Company continued to meet its commitment and filled orders through February.

B. Financial Statement Analysis

Exhibit A, attached, lists key elements and financial ratios from the December, 31 2007 and 2006 internal financial statements.

IV. Events Subsequent to the Initial Investment and the Effect on the Investment

Since the first of March 2007, the Company has operated on an intermittent basis only filling orders for campgrounds, both bundled and bulk. Unfortunately the Company has depleted cash and accounts payable exceeding incoming cash.

JIT and MC made their funding commitments in April 2006. Those commitments, assuming profitability, were in part based on the analysis prepared by Harry Watt. The analysis quantified direct costs: primarily labor, pulpwood, propane and packaging materials. The analysis further assumed certain physical and operational improvements to the facilities that would help achieve the targeted costs.

The initial intent was that these improvements, which included the expansion of the packaging building, could start in early spring and be fully implemented before the restart of the packaging operation. The building addition would allow for (1) staging wood while cooling down from the kiln; (2) allow for the second packing line; (3) provide trailer height loading access and (4) make available short-term storage of ready to ship product.

Funding for the restart was delayed until August 2006. The Company had order requirements to which they were committed, thus forcing the immediate start of packaging wood. By October, it was ultimately decided by New Frontier's Board, that the building addition was not feasible for several reasons. Alternative solutions were developed to address the remedies otherwise provided by the building expansion. It was hoped that some of the alternative efficiency improvements could be achieved after startup. Unfortunately, as the winter weather set in, implementing most of these improvements was not possible.

Among the consequences, the Company was unable to get the second packing line installed; no extra baskets to rotate in and out of the kiln; no space to dump hot wood from the kiln while it cooled; no loading dock or ramp to load trailers; and, the packing building, was without heat and fully exposed on one side to the weather.

In part due to the above circumstances, the Company was unable to produce within the anticipated direct costs. Labor productivity was impaired due to several of these conditions plus other related hindrances. Total direct labor costs were projected to be \$.26 per bundle. However, the average cost for direct labor was \$ .74 per bundle. Packing line productivity ranged from 22 to 33 bundles per person, per hour.

Pulpwood was projected to be $.32 per bundle. Costs to acquire pulpwood increased to $.46 per bundle due to a slow down in the demand for red oak which is the predominate species grown in the immediate region. Because of the lower level of harvesting, the pulp mills have been forced to increase pulp prices thus forcing a higher price paid by New Frontier.

Propane usage and costs were projected to be $.08 per bundle. The Company's propane supplier who owned the 10,000 gallon tank in place, was an unsecured credit in the earlier bankruptcy and chose to charge New Frontier excessive prices. Other suppliers are by law, prohibited from using this tank. In December, the Company was able to get temporary tanks installed by a competitor thus lowering propane costs by 20%. In addition to the cost of propane, as the season turned colder, the quantity of propane necessary to dry the wood was greater. Further contributing to the propane usage was the lack of time during which pulp logs could air dry. The Company was unable to afford a log inventory sufficient to allow time to air dry. Upon receipt, logs were almost immediately cut and split and sent to the kiln. In addition, the time delay in the restart resulted in two expensive pieces of equipment being sold by secured creditors prior to the restart forcing the Company to enter into costly short-term rental agreements.

New Frontier Firewood has had an ongoing dialog with its primary customer, Lost Coast Forest Products. The previously agreed wholesale price initially appeared to allow a sufficient gross margin for the Company. Unfortunately, that was not the case. While to no avail the Company asked for a price increase, the Company was aware that Lost Coast had made delivery commitments to their accounts based on the initial wholesale price. New Frontier felt committed to deliver at the agreed price hoping to build good will as a reliable supplier.

Lost Coast management met in January 2007 to discuss with New Frontier, JIT, and Mountaineer Capital, the need for an increase in the wholesale prices and business prospects for the future. At that meeting, the urgency of the price increase was clearly stated. Commitments were made by Lost Coast for a quick response to the need for a price increase as well as immediate orders for Chiminea wood.

The Management and Board of New Frontier is well aware of the mistakes made in the past. Certainly, an awareness of the risk of being dependant upon a single customer looms large.

- The Company has identified regional brokers and manufacturers and representative firms to represent New Frontier to the "big box" retail grocery, mass market, nursery and home-center trade categories.

- The Company is trying to develop cooperative selling efforts in conjunction with other regional firewood producers.
- The Company is in-house aggressively pursuing selling opportunities with campgrounds and state parks for bundled as well a bulk firewood sales.

There are other well thought out cost saving methods. The most significant will be the labor efficiencies as proposed in the original business plan. Specifically:

- Construction of the shed has been partially completed, which will alleviate using the floor in the packing building to dump split wood coming from the kiln for cool down. This in turn will allow closing off the open end of the building. At present, the building with the open end is subject to outside temperatures and wind. Production records show a definite decline as the season progressed to colder winter days.
- Construction of a loading ramp. Presently it takes three people to load a trailer, which should require one.
- Installing the second packaging line, thus creating some economies of scale.
- The Company has utilized the additional 18 baskets built over the past three months to collect the split wood as it is dropped from the overhead conveyor before being loaded into the kiln. Previously, the loader operator scooped up the split wood off the ground and also collected unwanted dirt and debris which must be removed before packaging.

The Company with adequate funding can also reduce its direct product costs in other ways:

- They have the opportunity to buy more reject logs from sawmills. However, this will require an annual contract and commitment to take regular deliveries. The savings could be up to 20% on these reject logs. It should be noted that this supply may only meet 30-40% of the log requirement.
- A large log inventory especially in the summer and fall will allow for air-drying time. Most competitors actually rely solely on air-drying. For New Frontier air-drying will have a significant savings on the required time in the kiln and thus the consumption of propane.
  New Frontier can also save an additional 15% on propane purchases made in truck/tanker loads of 9,000 gallons.
- There was minimal savings to be had by using a local printer to print labels in large quantities as well as larger purchases of shrink-wrap for the bundles and stretch-wrap for the pallets.
- Cost savings are also available by doing a better job of sourcing used pallets.

The Company has curtailed everyday operations other than periodic restarts for immediate orders for state parks and campgrounds.

New Frontier Firewood continues to struggle. The fall-winter season of 2007-08 was unseasonably short with warmer weather than normal. The Company did not receive nearly as many orders as anticipated, thus never achieving a level of production that created the necessary economy of scale. The situation was further complicated by rapidly increasing propane costs for the kiln as well as fuel costs for operating equipment. The Company is no longer competitive due to its dependence on kiln drying.

Currently, JIT is searching for a partner who is in the timbering business and can provide pulpwood months in advance of the selling season, thus minimizing the need for kiln drying.

V. Methodology of Current Evaluation of the Investment

Factors that may be considered in the evaluation of investments in equity and debt securities of startup companies and other securities for which market quotations are not readily available are:

- the amount that might reasonably be expected to be received upon current sale of the securities;
- the fundamental analytical data relating to the investment;
- the nature and duration of restrictions on disposition of the securities;
- an evaluation of the forces that influence the market in which these securities are purchased and sold;
- type of security;
- cost at date of purchase;
- size of holding;
- discount from market value of unrestricted securities of the same class at the time of purchase;
- financial statements;
- special reports prepared by analysts;
- information as to any transactions or offers with respect to the security;
- existence of merger proposals or tender offers affecting the securities;
- price and extent of public trading in similar securities of the issuer or comparable companies;
- the nature of the business and history of the enterprise from its inception;
- the general economic outlook and the condition of and outlook for the specific industry;
- an evaluation of the securities and economic condition of the portfolio company;

- the portfolio company's capacity for earnings;
- the portfolio company's market position;
- competition;
- the portfolio company's goodwill and other intangible values;
- recent sales of securities by the portfolio company;
- market prices of publicly traded securities of corporations of comparable size and earnings in the, or similar lines of, business;
- likelihood of exercise of conversion privileges of convertible securities;
- actual performance compared to expected performance; and
- other relevant matters.

The American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide, *Audits of Investment Companies*, requires venture capital companies to record their investment portfolios at quoted market prices or, in the absence of quoted prices, at amounts representing estimates of fair value using methods determined in good faith by the board of directors or general partner.

Financial Accounting Standards Board (FASB) Statement No. 114, *Accounting by Creditors for Impairment of a Loan*, excludes all companies that record investments at fair value, in accordance with specialized practice, from the requirements to report loan loss contingencies. In any event, the FASB requires that loan loss provisions be accrued only when it is *probable* that an asset has been impaired and that the amount of the loss be *reasonably* estimable.

The AICPA Investment Companies Special Committee states in its report, *Accounting for Venture Capital Investment Companies*, that "Startup companies generally do not have a record of earnings or operating information. Startup and other early-stage companies generally report losses in the early years, and portfolio companies seeking second-stage financing may not yet be showing profits. An operating loss reported by a portfolio company does not necessarily mean that the venture capital investment company should reduce the carrying amount of its investment. In determining value, the board of directors should also consider such factors as the cost of the investment, actual performance compared to expected performance, and earning potential."

The Investment Companies Special Committee believes that investments in startup companies should be presented at value. Value is usually assumed to be the same as cost during the early stages of such investments unless there is persuasive evidence of a quantifiable increase or decrease in the value of the investment based on consideration of such factors as those discussed above.

VI. Overall Conclusion

Based on the foregoing, the WV Jobs Investment Trust finds it most appropriate to record its investment in New Frontier Firewood, LLC at value, which is currently presumed to be $100,000.

plethora™
TECHNOLOGY

INVESTMENT ANALYSIS

JUNE 30, 2008

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

PLEHTORA TECHNOLOGY, INC.

Investment Analysis Index

I. Background Information

Plethora Technology, Inc. is a minority founded and managed Company with cutting-edge products for secure remote computing. The Company began operation in the year 2000 with eight employees based in the Howard County technology business incubator in Columbia, Maryland. In May 2005, the Company relocated its corporate headquarters to Charles Town, WV. Plethora's lead product, "Perspective," allows workers to easily and securely connect to an office network from a remote PC over any wired or wireless internet connection. Workers can also remotely control a home PC or any other remote PC on the network from the office or from another Internet connection. Plethora uses a unique authentication, encryption key generation, and firewall technology to establish a secure "tunnel" through which users transfer files, send instant messages, text conference, remotely control other PC's, and use other collaborative tools and resources.

II. Basic Considerations

A. Type of Investment

1. Amount and Purpose

- March 2005 - Investment of $250,000 in Series A preferred stock used for working capital.
- February 2006 - Investment of $150,000 convertible note as part of a $400,000 bridge loan, used for working capital.
- May 2006 - Investment of $150,000 convertible note as part of a $450,000 bridge loan, used for working capital.
- November 2006 - Investment of $100,000 convertible note used as working capital.
- March 2007 Investment of $100,000 convertible note used for working capital.
- November 2007 - Investment of $250,000 convertible note used for working capital.

B. Type of Business

1. **Legal Form** – "C" Corporation

2. **Functional Type of Organization** – The executive management of the Company responsible for daily operations are; Annette Kerlin, Chief Executive Officer; Joel Haspel, Chief Strategy Officer; Tim Simms, Chief

Technical Officer; and, Troy Williams, Vice President of Product Development.

3. **Business Operations** – Plethora currently operates from its Charles Town, WV headquarters. The Company's first product, Perspective, is fundamentally a client-server enterprise information gateway. Perspective is focused on connecting users to information resources regardless of location or format. The focus of Perspective is on facilitating connectivity from anywhere to information resources anywhere: PC applications and files, server applications and files, and network-based resources. There are three key segments that make up the market including: (1) remote PC access, (2) secure access/virtual private networking, and (3) collaborative tools.

   The Federal Government is the primary target customer due to its size and the demand for secure remote access products. This was created by a legislative mandate to establish employee "telework" programs for daily operations and "business continuity" programs in the event of a disaster. Plethora's is one of the few, and probably the most viable, software product at present that meets the recent federal telework standards.

4. **Quality of Management** – Annette Kerlin is currently serving as CEO, following her previous role as Executive Vice President. Ms. Kerlin was most recently Director of Federal Area Operations at Cisco Systems, where she built and led her teams to consistently meet and achieve Cisco's aggressive stretch goals in the Company's federal division year over year. Prior to Cisco, Kerlin was vice president and general manager of the government business unit at Texas Instruments' software division. Tim Simms, Co-founder and Chief Technology Officer, is the technical visionary and architect of Plethora Technology's principal software products - SecureChannel™ and Perspective™. His expertise includes computer security and cryptography, Windows and Linux/UNIX architectures, and Internet networking infrastructure. Joel Haspel, Co-founder and Chief Strategy Officer, is responsible for marketing, positioning, competitive intelligence, business development, corporate strategy, and legal affairs for Plethora. He has a strong technical background including Windows and Linux/UNIX programming, Internet programming, and database development.

C. Types of Financial Statements of the Company

1. **Annual:** unaudited

2. **Interim:** unaudited

III. Financial Analysis

A. Information Regarding the Company (business plans, etc.)

Plethora's licensed software product, Perspective™, is a secure enterprise information gateway. Perspective provides unified interaction with any and all enterprise information resources from any device on any Internet connection. Files and applications stored on other PCs, files and applications on servers, and the ideas, knowledge, and advice of colleagues are all directly available through Perspective's single unified user interface. Perspective provides access to information through a variety of built-in tools such as messaging, application and network tunneling, file transfer, and remote desktop control.

The Company's technology is utilized by extremely credible organizations such as the Department of Defense and the Internal Revenue Service. The number of government agencies implementing telework will grow rapidly in the coming years and Plethora will leverage their credibility with existing clients to open doors to other government agencies.

Plethora's value proposition to both federal and commercial customers is in combining remote access and control, essential productivity tools, and high security in a product that is inexpensive and easy to manage. These qualities are highlighted in contrast to other products on the market that were (a) either designed to do more and are too complex and expensive or (b) products with limited function where more is needed.

June 2006 - Plethora announced the availability of Release 4.5 of its flagship product Perspective. Rollout of the new release to Plethora's existing customer base, as well as several new users, has already begun. Plethora's customer base numbers more than twenty organizations in the public, private, and non-profit sectors, including the US Department of Energy, Jefferson County Public School System, NPES, the Human Rights Campaign (HRC), and CCC Associates. The sales pipeline continues to grow in number and includes some very prestigious prospects that will add value to an already credible customer list.

Also in June, Plethora introduced its new product, *Enterprise-In-A-Flash*, that enables one or more users to securely access remote PCs and share files and business systems.

January 2008 - Plethora received a notice of allowance from the US Patent and Trademark Office (USPTO) indicating that the USPTO will grant a patent covering Plethora's SecureChannel™ technology, used for establishing and managing secure communications from remote locations. The USPTO did subsequently issue the patent.

B. Financial Statement Analysis

Exhibit A, attached, lists key elements and financial ratios from the June 30, 2008 interim, and the December 31, 2007 through 2004 year-end internal financial statements.

IV. Events Subsequent to the Initial Investment and the Effect on the Investment

In addition to the $250,000 invested by JIT, there was $750,000 of new equity funding from Mountaineer Capital of Charleston, WV and Calvert Funds of Bethesda, MD.

February 2006 - The Company issued $400,000 in convertible notes in which JIT committed to $150,000. Co-investor, Mountaineer Capital, loaned the remaining $250,000 to the Company. As part of the transaction, the lenders received first lien on all assets including the Intellectual Property of the Company that was pledged as collateral on the loan.

May 2006 - JIT invested $150,000 convertible note as part of a $450,000 bridge loan, used for working capital.

November 2006 - A $100,000 convertible note invested by JIT used by the Company as working capital.

March 2007 - A $100,000 convertible note invested by JIT used by the Company as working capital.

November 2007 - JIT made an investment of $250,000 in the form of a convertible note used for working capital.

Plethora has raised $400,000 in convertible debt from Mountaineer Capital, L.P. for the fiscal year 2007-08.

V. Methodology of Current Evaluation of the Investment

Factors that may be considered in the evaluation of investments in equity and debt securities of startup companies and other securities for which market quotations are not readily available are:

- the amount that might reasonably be expected to be received upon current sale of the securities;
- the fundamental analytical data relating to the investment;
- the nature and duration of restrictions on disposition of the securities;
- an evaluation of the forces that influence the market in which these securities are purchased and sold;
- type of security;
- cost at date of purchase;
- size of holding;
- discount from market value of unrestricted securities of the same class at the time of purchase;
- financial statements;
- special reports prepared by analysts;
- information as to any transactions or offers with respect to the security;
- existence of merger proposals or tender offers affecting the securities;
- price and extent of public trading in similar securities of the issuer or comparable companies;
- the nature of the business and history of the enterprise from its inception;
- the general economic outlook and the condition of and outlook for the specific industry;
- an evaluation of the securities and economic condition of the portfolio company;
- the portfolio company's capacity for earnings;
- the portfolio company's market position;
- competition;
- the portfolio company's goodwill and other intangible values;
- recent sales of securities by the portfolio company;
- market prices of publicly traded securities of corporations of comparable size and earnings in the, or similar lines of, business;
- likelihood of exercise of conversion privileges of convertible securities;
- actual performance compared to expected performance; and
- other relevant matters.

The American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide, *Audits of Investment Companies*, requires venture capital

companies to record their investment portfolios at quoted market prices or, in the absence of quoted prices, at amounts representing estimates of fair value using methods determined in good faith by the board of directors or general partner.

Financial Accounting Standards Board (FASB) Statement No. 114, *Accounting by Creditors for Impairment of a Loan*, excludes all companies that record investments at fair value, in accordance with specialized practice, from the requirements to report loan loss contingencies. In any event, the FASB requires that loan loss provisions be accrued only when it is *probable* that an asset has been impaired and that the amount of the loss be *reasonably* estimable.

The AICPA Investment Companies Special Committee states in its report, *Accounting for Venture Capital Investment Companies*, that "Startup companies generally do not have a record of earnings or operating information. Startup and other early-stage companies generally report losses in the early years, and portfolio companies seeking second-stage financing may not yet be showing profits. An operating loss reported by a portfolio company does not necessarily mean that the venture capital investment company should reduce the carrying amount of its investment. In determining value, the board of directors should also consider such factors as the cost of the investment, actual performance compared to expected performance, and earning potential."

The Investment Companies Special Committee believes that investments in startup companies should be presented at value. Value is usually assumed to be the same as cost during the early stages of such investments unless there is persuasive evidence of a quantifiable increase or decrease in the value of the investment based on consideration of such factors as those discussed above.

VI. Overall Conclusion

Based on the foregoing, the WV Jobs Investment Trust finds it most appropriate to record its investment in Plethora Technologies, Inc. at value, which is currently presumed to be the same as cost or $1,000,000.

protea™
biosciences, inc.

INVESTMENT ANALYSIS

JUNE 30, 2008

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

PROTEA BIOSCIENCES, INC.

Investment Analysis Index

I. Background Information

Protea Biosciences, Inc., located in Morgantown, West Virginia, began as a Delaware corporation in July 2001, and is an early-stage biotechnology Company founded to advance and commercialize new proteomics services and technology in conjunction with the West Virginia University Health Sciences Center. The Company was founded to discover and characterize novel protein targets and then create long-term revenue-sharing partnerships with pharmaceutical and biotechnology companies for the preclinical development, the completion of clinical trials, and ultimately, FDA approval of new pharmaceuticals and diagnostics based upon the Company's novel protein targets.

While Protea continues to provide protein identification services, the Company has developed into a products-based biotechnology Company with technology developed to improve the ability to separate and identify proteins from biological samples. Protea has introduced the first fully-integrated protein sample preparation system that enables life science researchers to obtain higher quality information from their biological samples.

II. Basic Considerations

A. Type of Investment

1. Amount and Purpose

- November 2004 - Investment of $250,000 in Convertible Debenture with detachable Warrants that was used for working capital.
- February 2004 - Investment of a $100,000 Convertible Debenture with detachable Warrants that was used for working capital.
- August 2002 - Investment of $250,000 in Convertible Debenture with detachable Warrants that was used for working capital.

B. Type of Business

1. **Legal Form** – "C" Corporation

2. **Functional Type of Organization** - The executive officers and directors of Protea Biosciences responsible for daily operations are Stephen Turner, President and CEO; Leo Harris, Director; and, Patrick Muraca, Director.

3. **Business Operations** – Protea Biosciences, Inc. is comprised of a team of chemists, biologists and engineers, focused on developing new products to support the critical needs of modern biology research. The Company has developed a line of products to improve the ability to separate and identify proteins from biological samples.

   Through proteomics, the Company envisions a future for cancer diagnosis and therapy in which treatment strategies will be individually tailored, based upon the specific signaling pathways and the profile of signaling proteins that a patient's tumor may express. The Company envisions that new auxiliary therapies will result which may be used with existing treatments to optimize the outcome for the individual patient.

4. **Quality of Management –** Protea's directors, officers, and science advisors have extensive experience in biotechnology business development. President, CEO, and Chairman, Steve Turner, has founded a number of biotechnology companies and is committed to building an outstanding management team and scientific advisory board who will represent world-class knowledge in cellular and molecular biology, pharmacology, and micro fluidics. Other Board Directors include: Leo Harris, Director, who is founder and Chief Executive Officer of Southern Computer Consultants, Inc., of Frederick, MD; Stan Hostler, Vice-President and Director, is a Member of the American and West Virginia Bar Associations; Milan Puskar, Director, is Founder and Chairman of Mylan Pharmaceuticals, a major Pharmaceutical company; Scott Segal, Director, is the founder and senior partner of the Segal Law Firm; and, Daniel C. Flynn, Ph.D., founding Science Advisor, is Professor of Cell Biology, and Associate Director of the Mary Babb Randolph Cancer Center.

C. Types of Financial Statements of the Company

1. **Annual:** unaudited

2. **Interim:** unaudited

III. Financial Analysis

A. *Information Regarding the Company (business plans, etc.)*

Protea's current Board of Directors include: Steve Turner, CEO; Leo Harrsion, Investor; Stan Hostler, Investor; Dan Flynn, Advisor; Scott Segal, Investor; and, Mike Pushkar; Investor.

March 2007 - Protea opened its new facility at 955 Hartman Run Road in Morgantown. The 7,500 square foot corporate facility houses a state of the art Protein Research Laboratory, which features the ABI 4800 MALDI TOF/TOF and Thermo Finnigan LTQ XL mass spectrometers. The research team includes both analytical chemists and protein biochemists.

April 2006 - Protea introduced a complete product line including over 80 new products, all designed and produced by the Company in Morgantown. This technology and product system greatly improves a researcher's ability to obtain better protein identification data from biological samples, such as blood and tumor biopsies. The product is believed to be the first-of-kind in the market and was showcased at the American Association of Cancer Researchers annual meeting held in Washington D.C. to over 20,000 cancer researchers.

June 2005 - Protea completed design on their first generation micro-fluidic chip device. Test production units are now being produced and evaluated. The Company expected to take orders and commence shipments in the fourth quarter of 2005.

March 2005 - Matthew Powell, PhD., a recent graduate of the WVU Chemistry PhD. Program, accepted the position of Manager of Protein Research Services at Protea.

During the first quarter, Manoj Warrier, PhD. joined Protea fulltime, as the manager of their protein separation product development programs. Dr. Warrier joined Protea from the UCLA Dept. of Chemical Engineering, in Los Angeles, CA.

By the end of the second quarter of 2004, Protea assembled and tested their first prototype microfluidics protein separation chips. The Company believed that this accomplishment will generate a growing base of market interest, leading to increased revenue for the Company beginning in the fall of 2004, and would allow the Company to conclude an equity financing to secure its future working capital requirements.

February 2004 - An important milestone for Protea was accomplished with the successful installation of state-of-the-art laser micromachining instrumentation (from Oxford Lasers, Cambridge, England). This instrumentation provides the capability for Protea to manufacture its protein separation chips, with tolerances down to 0.1 nanoliters (nanotechnology scale) . Prototype chips are now being manufactured with the instrument, which has accelerated their development program.

Protea has demonstrated that their proprietary protein target, AFAP–110, plays a significant role in the progression of breast cancer. The Company seeks to create a license agreement with pharmaceutical companies to finance the development of a new Cancer Drug based on the protein target AFAP-110. The Company has an existing relationship with the Mary Babb Randolph Cancer Center, Morgantown, WV, which could provide much of the infrastructure necessary to support such an effort.

B. Financial Statement Analysis

Exhibit A, attached, lists key elements and financial ratios from the March 31, 2008 interim and the December 31, 2007 thru 2003 year-end internal financial statements.

IV. Events Subsequent to the Initial Investment and the Effect on the Investment

June 2008 - Protea has raised $2,874,829 in equity in the past 12 months, bringing the Company's total paid in capital amount to $8,271,182.

September 2007 - JIT converted $133,208 worth of accrued interest and paid, in addition to the interest, $2,500, for a total of $135,708 for 194,322 shares of common stock in Protea. The $2,500 was to exercise a warrant that was about to expire for 25,000 shares at $0.10 per share.

March 2007 - Protea repaid the October 1, 2002 convertible note of $250,000 including the accumulated interest of $47,945. The note included warrants to purchase common shares of the Company. These warrants survive pre-payment of the note.

November 2004 - The JIT Board approved an additional $250,000 investment in Protea. The investment is a two-year 10% Convertible Debenture with 50% warrant coverage for notes purchased. In addition to the convertible loan by the JIT for $250,000, the Company closed a $250,000 common stock round with previous investors. This brought the Company's total committed equity capital to $980,743 (not including the JIT loan proceeds).

V. Methodology of Current Evaluation of the Investment

Factors that may be considered in the evaluation of investments in equity and debt securities of startup companies and other securities for which market quotations are not readily available are:

- the amount that might reasonably be expected to be received upon current sale of the securities;
- the fundamental analytical data relating to the investment;
- the nature and duration of restrictions on disposition of the securities;
- an evaluation of the forces that influence the market in which these securities are purchased and sold;
- type of security;
- cost at date of purchase;
- size of holding;
- discount from market value of unrestricted securities of the same class at the time of purchase;
- financial statements;
- special reports prepared by analysts;
- information as to any transactions or offers with respect to the security;
- existence of merger proposals or tender offers affecting the securities;
- price and extent of public trading in similar securities of the issuer or comparable companies;
- the nature of the business and history of the enterprise from its inception;
- the general economic outlook and the condition of and outlook for the specific industry;
- an evaluation of the securities and economic condition of the portfolio company;
- the portfolio company's capacity for earnings;
- the portfolio company's market position;
- competition;
- the portfolio company's goodwill and other intangible values;
- recent sales of securities by the portfolio company;
- market prices of publicly traded securities of corporations of comparable size and earnings in the, or similar lines of, business;
- likelihood of exercise of conversion privileges of convertible securities;
- actual performance compared to expected performance; and
- other relevant matters.

The American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide, *Audits of Investment Companies*, requires venture capital companies to record their investment portfolios at quoted market prices or, in the absence of quoted prices, at amounts representing estimates of fair value using methods determined in good faith by the board of directors or general partner.

Financial Accounting Standards Board (FASB) Statement No. 114, *Accounting by Creditors for Impairment of a Loan*, excludes all companies that record investments at fair value, in accordance with specialized practice, from the requirements to report loan loss contingencies. In any event, the FASB requires that loan loss provisions be accrued only when it is *probable* that an asset has been impaired and that the amount of the loss be *reasonably* estimable.

The AICPA Investment Companies Special Committee states in its report, *Accounting for Venture Capital Investment Companies*, that "Startup companies generally do not have a record of earnings or operating information. Startup and other early-stage companies generally report losses in the early years, and portfolio companies seeking second-stage financing may not yet be showing profits. An operating loss reported by a portfolio company does not necessarily mean that the venture capital investment company should reduce the carrying amount of its investment. In determining value, the board of directors should also consider such factors as the cost of the investment, actual performance compared to expected performance, and earning potential."

The Investment Companies Special Committee believes that investments in startup companies should be presented at value. Value is usually assumed to be the same as cost during the early stages of such investments unless there is persuasive evidence of a quantifiable increase or decrease in the value of the investment based on consideration of such factors as those discussed above.

V. Overall Conclusion

Based on the foregoing, the WV Jobs Investment Trust finds it most appropriate to record its investment in Protea Biosciences, Inc. at value, which is currently presumed to be the same as cost or $485,708.

INVESTMENT ANALYSIS

JUNE 30, 2008

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

SECURE METHODS, INC.

Investment Analysis Index

I. Background Information

SecureMethods, Martinsburg WV, was founded in July 1999 as Technology Center, Inc. to provide computer security and technical expertise to commercial and government clients through consulting services and security products. The name of the Company was changed in March 2000 to SecureMethods, Inc. to reflect its focus on developing and deploying robust network applications that help clients perform business processes securely. Their mission is to be the world's leading provider of complete security solutions to the enterprise in both the wired and wireless world. Secure Methods goals are for its security architecture to become the standard for secure transaction processing, and to make SecureMethods' technology an essential part of web and email based information transfers. SecureMethods' innovative technology has been cleared for the highest level of Department of Defense security, and has been used to process transactions worth billions of dollars in the commercial world.

II. Basic Considerations

A. Type of Investment

1. Amount and Purpose

- February 2003 - Investment of $500,000 in Series B preferred stock as a part of a total "B" round of $2,735,000 used for general working capital.

B. Type of Business

1. **Legal Form** – "C" Corporation

2. **Functional Type of Organization** – The management team are as follows: James J. Condon, CEO and Managing Director; and, Dr. Paul C. Clark, President, CTO and Managing Director.

3. **Business Operations** – SecureMethods, Inc. has designed and produces a patented software solution that together with other associated client software enables users to authenticate, audit, digitally sign, and encrypt data and transactions in a legally enforceable manner. The SM Gateway provides the only Internet product that enables digital signature out of web, email, and desktop applications without causing holes in firewalls.

4. **Quality of Management** – SecureMethods has assembled a very talented management team with deep expertise in computer and network security, as well as in transaction processing. James Condon, CEO and Managing Director, has had a distinguished executive career with top companies and has numerous substantial relationships in the Fortune 500 community. He also has extensive experience in the electronic processing industry and serves as a director for five companies. Dr. Paul Clark, President, CTO and Managing Director, performs technical and operational oversight of all projects. Dr. Clark's expertise includes network systems and security, cryptographic applications, certification, key management, authentication, and integrity strategies.

C. Types of Financial Statements of the Company

1. **Annual:** Internal

2. **Interim:** Unavailable

III. Financial Analysis

A. Information Regarding the Company (business plans, etc.)

SecureMethods has developed and filed patents for the comprehensive security architecture embodied by the SM Gateway. Their technology offers users unrivaled benefits in both data protection and usability, and is the only Internet product that enables digital signatures out of web, e-mail and desktop applications without causing holes in firewalls. Encryption technologies will also continue to be a vital part of the Internet security sector with the growing importance of the protection of customer data such as stored credit card information and transactions, particularly as more business is conducted over the Internet and the Web.

January 2006 - Jim Condon resigned as CEO of SecureMethods, Inc. and was replaced by Co-founder, Dr. Paul Clark. Jim Condon remains on the Board of Directors.

June 2006 – SecureMethods, Inc. had been in discussions with potential merger/acquisition companies. The Company continued to have sales with a pipeline of sales opportunities. Richard Ross, WVJIT; Lynn Gellerman, Adena Ventures; and, Steve Walker, Walker Ventures, all resigned from the SecureMethods Board of Directors.

B. Financial Statement Analysis

Exhibit A, attached, lists key elements and financial ratios from the year-end December 31, 2006, December 31, 2005 and December 31, 2004 year-end internal financial statements.

IV. Events Subsequent to the Initial Investment and the Effect on the Investment

SecureMethods, Inc. received a $1,000,000 investment capital commitment from existing institutional investors Walker Ventures; Glenwood, MD and Adena Ventures; Athens, OH. $500,000 of the committed capital was released to the Company in the 1st quarter of 2004. The investment is structured as a convertible debenture.

V. Methodology of Current Evaluation of the Investment

Factors that may be considered in the evaluation of investments in equity and debt securities of startup companies and other securities for which market quotations are not readily available are:

- the amount that might reasonably be expected to be received upon current sale of the securities;
- the fundamental analytical data relating to the investment;
- the nature and duration of restrictions on disposition of the securities;
- an evaluation of the forces that influence the market in which these securities are purchased and sold;
- type of security;
- cost at date of purchase;
- size of holding;
- discount from market value of unrestricted securities of the same class at the time of purchase;
- financial statements;
- special reports prepared by analysts;
- information as to any transactions or offers with respect to the security;
- existence of merger proposals or tender offers affecting the securities;
- price and extent of public trading in similar securities of the issuer or comparable companies;
- the nature of the business and history of the enterprise from its inception;
- the general economic outlook and the condition of and outlook for the specific industry;

- an evaluation of the securities and economic condition of the portfolio company;
- the portfolio company's capacity for earnings;
- the portfolio company's market position;
- competition;
- the portfolio company's goodwill and other intangible values;
- recent sales of securities by the portfolio company;
- market prices of publicly traded securities of corporations of comparable size and earnings in the, or similar lines of, business;
- likelihood of exercise of conversion privileges of convertible securities;
- actual performance compared to expected performance; and
- other relevant matters.

The American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide, *Audits of Investment Companies*, requires venture capital companies to record their investment portfolios at quoted market prices or, in the absence of quoted prices, at amounts representing estimates of fair value using methods determined in good faith by the board of directors or general partner.

Financial Accounting Standards Board (FASB) Statement No. 114, *Accounting by Creditors for Impairment of a Loan*, excludes all companies that record investments at fair value, in accordance with specialized practice, from the requirements to report loan loss contingencies. In any event, the FASB requires that loan loss provisions be accrued only when it is *probable* that an asset has been impaired and that the amount of the loss be *reasonably* estimable.

The AICPA Investment Companies Special Committee states in its report, *Accounting for Venture Capital Investment Companies*, that "Startup companies generally do not have a record of earnings or operating information. Startup and other early-stage companies generally report losses in the early years, and portfolio companies seeking second-stage financing may not yet be showing profits. An operating loss reported by a portfolio company does not necessarily mean that the venture capital investment company should reduce the carrying amount of its investment. In determining value, the board of directors should also consider such factors as the cost of the investment, actual performance compared to expected performance, and earning potential."

The Investment Companies Special Committee believes that investments in startup companies should be presented at value. Value is usually assumed to be the same as cost during the early stages of such investments unless there is persuasive evidence of a quantifiable increase or decrease in the value of the investment based on consideration of such factors as those discussed above.

VI. Overall Conclusion

In June 2007, the Company gained little traction in the marketplace and was unsuccessful in attracting additional investment capital. As a result, the Company has scaled back operations considerably. CEO, Dr. Paul Clark, is attempting to sell the intellectual property and has to date been unsuccessful. Dr. Clark believes the Company will be granted a patent by the USPTO and that this patent could potentially be of considerable value.

Based on the foregoing, the WV Jobs Investment Trust finds it most appropriate to record its investment in SecureMethods, Inc. at $0.00.

Sino Swearingen
AIRCRAFT CORPORATION

INVESTMENT ANALYSIS

JUNE 30, 2008

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

SINO SWEARINGEN AIRCRAFT CORPORATION

Investment Analysis Index

I. Background Information

Sino Swearingen Aircraft Corporation (SSAC) was formed to develop, build and market the SJ30 business jet. Originally started as a partnership between Swearingen Aircraft Corporation of San Antonio and Sino Aerospace Investment Corporation of Taiwan, the Company incorporated in 1999.

Sino Swearingen currently employs over 400 people and maintains approximately 220,000 sq ft. in four facilities in the United States . The Company headquarters and manufacturing /final assembly facility is located at San Antonio International Airport, San Antonio, Texas. A large static test facility is located across the field at Security Air Park on the San Antonio Airport . Additional main wing and fuselage manufacturing facilities are located at the John D. Rockefeller IV Technology Center on the airport in Martinsburg, West Virginia. Additionally, the Company maintains international sales and marketing facilities on the Orange County/John Wayne Airport in Santa Ana, California .

II. Basic Considerations

A. Type of Investment

1. Amount and Purpose

$2 million loan dated April 19, 1995, due March 19, 2002. This note replaced the original bridge note of September 1, 1992. All of the accrued interest on the earlier note, totaling $123,748.55, was paid in April 1995.

The loan was made to assist the Company toward completion of FAA certification and initiation of production and marketing.

This debt was exchanged for a common stock equity position in SSAI in a process that began in 1999 and was concluded in December 2000.

2. **Sources Considered for Repayment**

   A purchase of the Company's stock in a private sale, an acquisition of the company or an IPO, and subsequent sale in a public market.

B. Type of Business

1. **Legal Form** – "C" Corporation.

2. **Functional Type of Organization:** An aircraft manufacturer.

3. **Business Operation** – The Company develops, designs, and manufactures government and military jet aircraft. The current aircraft under FAA certification is the new SJ30-2 twinjet, the world's fastest and longest range light business jet. SSAC's goal is to become the world's leading aircraft producer by creating a family of cost-efficient, high-performance, high-quality, superior-technology business jet aircraft for the corporate, government and military sectors of world aviation.

3. **Quality of Management** - The Company's management team has substantial design, manufacturing, certification, and marketing experience at established aircraft manufacturers based on news articles, information contained in Private Placement Memoranda and on our personal involvement with the Company's management. **Ching-Chiang Kuo, Chairman and CEO,** has been a member of the Board of Directors for five years. Dr. Ching-Chiang Kuo assumed the position of Chairman in early 2005 and relocated to San Antonio. After 26 years with Rockwell (now Boeing) on such programs as satellites, the space shuttle, and the space station, he joined the Taiwan government as Vice Chairman of the Public Construction Committee with overall responsibility for public construction projects throughout Taiwan. **Ed Swearigen, Co-Founder and Director**, founded the Corporation and designed and engineered the first SJ30 twinjet. Currently he is active in the company as a Director and Senior Advisor and provides design, production, engineering, future vision, and input to the company on a daily basis. Mr. Swearingen has previously FAA Certified several aircraft including high speed commuter airlines in the high performance twin engine propjet category. **Kelly Simmons, CFO,** is a Texas CPA, and has over 25 years experience in financial management including accounting, SEC reporting, mergers and acquisitions, information systems, and investor relations. From 1988 to 2000, Mr. Simmons held various positions, including CFO, with two affiliated public companies.

C. Type of Financial Statements of the Company

1. **Annual** - Audited

III. Financial Analysis

A. Information Regarding the Company (business plans, etc.)

October 2005 - Sino Swearingen Aircraft Corporation announced the receipt of a Federal Aviation Administration ("FAA") Type Certificate (TC) for the new SJ30-2 business jet. The announcement marked the first "clean sheet" corporate jet aircraft design developed by a new company to achieve FAA Type Certification since the original concept of a corporate jet emerged almost 45 years ago.

June 2005 - The SJ30-2 certification flight test program had three conformed flight test aircraft in operation flying day and night missions virtually every day. One aircraft was utilized for the flight testing systems development and certification. The second aircraft was utilized for performance and aerodynamic certifications. The third and final flight test aircraft was the autopilot, avionics, function and reliability development and certification test aircraft. The FAA had been aboard two of the flight test aircraft and conducted numerous certification flight tests on the aircraft for final certification. The Company was hopeful for certification by year end 2005.

May 2004 - Sino Swearingen announced that its Martinsburg Assembly Plant completed and shipped its final component for the first airframe structure produced in its new high technology manufacturing facility at Martinsburg, West Virginia.

Sino Swearingen's Martinsburg Plant manufactures the critical and main structures for the SJ30-2 twinjet aircraft such as the main fuselage structure, the main wing structure and the tail empennage assembly structures. There are high technology personnel employed at the Martinsburg facility.

Sino Swearingen set an aviation industry world record by completing the Ultimate Cabin Pressurization Testing to 34.1 psi. No aircraft in the world has been successfully tested to this level previously. Customers will relax in the world's optimum pressurized aircraft with a SEA LEVEL cabin while flying at 41,000 ft. and a 1,800 ft cabin at 49,000 ft. The Company made substantial progress toward the FAA Type Certification and all major structural testing was completed.

B. Financial Statement Analysis

Exhibit A, attached, lists key elements and financial ratios from the unaudited December 31, 2007 financial statements and the audited financials for the years ended December 31, 2006 and December 31, 2005 for Sino Swearingen Aircraft Corporation.

IV. Events Subsequent to the Initial Investment and the Effect on the Investment

In January 1995, the Company executed a joint venture (JV) agreement with Sino Aerospace to form a venture to carry out the mission conceived by Swearingen Aircraft, Inc. The JV was called Sino-Swearingen LLP and its general partner was Sino-Swearingen, Inc. All of the assets of Swearingen Aircraft, Inc. were transferred to the JV as of April 19, 1995, the date of the completion of the rollover of the bridge loans to longer term financing. The West Virginia Company that was our debtor, Swearingen Manufacturing, Inc., was merged into Swearingen Aircraft, Inc., (SAI) which was the successor company. In late 1999, SAI and Sino Swearingen began discussions to consolidate the interests of each company which involved the exchange of the debt held by each of the bridge lenders to SAI for a direct equity interest in Sino Swearingen Aircraft Inc. (SSAI), a "C" Corporation and the successor company to the limited partnership JV. The stock certificates were received by JIT in December of 2000. **(Please see subsequent events below.)**

A. ***Extension of Maturity Dates*** **-** The first extension, which involved the loan dated September 1, 1992, was until December 31, 1992. The second extension, which involved the loans dated September 1, 1992, March 10, 1993 and April 8, 1993, was until April 30, 1993. The third, fourth and fifth extensions, which involved all four loans, were until August 31, 1993, March 10, 1994, and September 30, 1994. **On September 30, 1994, Swearingen paid in full the loans dated March 10, 1993; April 8, 1993; and May 6, 1993.**

B. In January 1995, the Company and Sino-Aerospace, via teleconference between Martinsburg and Taipei, Taiwan, executed the joint-venture agreement forming Sino-Swearingen to build the plant and the SJ30 aircraft in Martinsburg, in effect, completing the capitalization of the project.

C. By Board Resolution on March 22, 1995, the Chairman or Executive Director of the Board was authorized to negotiate, review, consummate and execute all documents necessary to the conversion of the remaining $2 million Swearingen bridge loan to a like amount senior secured note. On April 19, 1995, the Company and the bridge lenders executed the new loan and the company paid JIT all of the accrued interest totaling $123,748.55. Simultaneously, with the closing of the new loan and the transfer of all of the Company's SJ30-related assets to the JV, $43 million was deposited into the account of the JV. In addition, the Lockheed Corporation agreed to contribute $10 million to the Taiwanese consortium and also cooperated with the joint venture in developing the management team and providing technical assistance.

D. In March 1996, the JV broke ground on its site in Martinsburg, West Virginia and began construction of its manufacturing plant that is now complete.

E. On December 31, 1996, Sino-Aerospace International, Inc. (SII) contributed an additional $49.5 million to the joint venture and $500,000 to Sino-Swearingen, Inc. (SSI), the general partner. Subsequently, an additional $30.2 million was contributed by the joint venture partners, other than SAI, including an additional $6.8 million from SII.

F. In June 1999, the joint venture hired its first production employees in the Martinsburg plant. These employees are part of the team to construct the tail section of the SJ30-II. Previously, the JV had planned to subcontract all components for final assembly in Martinsburg. This was an expansion of the role of the Martinsburg operation in the SJ30-II development.

G. In the fisrt quarter of 2000, discussions were in progress to dissolve Swearingen Aircraft, Inc. by exchanging the debt of the lenders for the equity position held by Swearingen and pledged as collateral to the lenders, in Sino Swearingen, L. P. The joint venture limited partnership is to be converted to a "C" corporation and each of the bridge lenders will hold an equity position proportionate to their ratio of the debt. As of the end of the fiscal year, all of the bridge lenders were reported to have executed an agreement to finalize the conversion, but three have not executed the final documentation necessary for the trustee to deliver the stock certificates. One hundred percent participation is required, according to the trust agreement. Swearingen was not aware of any reason for there to be a non-participant and the final paperwork was expected to be in place soon. JIT executed and delivered all of the requested documentation.

H. In December of 2000, JIT received its stock certificate for 170,805 common shares which completes the exchange of debt of $3,136,052, including accrued interest, for equity. JIT still held an equity interest in a Texas Limited Partnership equivalent to the 15,866 shares of common stock JIT previously held in SAI. This partnership was created to preserve the tax loss carry forward from the corporation. Ultimately the partnership was merged into SSAI and JIT was to receive additional SSAI common shares, which has recently happened. The conversion from a Joint Venture, L. P. to a

"C" corporation brought the total contributions from entities other than Swearingen to $183,057,000 and there are further commitments to fund the company through to "certification" of the aircraft expected to occur in 2003.

I. In June 2008, Emirates Investment and Development PSC (Emivest) of Dubai, UAE, announced that Emivest had obtained approval from the Committee on Foreign Investment in the United States (CFIUS) to acquire an 80 percent stake in SSAC. This investment was in fact closed in June and the management of the Company is in transition now.

V. Methodology of Current Evaluation of the Investment

Factors that may be considered in the evaluation of investments in equity and debt securities of startup companies and other securities for which market quotations are not readily available are:

- the amount that might reasonably be expected to be received upon current sale of the securities;
- the fundamental analytical data relating to the investment;
- the nature and duration of restrictions on disposition of the securities;
- an evaluation of the forces that influence the market in which these securities are purchased and sold;
- type of security;
- cost at date of purchase;
- size of holding;
- discount from market value of unrestricted securities of the same class at the time of purchase;
- financial statements;
- special reports prepared by analysts;
- information as to any transactions or offers with respect to the security;
- existence of merger proposals or tender offers affecting the securities;
- price and extent of public trading in similar securities of the issuer or comparable companies;
- the nature of the business and history of the enterprise from its inception;
- the general economic outlook and the condition of and outlook for the specific industry;
- an evaluation of the securities and economic condition of the portfolio company;
- the portfolio company's capacity for earnings;
- the portfolio company's market position;
- competition;
- the portfolio company's goodwill and other intangible values;
- recent sales of securities by the portfolio company;

- market prices of publicly traded securities of corporations of comparable size and earnings in the or similar lines of business;
- likelihood of exercise of conversion privileges of convertible securities;
- actual performance compared to expected performance; and
- other relevant matters.

The American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide, *Audits of Investment Companies*, requires venture capital companies to record their investment portfolios at quoted market prices or, in the absence of quoted prices, at amounts representing estimates of fair value using methods determined in good faith by the directors or general partner.

Financial Accounting Standards Board (FASB) Statement No. 114, *Accounting by Creditors for Impairment of a Loan*, excludes all companies that record investments at fair value, in accordance with specialized practice, from the requirements to report loan loss contingencies. In any event, the FASB requires that loan loss provisions only be accrued when it is *probable* that an asset has been impaired and that the amount of the loss be *reasonably* estimable.

The AICPA Investment Companies Special Committee states in its report, *Accounting for Venture Capital Investment Companies*, that "Startup companies generally do not have a record of earnings or operating information. Startup and other early stage companies generally report losses in the early years, and portfolio companies seeking second stage financing may not yet be showing profits. An operating loss reported by a portfolio company does not necessarily mean that the venture capital investment company should reduce the carrying amount of its investment. In determining value, the board of directors should also consider such factors as the cost of the investment, actual performance compared to expected performance, and earning potential."

The Investment Companies Special Committee believes that investments in startup companies should be presented at value. Value is usually assumed to be the same as cost during the early stages of such investments unless there is persuasive evidence of a quantifiable increase or decrease in the value of the investment based on consideration of such factors as those discussed above."

VI. Overall Conclusion

Based on the foregoing, the WV Jobs Investment Trust finds it most appropriate to record its investment in Sino Swearingen Aircraft, Inc. at value, which is currently presumed to be $3,136,051.

INVESTMENT ANALYSIS

JUNE 30, 2008

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

THREEWIDE CORPORATION

Investment Analysis Index

I. Background Information

Threewide Media became a West Virginia Limited Liability Company based in Morgantown, West Virginia in July 1999. In May 2000, the Company changed their name to Threewide.com, Inc., and are now a Delaware C-Corp still headquartered in Morgantown and operating under the name Threewide Corporation.

Threewide Corporation is the progressive leader and marketplace standard for data capture, repurposing and exporting within the Real Estate vertical. Their mission is to reputably and responsively provide product and service solutions that meet and exceed customer expectations. The original focus was to streamline the flow of listing data from point of origin to its final destination. The founders began their vision by focusing on a digital data gathering solution for the real estate industry.

Threewide Corporation has expanded its suite of products and services to include ListExporter™ and ListSecure™, a complete set of MLS tools to package and transport MLS data and images. These tools are designed to give MLSs more control while securing their most vital asset, their data. The evolution has given Threewide products the ability to capture, package and transport listing data to multiple destinations. To date, Threewide has secured over 25 contracts, representing over 300,000 agents. Threewide's ListExporter deploys over 80 million records per month!

II. Basic Considerations

A. *Type of Investment*

1. Amount and Purpose

- January 2001 - Investment of up to $150,000 in Series A Convertible Preferred Stock and a $100,000* convertible term loan to continue MRIS Installation and Develop the SUPRA Account.
- December 2001 – Investment of up to $250,000 in a convertible debenture used for working capital.
- November 2003 – Investment of up to $150,000 in a convertible debenture with detachable warrants to purchase shares of Series C preferred stock used for working capital.
- May 2004 – Investment of up to $100,000 in a convertible debenture with detachable warrants to purchase shares of Series C preferred stock used for working capital.
- September 2007 – Investment of up to $250,000 in Series C-1 preferred stock used for working capital.

C. Types of Financial Statements of the Company

1. **Annual:** unaudited

2. **Interim:** Quarterly – unaudited

III. Financial Analysis

A. Information Regarding the Company (business plans, etc.)

Threewide Continues to gain customers and acceptance of their products. Customers acquired in the last year include but are not limited to: Mid-America Regional Information Service (MARIS) of St. Louis, Missouri, representing over 11,500 members; Consolidated Multiple Listing Service (CMLS) of South Carolina, serving 2,200 members; Consolidated Multiple Listing Service, Inc. (CMLS), of Norwalk, Connecticut, with over 7,500 members; Southern California Multiple Listing Service (SoCalMLS), the third largest MLS in the country, serves more than 30,000 real estate professionals; Rhode Island Association of REALTORS, State-Wide MLS has over 3,700 Members; Northern Ohio Regional Multiple Listing Service (NORMLS) serves over 8,000 agents; NEFMLS, headquartered in Jacksonville, FL, is the largest trade association of its kind with 6,000 members; Regional Multiple Listing Service in Palm Beach Gardens, FL, with 17,000 members; Austin Central Texas Realty Information Service (ACTRIS) who serves over 7,000 agents; and, the Central Virginia Regional MLS provides MLS with over 5,000 realtors.

December 2005 - Ira Luntz resigned as CEO of Threewide Corporation. He was successful in securing some significant contracts with MLS organizations that provided the Company credibility and revenues. Mr. Luntz, however, was unaccustomed to the challenges often faced by startup companies and was not successful in raising additional funding for the Company. He left Threewide to pursue other interests.

May 2005 - The Company worked in a temporary facility located adjacent the site of the future permanent office in the Seneca Center located on Beechurst Avenue in Morgantown, WV. The Company had been in business for over 5 years and had grown to over 20 employees.

January 2004 - State-Wide MLS, representing the entire state of Rhode Island with over 3,700 members, entered into an agreement with Threewide for the licensed use of various data tools from Threewide's ListAndSend product suite. A similar contract has been entered into with Illinois-based REBIG, LLC, the Real Estate Business Information Group, which is a national information services company. In June 2004, Threewide secured a licensed contract with MLSNI. MLSNI is one of the largest association-owned MLSs in the country with about 39,000 members in more than 6,900 realty offices in the Chicago area.

The Company hired Ira Luntz from Fidelity National Information Systems as its new CEO in August 2003. He has over 20 years experience in the industry and had the contacts to open many doors for the Company. Shortly after his arrival, the Company hired Rob Reid as the new VP of Sales to focus on the national MLS market.

B. Financial Statement Analysis

Exhibit A, attached, lists key elements and financial ratios from the Nine Months interim ending March 31, 2008, and the twelve months ended June 30, 2007 through 2003 internal financial statements.

IV. Events Subsequent to the Initial Investment and the Effect on the Investment

September 2007 - The JIT Board approved a $250,000 follow-on equity investment to purchase shares of Series C preferred stock of Threewide as part of a $1,081,710 round.

May 2004 - The JIT Board approved a $100,000 bridge loan convertible to purchase shares of Series C preferred stock. The investment was part of a total $360,000 bridge loan that included participation from previous investors. The investment group received 50% warrant coverage for bridge notes purchased.

October 2003 - The JIT Board approved a $150,000 bridge loan convertible to purchase shares of Series C preferred stock. The investment was part of a total $450,000 bridge loan that included participation from previous investors. The investment group received 50% warrant coverage for bridge notes purchased.

V. Methodology of Current Evaluation of the Investment

Factors that may be considered in the evaluation of investments in equity and debt securities of startup companies and other securities for which market quotations are not readily available are:

- the amount that might reasonably be expected to be received upon current sale of the securities;
- the fundamental analytical data relating to the investment;
- the nature and duration of restrictions on disposition of the securities;
- an evaluation of the forces that influence the market in which these securities are purchased and sold;

- type of security;
- cost at date of purchase;
- size of holding;
- discount from market value of unrestricted securities of the same class at the time of purchase;
- financial statements;
- special reports prepared by analysts;
- information as to any transactions or offers with respect to the security;
- existence of merger proposals or tender offers affecting the securities;
- price and extent of public trading in similar securities of the issuer or comparable companies;
- the nature of the business and history of the enterprise from its inception;
- the general economic outlook and the condition of and outlook for the specific industry;
- an evaluation of the securities and economic condition of the portfolio company;
- the portfolio company's capacity for earnings;
- the portfolio company's market position;
- competition;
- the portfolio company's goodwill and other intangible values;
- recent sales of securities by the portfolio company;
- market prices of publicly traded securities of corporations of comparable size and earnings in the, or similar lines of, business;
- likelihood of exercise of conversion privileges of convertible securities;
- actual performance compared to expected performance; and
- other relevant matters.

The American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide, *Audits of Investment Companies*, requires venture capital companies to record their investment portfolios at quoted market prices or, in the absence of quoted prices, at amounts representing estimates of fair value using methods determined in good faith by the board of directors or general partner.

Financial Accounting Standards Board (FASB) Statement No. 114, *Accounting by Creditors for Impairment of a Loan*, excludes all companies that record investments at fair value, in accordance with specialized practice, from the requirements to report loan loss contingencies. In any event, the FASB requires that loan loss provisions be accrued only when it is *probable* that an asset has been impaired and that the amount of the loss be *reasonably* estimable.

The AICPA Investment Companies Special Committee states in its report, *Accounting for Venture Capital Investment Companies*, that "Startup companies generally do not have a record of earnings or operating information. Startup and other early-stage companies generally report losses in the early years, and portfolio

*The $100,000 debenture was converted into shares of Series A convertible preferred stock and the $250,000 debenture was converted into shares of Series B convertible preferred stock.

B. *Type of Business*

1. **Legal Form** – "C" Corporation

2. **Functional Type of Organization** - The management of Threewide and those responsible for the daily operations are; Mark Wise, Chairman and Chief Product Manager; and, Luke Glass, CFO and COO.

3. **Business Operations** –Threewide Corporation primarily focuses on the digital capture, packaging and export of real estate data. Threewide has become a leader in real estate data management and security solutions and currently works with some of the world's largest Multiple Listing Services. The Company's principal products include List Exporter and List Secure.

   Exporter is a complete set of tools to manage (and optionally store) real estate and related data and images. An MLS can selectively package data and images from different sources, including the MLS system, and push the data to many destinations in nearly any format on a recurring basis.

   ListSecure and ListExporter together minimize the unauthorized use of listing data and images and becomes a significant tool for enforcing the licensing agreements of an individual's most precious assets. ListSecure uses the latest encryption methods, data tags, image watermarks, one-time-use files and detailed audit trails to provide increased control in the secure delivery and tracking of vital listing data.

4. **Quality of Management** – Mark Wise Co-founded the Company in 1999 and has played a large part in the Company's tremendous growth. Mr. Wise is currently the Product Manager of the Company. He has over twelve years of experience in the Internet industry and the Real Estate industry. Luke Glass, CFO and COO, has previous experience with A.G. Edwards and Sons' Corporate Finance Group, concentrating both on capital raising and mergers and acquisitions transactions for small to mid-sized companies. He has extensive experience in structuring capital markets transactions and has been involved with multiple merger and acquisition transactions. He manages all of the financial duties, operations and human resource issues.

companies seeking second-stage financing may not yet be showing profits. An operating loss reported by a portfolio company does not necessarily mean that the venture capital investment company should reduce the carrying amount of its investment. In determining value, the board of directors should also consider such factors as the cost of the investment, actual performance compared to expected performance, and earning potential."

The Investment Companies Special Committee believes that investments in startup companies should be presented at value. Value is usually assumed to be the same as cost during the early stages of such investments unless there is persuasive evidence of a quantifiable increase or decrease in the value of the investment based on consideration of such factors as those discussed above.

VI. Overall Conclusion

Based on the foregoing, the WV Jobs Investment Trust finds it most appropriate to record its investment in Threewide.com, Inc. at value, which is currently presumed to be the same as cost or $1,016,776.

TROY™

INVESTMENT ANALYSIS

JUNE 30, 2008

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

TROY, LLC

Investment Analysis Index

I. Background Information

Troy Mills, Inc., a New Hampshire based Company was established in 1865. It owned a facility located in Harrisville, West Virginia and supplies needle punched textile products to niche markets. The Harrisville facility is a Tier-One and Tier-Two supplier to the automotive industry and is also a supplier to the apparel industry. The facility produces automotive interior fabrics and apparel linings and currently has 122 employees. The New Hampshire Company filed for bankruptcy protection in 2001. Mountaineer Capital, JIT, and two individuals purchased the West Virginia operation in March 2002. The Company has been organized as a Limited Liability Company known as Troy, LLC.

II. Basic Considerations

A. Type of Investment

1. Amount and Purpose

Investment of $500,000 funded February 2002 divided as follows: $60,000 in Series A convertible preferred membership units and $440,000 in a convertible subordinated term loan that was used to:

- Acquire the assets of the Harrisville, West Virginia facility and to properly capitalize the facility to ensure necessary working capital.

B. Type of Business

1. **Legal Form** – Limited Liability Company.

2. **Functional Type of Organization** – Troy Mills, Inc. is currently managed by Richard Kerns, Director of Operations; Martin Ballen, Director of Sales; Linda Golden, Material Control Manager; John Ceisla, Engineering Manager; Gail Snodgrass, Quality Control Manager; and, Larry Pennington, Human Resources Manager.

3. **Business Operations** – Troy Mills, Inc. was organized in 1865 in Troy, New Hampshire, originally engaged in textile manufacturing making horse blankets. Through many years of selling to evolving markets resulting in a majority of products targeted to the automotive industry, the Company saw the transition away from woven textiles to needle punch technology. To enter this new product market the Company opened a second manufacturing

facility in 1974 in Harrisville, West Virginia specifically for the manufacture of needle punched textiles. The facilities in Troy, New Hampshire were also converted for the production of needle-punched textiles. The facilities at Troy, New Hampshire were very old and presented many operating inefficiencies coupled with high overhead costs. The Company sales from the New Hampshire facility have declined while the sales from the Harrisville plant have shown growth over the years. The downturn in automotive sales, coupled with the events of September 11, 2001, forced the Company to file for bankruptcy protection. The lead creditor, GE Capital continued to fund the operating loss while RCW Mirus, an investment banking firm, searched for suitors of various company plants and assets. Key members of management, believing the Harrisville facility could successfully compete in the industry as a stand-alone facility, formed Troy, LLC with the intent of acquiring the plant and assets based in Harrisville.

Approximately 85% of the primary products Troy, Harrisville produces are for the automotive industry selling primarily to tier-two suppliers. Those products include moldable trunk blanks, black and white goods, color-keyed carpet, and molded passenger compartment carpet. In addition, about 15% of the Company's products are sold to the apparel industry supplying inside liners for garments. Sample clients in the automotive industry include Collins & Aikman, Industry Products, and Visteon Corporation. (Ford Motor Company) These three customers account for over 50% of revenues. Other customers include Lear Corporation and Willis Manufacturing along with after-market auto industry supplier Rubber Queen. Customers in the apparel industry include Carhartt, Williamson-Dickie, and Pretty Products.

4. **Quality of Management –** Troy Mills, Inc. has an experienced Harrisville-based production management team with experience in the automotive textile industry, as well as the necessary technical skills to succeed with over 84 years of combined manufacturing experience overseeing the Harrisville operations. Richard Kerns has served many capacities since starting with the Company at the start-up of the Harrisville facility in 1974. He has demonstrated the ability to be an effective manager and appears to have a very positive working relationship within the factory as well as with customers, suppliers and competitors. He has demonstrated the management skills to lead the Company through the transition emerging from Bankruptcy with employees, customers, and suppliers' support.

C. *Types of Financial Statements of the Company*

1. **Annual:** Reviewed

2. **Interim:** Quarterly - unaudited

III. Financial Analysis

A. *Information Regarding the Company (business plans, etc.)*

Throughout Troy Mills' long production history is the Company's ability to design and develop a wide range of products to meet the ever-changing needs of the textile markets. Troy Mills prides itself on being an early adopter of needle punching technology, a core technology still utilized by the Company today. The needle punch fabrics market in North America has grown steadily particularly within the automotive industry, as pressure to cut costs makes knit and woven products less attractive. Natural fibers have historically played a prominent role in non-woven production and recently there has been renewed interest and increased use due to lighter weight, cost savings, product adaptability to a variety of applications and meeting the aesthetic desires of consumers.

June 2006 - The current turmoil in the automobile industry caused General Motors, Ford, and Chrysler to put enormous pressure on suppliers, including Troy, to reduce prices and demanded price cuts. This, when combined with major increases in oil prices, a principal ingredient in the raw material used by Troy, caused the Company to lose money. Troy considered alternatives to reverse the losses.

One of Troy's key customers defaulted on a payable of $270K, causing a cash strain to the Company. Troy's legal counsel is working to recover the lost income. In the meantime, sales increased to help offset the lost income and the company hired back previously laid off workers. Mountaineer Capital committed to a $400K bridge loan to get the Company through the cash strain.

While the future of the automotive industry and the economy in general is unsure, the financial projections have been based on conservative sales forecast. Troy is recognized for its total quality management (TQM) through its International Organization for Standardization (ISO-9002) and the automotive industry's Quality System (QS-9000) designations. Troy passed their annual review and inspection with only one easily resolved issue sited.

B. Financial Statement Analysis

Exhibit A, attached, lists key elements and financial ratios from the March 31, 2008 interim, the December 31, 2007 unaudited, and the December 31, 2006 through 2003 reviewed financial statements.

IV. Events Subsequent to the Initial Investment and the Effect on the Investment

The management sees the current hardships placed on Troy as their opportunity to demonstrate their commitment to customers by maintaining product quality and consistently meeting delivery schedules.

Troy, LLC may be a new entity, however, they have the advantages of a twenty-eight year history at Harrisville and are well established in the middle of a supply chain between suppliers and customers. In meeting JIT's mission of job creation and preservation, great importance is placed on the current employees at the Harrisville facility, and in weighing the potential for success against the risks, JIT recommended this project for funding.

The Company operates by primarily manufacturing and providing products to the automotive industry. Therefore, the Company is subject to the cycles that prevail in that industry. Currently, the industry is struggling to be profitable in an environment of deep discounts and "special" financing offers. Inevitably, this circumstance accrues to Troy and challenges the Company to adjust its operations to maintain its own profitability. To date, management has done an admirable job of controlling costs and seeking out profitable work.

V. Methodology of Current Evaluation of the Investment

Factors that may be considered in the evaluation of investments in equity and debt securities of startup companies and other securities for which market quotations are not readily available are:

- the amount that might reasonably be expected to be received upon current sale of the securities;
- the fundamental analytical data relating to the investment;
- the nature and duration of restrictions on disposition of the securities;
- an evaluation of the forces that influence the market in which these securities are purchased and sold;
- type of security;
- cost at date of purchase;

- size of holding;
- discount from market value of unrestricted securities of the same class at the time of purchase;
- financial statements;
- special reports prepared by analysts;
- information as to any transactions or offers with respect to the security;
- existence of merger proposals or tender offers affecting the securities;
- price and extent of public trading in similar securities of the issuer or comparable companies;
- the nature of the business and history of the enterprise from its inception;
- the general economic outlook and the condition of and outlook for the specific industry;
- an evaluation of the securities and economic condition of the portfolio company;
- the portfolio company's capacity for earnings;
- the portfolio company's market position;
- competition;
- the portfolio company's goodwill and other intangible values;
- recent sales of securities by the portfolio company;
- market prices of publicly traded securities of corporations of comparable size and earnings in the, or similar lines of, business;
- likelihood of exercise of conversion privileges of convertible securities;
- actual performance compared to expected performance; and
- other relevant matters.

The American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide, *Audits of Investment Companies*, requires venture capital companies to record their investment portfolios at quoted market prices or, in the absence of quoted prices, at amounts representing estimates of fair value using methods determined in good faith by the board of directors or general partner.

Financial Accounting Standards Board (FASB) Statement No. 114, *Accounting by Creditors for Impairment of a Loan*, excludes all companies that record investments at fair value, in accordance with specialized practice, from the requirements to report loan loss contingencies. In any event, the FASB requires that loan loss provisions be accrued only when it is *probable* that an asset has been impaired and that the amount of the loss be *reasonably* estimable.

The AICPA Investment Companies Special Committee states in its report, *Accounting for Venture Capital Investment Companies*, that "Startup companies generally do not have a record of earnings or operating information. Startup and other early-stage companies generally report losses in the early years, and portfolio companies seeking second-stage financing may not yet be showing profits. An operating loss reported by a portfolio company does not necessarily mean that the venture capital investment company should reduce the carrying amount of its investment. In determining value, the board of directors should also consider such factors as the cost of the investment, actual performance compared to expected performance, and earning potential."

The Investment Companies Special Committee believes that investments in startup companies should be presented at value. Value is usually assumed to be the same as cost during the early stages of such investments unless there is persuasive evidence of a quantifiable increase or decrease in the value of the investment based on consideration of such factors as those discussed above.

VI. Overall Conclusion

Based on the foregoing, the WV Jobs Investment Trust finds it most appropriate to record its investment in Troy LLC at value, which is currently presumed to be the same as cost or $500,000.

VANDALIA
RESEARCH™

INVESTMENT ANALYSIS

JUNE 30, 2008

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

VANDALIA RESEARCH, INC.

Investment Analysis Index

I. Background Information

Vandalia Research, Inc. was founded in 2004, and is a life sciences Company based in Huntington, West Virginia. Vandalia is the first biotechnology Company based upon Marshall University research, specializing in DNA production by polymerase chain reaction (PCR). The Company holds an exclusive license to the proprietary Triathlon technology. The technology is capable of providing milligram and gram quantities of custom PCR-amplified DNA for a variety of applications, such as DNA vaccines, diagnostic standards, genetic therapy research, and custom probes.

II. Basic Considerations

A. Type of Investment

1. Amount and Purpose

- February 2008 - The JIT Board approved an Investment of $275,000 in Series A preferred stock used for working capital as part of a $750,000 round.

B. Type of Business

1. **Legal Form** – "C" Corporation

2. **Functional Type of Organization** – The executive management of Vandalia Research responsible for daily operations are: Dr. Elizabeth Murray, CEO, who is Associate Professor of Biotechnology in the Integrated Science and Technology Department at Marshall University; Derek Gregg, Vice President for Business Development; Justin Swick, Senior Instrumentation Designer; and, Dr. Michael Norton, Professor in the Chemistry Department at Marshall University, who acts in an advisory role.

3. **Business Operations** – Vandalia Research currently has four employees and operates from its Huntington, WV headquarters.

4. **Quality of Management** – Dr. Elizabeth Murray was previously employed with Promega Corporation, where she participated in the team that brought Vandalia Research to ISO 9001 certification and is involved in the day-to-day operations of the Company. Derek Gregg acts primarily as the business operations manager and works to facilitate collaboration between business and research, establish partnerships, and develop and implement business

strategies. Justin Swick is the primary developer of automated systems and instrumentation. He is responsible for the design, fabrication and assembly of prototypes, as well as assisting with business development and commercialization. Dr. Michael Norton is responsible for new technology development and his experience is utilized in the design, fabrication and assembly of prototypes. He also advises the team on PCR application and future market opportunities for large-scale DNA production in nanotechnology.

C. Types of Financial Statements of the Company

1. **Annual:** unaudited

2. **Interim:** unaudited

III. Financial Analysis

A. Information Regarding the Company (business plans, etc.)

DNA is becoming ever more vital to more efficient drug discovery, diagnostics, therapeutics, identification methods, and computing advances. All of these applications require large amounts of short, specific DNA sequences. Vandalia recognizes this market need and has developed the Triathlon system using their advances in PCR technology to provide customers with a solution that fits their needs.

Vandalia has exclusive rights to use the Triathlon technology of DNA duplication which was developed at Marshall University. The technology is capable of providing milligram and gram quantities of custom PCR-amplified DNA for a variety of applications, such as DNA vaccines, diagnostic standards, genetic therapy research, and custom probes. Vandalia has an exclusive licensing agreement with Marshall to commercially utilize this process. The Triathlon process has a patent application pending from January 2004 and a second patent pending for refinements and process improvements filed in October 2007. In addition to the applied-for patents and perhaps of more importance, are the Company-developed process efficiencies or trade secrets.

The global market for DNA vaccines is experiencing tremendous growth. GlaxoSmithKline, a leading pharmaceutical company has estimated the market to reach over $30B by 2015. Vandalia has established relationships with companies that are currently in the DNA vaccine market. Current customers include Innovio Biomedical and PowderMed. Innovio of San Diego, CA is a publicly traded late stage biomedical company focused on the development of next-generation vaccines - DNA-based vaccines. Innovio purchased trail quantities of DNA from Vandalia in 2007 with significantly larger sales projected for 2008.

Vandalia may in the near term be able to co-locate with, or at the very least, utilize the facility that will house the research laboratory which will be made possible by a recent federal grant awarded for the efforts of Dr. Murray.

Recently, Vandalia was notified by one of their DNA vaccine partners that animal tests showed that DNA produced using the Triathlon system is as effective as plasmid DNA in generating immune response to the flu.

B. Financial Statement Analysis

Exhibit A, attached, lists key elements and financial ratios from the June 11, 2008 interim, and the July 31, 2007 fiscal year-end internal financial statements.

IV. Events Subsequent to the Initial Investment and the Effect on the Investment

None.

V. Methodology of Current Evaluation of the Investment

Factors that may be considered in the evaluation of investments in equity and debt securities of startup companies and other securities for which market quotations are not readily available are:

- the amount that might reasonably be expected to be received upon current sale of the securities;
- the fundamental analytical data relating to the investment;
- the nature and duration of restrictions on disposition of the securities;
- an evaluation of the forces that influence the market in which these securities are purchased and sold;
- type of security;
- cost at date of purchase;
- size of holding;
- discount from market value of unrestricted securities of the same class at the time of purchase;
- financial statements;
- special reports prepared by analysts;
- information as to any transactions or offers with respect to the security;
- existence of merger proposals or tender offers affecting the securities;

- price and extent of public trading in similar securities of the issuer or comparable companies;
- the nature of the business and history of the enterprise from its inception;
- the general economic outlook and the condition of and outlook for the specific industry;
- an evaluation of the securities and economic condition of the portfolio company;
- the portfolio company's capacity for earnings;
- the portfolio company's market position;
- competition;
- the portfolio company's goodwill and other intangible values;
- recent sales of securities by the portfolio company;
- market prices of publicly traded securities of corporations of comparable size and earnings in the, or similar lines of, business;
- likelihood of exercise of conversion privileges of convertible securities;
- actual performance compared to expected performance; and
- other relevant matters.

The American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide, *Audits of Investment Companies*, requires venture capital companies to record their investment portfolios at quoted market prices or, in the absence of quoted prices, at amounts representing estimates of fair value using methods determined in good faith by the board of directors or general partner.

Financial Accounting Standards Board (FASB) Statement No. 114, *Accounting by Creditors for Impairment of a Loan*, excludes all companies that record investments at fair value, in accordance with specialized practice, from the requirements to report loan loss contingencies. In any event, the FASB requires that loan loss provisions be accrued only when it is *probable* that an asset has been impaired and that the amount of the loss be *reasonably* estimable.

The AICPA Investment Companies Special Committee states in its report, *Accounting for Venture Capital Investment Companies*, that "Startup companies generally do not have a record of earnings or operating information. Startup and other early-stage companies generally report losses in the early years, and portfolio companies seeking second-stage financing may not yet be showing profits. An operating loss reported by a portfolio company does not necessarily mean that the venture capital investment company should reduce the carrying amount of its investment. In determining value, the board of directors should also consider such factors as the cost of the investment, actual performance compared to expected performance, and earning potential."

The Investment Companies Special Committee believes that investments in startup companies should be presented at value. Value is usually assumed to be the same as cost during the early stages of such investments unless there is persuasive evidence of a quantifiable increase or decrease in the value of the investment based on consideration of such factors as those discussed above.

VI. Overall Conclusion

Based on the foregoing, the WV Jobs Investment Trust finds it most appropriate to record its investment in Vandalia Research, Inc. at value, which is currently presumed to be the same as cost or $275,000.

Vested Health

INVESTMENT ANALYSIS

JUNE 30, 2008

West Virginia Jobs Investment Trust Board
1012 Kanawha Boulevard, East, Fifth Floor
Charleston, West Virginia 25301

VESTED HEALTH, LLC

Investment Analysis Index

I. Background Information

Vested Health, LLC of Charleston, WV, was formed to capitalize on the next major trend in healthcare; consumer directed health programs (CDHPs). A CDHP creates a more efficient healthcare market by shifting control and responsibility to the consumer. The Company is the first CDHP to operate in West Virginia and the surrounding region and the health coverage is offered through a series of relationships with leading insurance carriers.

The value of Vested Health's CDHP is that it empowers consumers to accumulate assets under Vested Health management, provides medical outcomes information to encourage efficient decision making within the delivery system, provides referral opportunities to financial service organizations, and defines and stabilizes healthcare expenses for employers.

II. Basic Considerations

A. Type of Investment

1. Amount and Purpose

- November 2002 - Investment of $250,000 in preferred membership units.
- November 2003 - A $250,000 convertible debenture with detachable warrants to purchase shares of Series B preferred stock.
- June 2004 - Approval for a $150,000 convertible debenture with detachable warrants to purchase shares of Series B preferred stock.
- November 2004 - Approval for a $100,000 equity investment in Series B preferred membership units.
- September 2007 - JIT board approved a $250,000 follow-on investment in the form of Series C preferred stock as part of a minimum $4.0M round.

B. Type of Business

1. **Legal Form** – "LLC" Limited Liability Corporation

2. **Functional Type of Organization** - The founders and managers of Vested Health, LLC responsible for daily operations are; Shawn Dobson, CEO, and Sherri Parks, CFO.

3. **Business Operations** – Vested Health, LLC owns and operates a consumer directed health insurance program (CDHP). Its product is a defined

contribution health plan that lowers an employer's health insurance costs by combining a health savings account, low cost health plan, and medical outcomes information. This provides employees the ability to accumulate assets for their current and future needs, reduce their out-of-pocket expenses, and lower their payroll contributions. Customer service for providers and members is a vital factor in the success of this product. Because the identity of Vested Health will in large part be determined by customer interactions, the Company will not outsource the person-to-person communications. Efficient claims management will be a key attribute of Vested Health. While initial claims will be handled through a combination of manual and automated processes, investment in technology will allow Vested Health to transition to a process that is almost entirely automated.

Vested Health has defined a manageable target market consisting of sixteen metropolitan statistical areas within West Virginia, Western Maryland, Southwest Virginia, Eastern Kentucky and South East Ohio. Within this target area the principals have existing relationships with brokers and major employer groups and extensive market knowledge.

4. **Quality of Management** – The Vested Health management team brings a balanced managerial approach to the Company.

C. Types of Financial Statements of the Company

1. **Annual:** audited

2. **Interim:** Internal - unaudited

III. Financial Analysis

A. Information Regarding the Company (business plans, etc.)

Vested Health's initial market focuses on West Virginia and the surrounding area, where the founders have existing relationships and detailed market knowledge. After securing a substantial base of customers in the initial target market, Vested Health's footprint will gradually be expanded geographically. When choosing geographic markets to annex, Vested Health will consider existing relationships with insurance carriers, age and sex demographics, CDHP competition and competitive healthcare provider discount arrangements.

June 2003 – Vested Health surpassed 1,500 enrolled members. This number represents a membership milestone set forth in the term sheet which constitutes release of the remaining working capital to the Company from the investment group.

June 2004 – Vested Health signed up over 100 employer groups bringing their total membership to 5,545. Since the October 2003 Bridge round, the number of employer groups signed up increased by over 60%, while the total membership experienced a 148% increase. The Company exceeded their targeted mid-year 2004 membership number of 4,365 by 27% and the 2004 year-end goal of 6,939 was achieved.

June 2005 – Vested Health signed up over 177 employer groups bringing their total membership to 10,423. In the last twelve months, the number of employer groups signed up increased by over 77%, while the total membership experienced an 88% increase.

B. Financial Statement Analysis

Exhibit A, attached, lists key elements and financial ratios from the April 30, 2008 interim, the December 31, 2007, 2006 and 2005 (9 months) audited, and the December 31, 2004 and 2003 internal financial statements for Vested Health, LLC.

IV. Events Subsequent to the Initial Investment and the Effect on the Investment

November 2004 - The JIT Board approved a $100,000 equity investment in Vested Health, LLC as part of a $3.0M Series B preferred units round, which included approximately $2.0M in new money and conversion of $1.0M in debentures to equity. The JIT converted $335K in debentures to equity at the close of the round. The JIT's equity ownership stands at 252,647 units or 13.21% of the Company.

The JIT has participated in two bridge rounds since the initial investment. In November 2003 the JIT invested an additional $250,000 in Vested Health as part of a $750,000 round. In June 2004, the JIT Board approved an additional $150,000 in Vested Health as part of a $450,000 round. Each investment was structured as a convertible debenture with warrants to purchase Series B preferred stock and has been converted as described.

June 2006 - Vested Health covered over 8,000 employees and nearly 16,000 members. The Company has $1.5M in notes payable to previous investors. The Company was seeking to raise a Series C round at which time the notes would likely convert to equity.

September 2007 - The JIT board approved a $250,000 follow-on investment in the form of Series C preferred stock as part of a minimum $4.0M round. The number of preferred shares were rounded down in order to prevent JIT from

exceeding the $1.0M investment cap, therefore the actual total investment to date in the Company is $999,997.

June 2008 - The past year saw significant changes in the management of the Company. Mike Baker no longer serves in any capacity. Shawn Dobson is the new CEO, and Sherri Parks serves as CFO. The Company currently provides health coverage for 323 employers including 13,800 covered employees. Average cash burn is approximately $50k per month with cash reserves slightly in excess of $250k. Vested Health financial projects indicate they will be better than break-even by the start of the first quarter of 2009.

V. Methodology of Current Evaluation of the Investment

Factors that may be considered in the evaluation of investments in equity and debt securities of startup companies and other securities for which market quotations are not readily available are:

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- type of security;
- cost at date of purchase;
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- the nature of the business and history of the enterprise from its inception;
- the general economic outlook and the condition of and outlook for the specific industry;
- an evaluation of the securities and economic condition of the portfolio company;
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- the portfolio company's market position;
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The Investment Companies Special Committee believes that investments in startup companies should be presented at value. Value is usually assumed to be the same as cost during the early stages of such investments unless there is persuasive evidence of a quantifiable increase or decrease in the value of the investment based on consideration of such factors as those discussed above.

VI. Overall Conclusion

Based on the foregoing, the WV Jobs Investment Trust finds it most appropriate to record its investment in Vested Health, LLC at value, which is currently presumed to be the same as cost or $999,997.