



High Level Overview

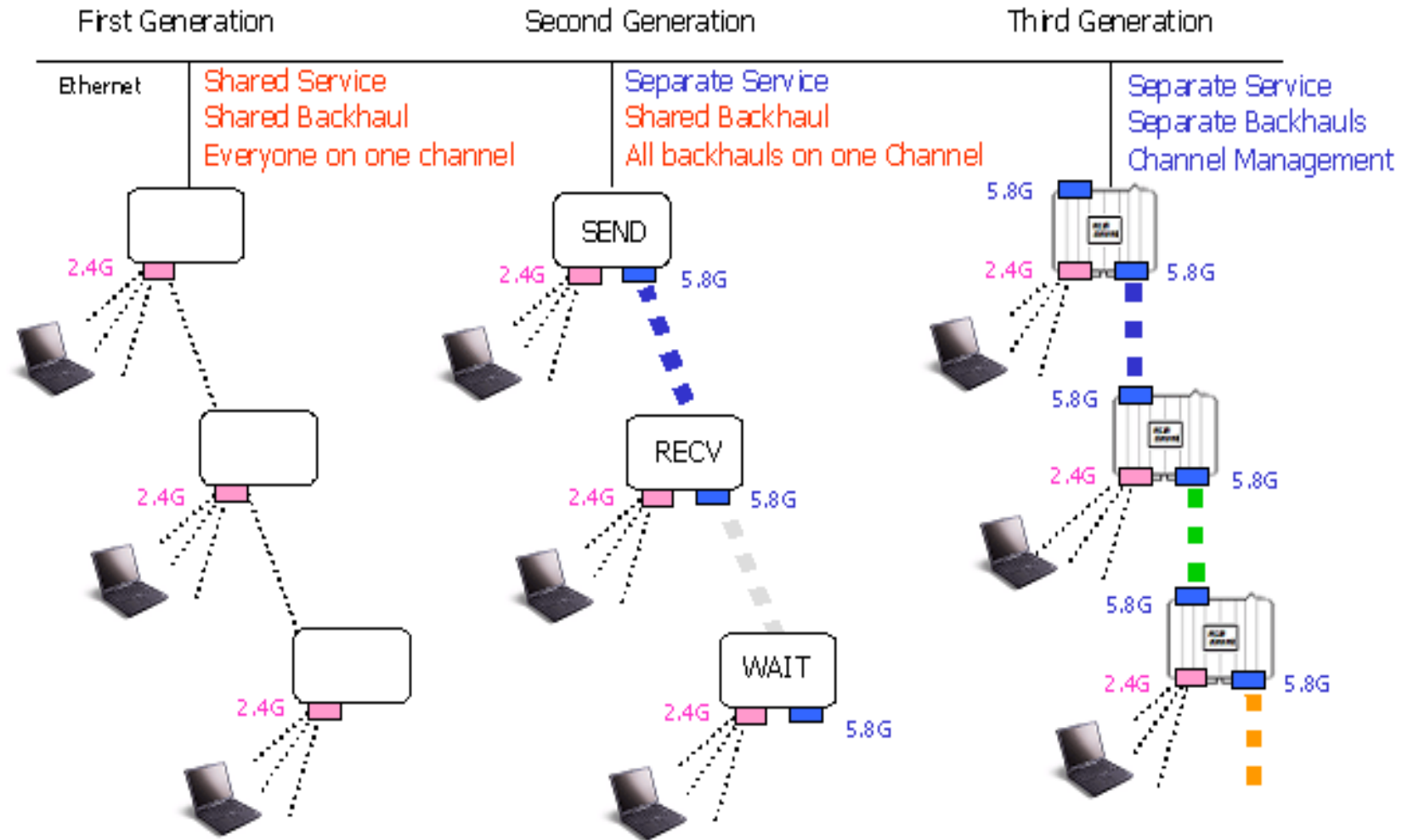


Field Results – Technology Status

- **Production shipments since 11/05**
- **Low-jitter VoIP to 40+ hops**
- **Mobility with voice/video**
 - All nodes in motion, to 60+ MPH
 - Some fixed, to 250 MPH (pilot)
- **Longest hop 14+ miles**
 - Directional antennas, no amps
- **S/W ported to multiple UNIX and PC platforms, incl. low-cost single-radio**
- **FIPS 140-2**
- **Back-up SIP server**



Third Generation Structured Mesh™





Key Intellectual Property

- **US Patent 7,420,952**

- **“High Performance Wireless Networks Using Distributed Control”**

- Awarded September 2008
- Essential mesh capabilities, including
 - Throughput and latency management
 - Dynamic backhaul load management
 - Dynamic network topology management
 - Dynamic channel management
 - Local interference management
 - Self-configuration
 - Fault tolerance
 - Traffic forwarding
- Not limited to Wi-Fi
 - UWB, WPANs, WiMAX, ...



Key Intellectual Property

- **“Managing Latency and Jitter on Wireless LANs”**
- Appl No 11/266,884
- Notice of Allowance, May 2009
- Issue Fee Paid
- Should Issue in August 2009
- Key patent addressing enhanced VOIP communications in military, mining, and other applications over many hops



Additional Patents Filed and in Process

- AN 12/154,155 **High Performance Wireless Networks Using Distributed Control**
 - Continuation of AN 10/434,948
 - Switch Stack Equivalence with Logical Radios (single and multiple)
- AN 11/084,330 **Multiple-radio Mission Critical Wireless Mesh Networks**
 - Scanning Radio for higher speed mobility, faster reconvergence
 - Enables mobility handoffs with no performance loss
 - Full duplex, multi-radio mesh
 - Hybrid Mesh
- AN 12/352,457 **Self-forming VoIP Network**
 - Enables persistent VoIP communication on isolated networks and transparent return to primary network
- AN 61/148803 **Persistent Mesh for Isolated Mobile And Temporal Networking**
 - Enables structured mesh operation in isolated and reforming network clusters
- AN 11/818,889 **Mobility Extensions for Wireless Multiple Radio Mesh**
 - Additional scanning methodologies for mobile mesh applications
- AN 61/117,502 **Real-time Video Packet Transforms to Avoid Retransmissions**



- **130+ networks, ~2000 nodes in production**
- **Largest deal \$1.6M prepaid (S/W licenses)**
- **Leading commercial and military customers**
 - Many take-outs and “bake-off” wins
 - Developing VARs/Integrators
- **Key markets emerging**
 - Mining/Natural Resources; Military Mobility w/ Video; Rapid Deployment; Homeland Defense; AMR
- **Resource limited, opportunities growing**
 - Prospects recovering from downturn
 - 2010/2011 TAM ~\$2B; SAM ~\$450M



Market Success Factors

- **Requires high performance**
 - High bandwidth data
 - Video or voice with delay and latency sensitivity
 - Deterministic, switch-like performance and scale
- **Mobility**
- **Communication over broad area**
 - High performance need over many hops
- **Rapid deployment, hastily formed, situation response**
- **Enterprise**
 - That's where the money is
 - New emerging markets



Sales Status 2009

- **Challenging first half due to economic uncertainty**
- **Second half, 2010 pipeline growing**
 - Mining and Petroleum
 - Military Mobility & Video
 - AMR
 - Civic Infrastructure/Public Safety
- **Key partners gaining traction**
 - MSHA approvals
 - Integration and testing of S/W completing

- **Multi-radio mesh development began 2002**
 - Incorporated 2005
- **Privately and closely held**
 - Roughly \$3M invested, no VCs, bootstrapping
 - Minimal debt
- **Marginally profitable in 2008 (CY/FY)**
- **COTS hardware, outsourced**
- **Need for larger partner/acquirer**
 - Multiple discussions to date



Cisco/MeshDynamics Opportunities

- **Mobile structured mesh extension at edge of Cisco 1500 networks**
 - High performance voice/video
 - Extending control, security, prioritization, etc. across mobile portions of networks
- **Accelerating emerging markets – existing MD pipeline**
- **Build on MD channel agility, scanning, VoIP optimization, and Video optimization IP**
- **Quick integration – primarily S/W product**
- **Hybrid mesh**