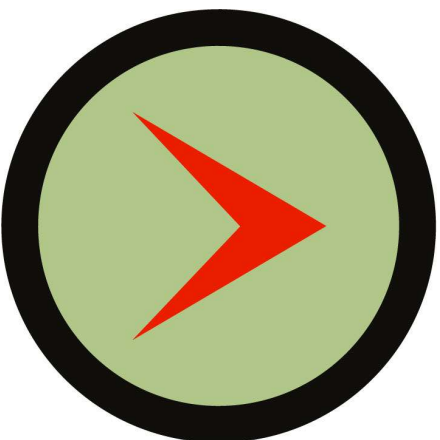


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IGNITING THE FUTURE.

Board of Managers Meeting
June 28, 2001

Meeting Agenda

Topic

Time

Introduction, Approval of Minutes

4:30 – 4:35

Financials

4:35 – 5:00

Corporate Activities and Operations

5:00 – 5:30

Corporate and Business Development

5:30 – 6:00

Industry Building

6:00 – 6:30

CEO Report and Other Matters

6:30 – 7:00



Index of Proposed Board Resolutions

- Minutes *
- New officers and equity issuances
- Possible change of banking institution*
- Q3 capital call *
- Formation of Ardesta Manufacturing?
- Creation of Board Committees

* No slide

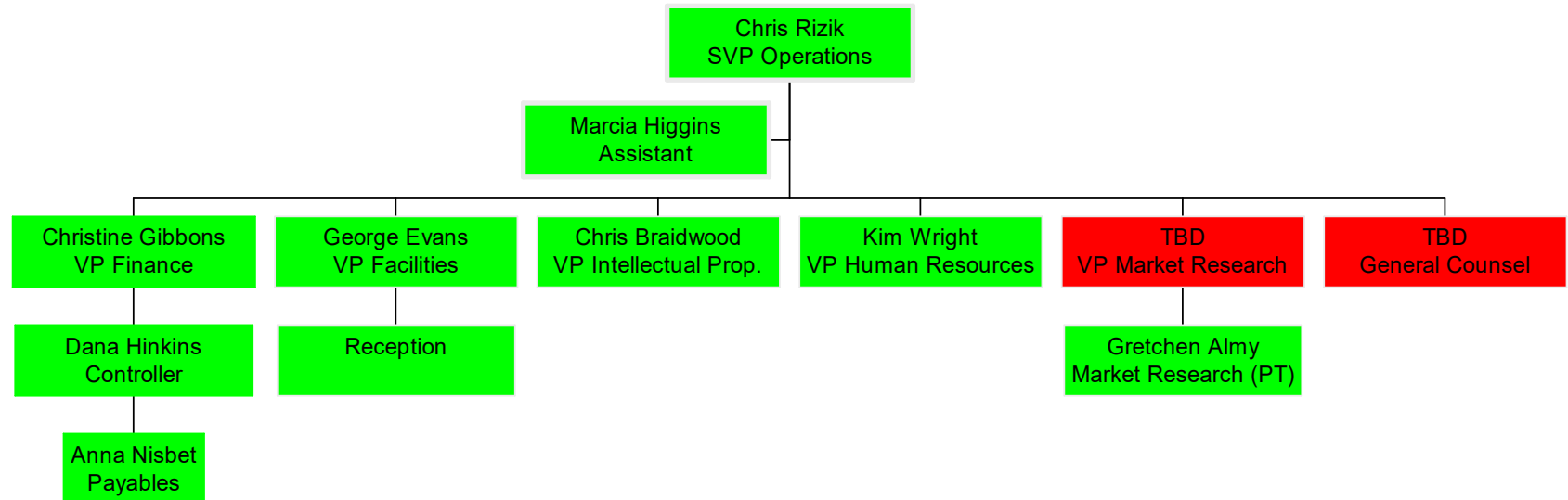


Corporate Operations

- Finance
- Human Resources
- Facilities
- Legal / Intellectual Property
- Incubation Services



Operations Organization Chart



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Finance

- Time tracking for incubation services begins 7/1.
- Hired new Controller (Dana Hinkins).
- Establishing internal controls for purchasing, etc., at Ardesta and start-ups.
- Created internal reporting book for dissemination to board, tracking portfolio progress



Human Resources

- Established Deferred Bonus Plan
- Issued Restricted Unit grants.
 - Distinct advantages over pure stock options with regard to taxation and sharing in upside of Ardesta.
- Interviewing individuals and firms regarding formation of Ardesta Talent.
- Recent Hires:
 - Operations – Chris Braidwood, Dana Hinkle
 - CBD - Brian Brandel, Vinay Gupta
 - Small Times – Steve Crosby, Howard Lovy, Jeff Karoub



Facilities

- Moving to 755 Phoenix on July 13.
- Sensicore moving into adjacent space by September 1.
- Discera and Translume moving into space next door by October 1.
- Option on 12,000 additional square feet next door.
 - Would likely be necessary for 4th and 5th start-ups.
- Beginning discussions on construction of possible long term home



Legal / I.P.

- Interviewing General Counsel candidates
- Intellectual Property –
 - Chris Braidwood creating disclosure and patent processes for Sensicore, Translume.
 - Creating Patent counsel relationships for Ardesta and member companies.
- 40 Act – Currently at 43 members (100 limit).



Incubation Services

- Hiring of Vinay Gupta as Interim President/COO of 3 Michigan start-ups (Steve Johns to discuss).
- Working on a la carte services for minority investments.
- Beginning to monitor experience for future pricing.
- Looking at future services:
 - Market research
 - Grant writing services

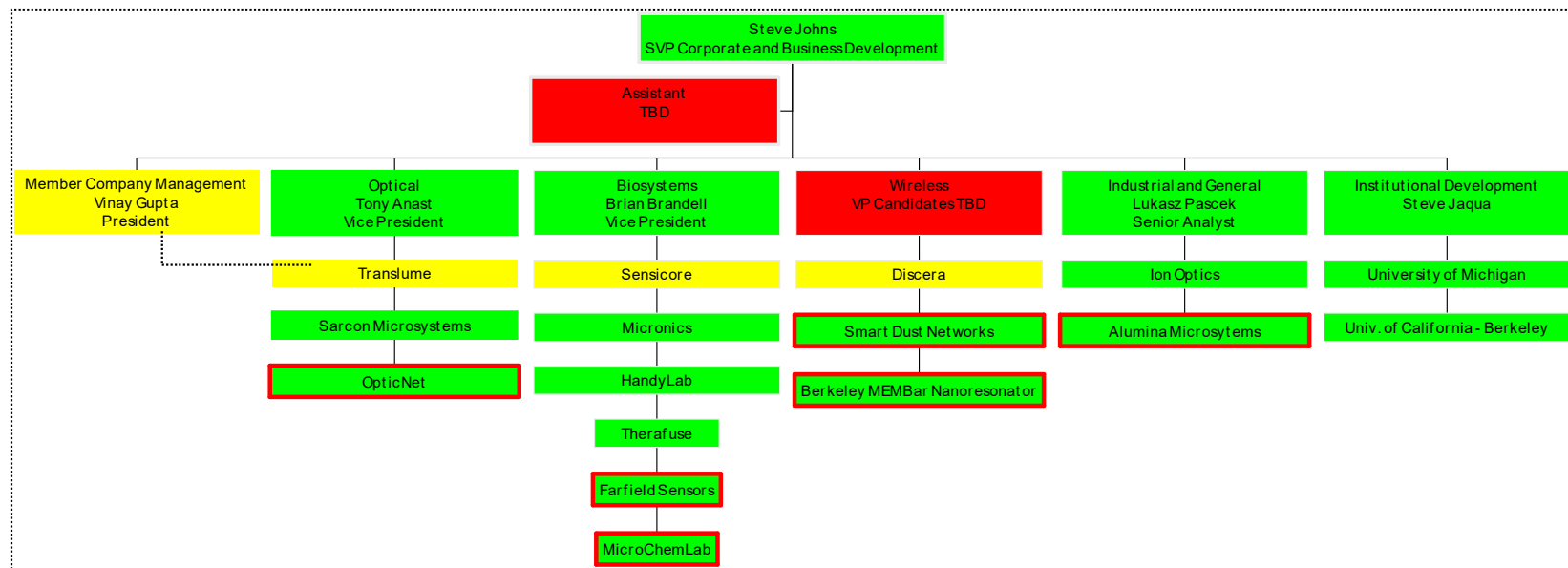


Corporate and Business Development

- Organization
- Portfolio Companies
- Development Opportunities
- Pipeline
- Relationships
- Hiring



CBD Organization Chart



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Portfolio Companies

- Micronics
- HandyLab
- Ion Optics
- Sensicore
- Translume*
- Discera*
- Sarcon Microsystems*
- Therafuse*

* - New since last Board meeting



Top 5 Development Opportunities from last meeting and resolution

- “Nu-En”
 - Start-up wireless communications company
 - Closed all IP deals and professor Nguyen. Company started.
- InterScience
 - Start-up/Investment in tunable laser optical applications company
 - Passed due to IP and management issues
- Alloptel
 - Start-up/Investment in Optical telecom components company
 - Closed \$1 million investment. Company re-named Translume.
- Sarcon Microsystems
 - Investment in Infrared applications company
 - Closed \$7.75 million round. \$2 million from Ardesta
- Therafuse
 - Investment in monitoring and drug delivery company
 - Closed \$200,000 seed financing

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Top 5 Development Opportunities

- Farfield Sensors
 - U.K.-based bioanalytical sensor development
 - Technology very exciting
 - Sorting out business model and valuation
- Smart Dust Networks
 - Wireless sensors for detection and monitoring of temperature, humidity, light, motion, etc.
 - Start-up opportunity with Professor Kris Pister
 - Goal is size and cost reduction
- MicroChemLab
 - “Lab-on-a-chip” spinout from Sandia National Labs
 - Chemical detection in gases
 - Applications in early disease detection and drug efficacy [Power or capacity to produce a desired effect; effectiveness]
- EndoBionics
 - Spinout from UC Berkeley
 - Catheter-mounted microneedles for drug delivery



Pipeline

Commercial

- Alumina Micro
 - Microvalves
- OpticNet
 - Spinout from BEI (leading MEMS fabricator) specializing in optical MEMS fabrication techniques
- MicroPower
 - Micro Wankel engine
 - Under development at Berkeley – Al Pisano
- BioForce Laboratory
 - Nanotools for analysis of cellular proteins
- Protopharm
 - MEMS-Proteomics. Referral from Roger Howe.
- Motion Sense
 - Intelligence for MEMS-accelerometers. Referral from Roger Howe

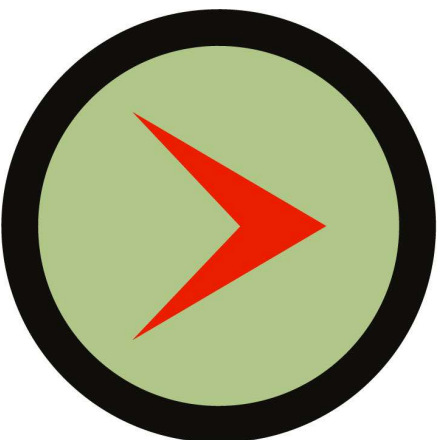


Relationships

- Sandia
 - Finalizing Summit V license
 - Three-way deal with Sandia and Intel for Summit V prototyping and fabrication
- University of Michigan
 - Assessing license for Polymer Microfluidics IP
 - Steve Jaqua to assume relationship role similar to Berkeley
- University of California – Berkeley
 - Pisano and Liepmann added to consultants
 - Evaluating Endobionics, Micro Wankel, Smart Dust, MEMBar for commercialization prospects



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