

Part 1: "Elevator" Introduction

Salted Earth's mission is to dramatically improve national security and public safety through advanced technology, enhanced training techniques, and data analytics. We engineer, manufacture, and market intelligent firearms training tools which allow law enforcement/military/civilian customers to train safely and effectively in any environment. Our online analytics engine tracks user metrics and employs machine learning to tailor training programs for each unique first responder. We collect and analyze trainee data to determine skill deficiencies in first responders and provide training instructors with in-depth cognitive analysis and training recommendations for continual improvement. Our analytics engine combined with our current product offering of IOT enabled Dry-Fire training targets enables first responders to meet ever evolving threats and keep us safe.

Part 2: Market and Industry Analysis

The annual domestic firearms industry is estimated at \$49.3 billion dollars generating over 290,000 full time jobs. In 2016 there are over 24 million background checks through the federal NICS system, already surpassing the 23 million background checks in 2015 even before December 2016 is tallied. In the US market alone there are over 900,000 sworn law enforcement officers, 2.2 million active and reserve military personnel, 1.25 million NATO soldiers, 14.9 million CCW permit holders, and an additional 280 million firearms owned by private citizens. Our primary competition in the law enforcement and military sector of the market are projected-style training systems which are indirect competitors. The MILO system uses a projector to provide visual stimuli and feedback to the trainee, and a webcam to detect hits on the projected image. This type of system suffers from extreme latency and is disorienting to users since the scenario is dynamic despite the trainee being static. MILO systems (part of the \$63M Training and Simulation division of Arotech -\$89M) cost \$125-\$140k per projection unit that can handle an area of 8'x8' on a single wall; This system cannot be used outdoors. MILES systems are configured exclusively for the military and are \$1,800 per muzzle device and \$2,500-\$4,000 for the vest/helmet detectors for each soldier to be trained.

Our system can leverage existing laser emitting devices and vests to dramatically expand the available training methods and adapt to ever changing mission requirements in a cost effective, scalable, and rugged manner. Competition in the consumer market is sparse with only a handful of products in this sector. LaserLyte (Cottonwood AZ) produces laser reactive targets that can only detect red laser light, cannot be used indoors with overhead lights or outdoors, and manufactures their product overseas thereby disqualifying themselves for military applications. Laser Ammo (LI, New York) manufactures projected style targets as well as the "Laser PETT" laser target which is similar to the LaserLyte target in specifications and limited capability. No product currently on the market can simultaneously display a target and detect the laser emitter, nor do they include any wireless functionality or any way for the user to reprogram the device.

Part 3: Go-to-Market Plan

In 2016 we focused on streamlining our supply chain, securing a turn key manufacturer, and improving sales coverage by leveraging distributors and retail outlets. In 2017 we turn our attention to building out the recurring revenue side of our business to further entrench Salted Earth into law enforcement standardized training. Our first product to market was the ATLAS dry-fire laser training system, an IOT connected intelligent sensor for use in firearm training; These hardware devices enable us to collect and analyze performance data from Law Enforcement, Military, and Civilian trainees. The metrics we collect are used to provide trainees and instructors with specialized lesson plans, detailed cognitive analysis, historical data, and changes to department specific KPI's. Over the next year we plan to increase our sales from 50 ATLAS deployments per month up to 200/month. Each deployment provides us the opportunity to collect metrics from 40-350 officers depending on the size of the department. We have submitted an entry into the IBM Watson AI Xprize which involves the continued development of our Analytics AI back engine that we believe will completely alter the landscape of first responder training and readiness. The recurring revenue and metrics tracking will be rolled out in several phases to coincide with the Xprize deadlines, 2017 is the first phase aimed at substantially expanding our current user base in all of our product verticals. In addition to the metrics tracking rollouts we are poised to launch the ATLAS-C civilian variant of our laser training system, this target is aimed at a lower consumer-friendly price point and feature set. The secondary reason for launching the ATLAS-C in Q1 2017 is to branch our metrics tracking capabilities into the civilian sector. We are in the advanced stages of preparing for a crowd-funded launch of the ATLAS-C in coordination with several prominent firearm community news sources. In 2016 the ATLAS system was featured in several industry publications including USCCA (NOV), Guns and Ammo, and received an astounding review from SWAT magazine. Throughout 2017 we will continue to engage with several major firearm publications as they work on features, and continue to support industry bloggers to spread the word of the ATLAS training system. Over the course of 2016 we successfully secured several major distributors including 3S corp (Latin America), C2 Tactical (Arizona), Simpson Sales (East coast US), and Tactical Distributors to augment our internal business development.

Part 4: Technical Product Description and Plan

Our first product is the ATLAS-8, a rechargeable, wireless enabled reactive laser target used for firearms training. The ATLAS is dust proof, water resistant, and is the only laser trainer capable of being used indoors or out. All ATLAS units can also be powered through wall adapters, solar, or external batteries to accommodate mission requirements. Whereas competitive products only work with red lasers, the ATLAS system can sense and respond to lasers of any color as well as other visible light sources such as flashlights. Over 200 trainers can be operated / configured from the onboard interface, or through our mobile/desktop software for both control and metrics gathering. Our metrics gathering backend system will generate reoccurring revenue through officer and department subscriptions giving police departments the ability to track and tailor trainings for individual / team needs.

ATLAS products gives shooters instant feedback, has a full color display, many built in training scenarios, has a rugged design and can be used anywhere, indoors/outdoors. Competitor's products often can only work in dimly lit rooms, doesn't give the user instant feedback and is poorly constructed. Our products advantage over live fire training is the ATLAS-8 can be set up anywhere to create a simulated training scenario. Live fire training takes time, money and expense and can only be done in very limited areas. While we don't believe this or any other system can replace live fire training, our system can enhance shooting performance and make time on the firing range much more efficient. All ATLAS products are IOT enabled intelligent sensors, capable of collecting and processing user data before transmitting this information to our cloud backend storage. Once stored the information is processed through our AI analytics engine to judge user metrics against known data and form a complete picture of the users progress/deficiencies. Through these analytics process we are able to use historical data and up-to-date metrics from a wide subset of users to provide a complete picture of a particular end-users abilities and progress. For the first time in US History we can use training metrics collected from global sources and evolve current training methodologies to meet threats now and into the future. The ATLAS-C builds upon the framework of the ATLAS-8 but has been stripped down to the necessities for the civilian market. At a lower price point this device allows civilians to train effectively in their own homes while still being able to track performance metrics and receive detailed analysis.

Training modes are designed to gamify core concepts of firearm employment and tactical training to keep users engaged. By keeping users at the bleeding edge of their skillset enables them to continually improve through the closed loop of practice and assessment. Each mode we release is designed to train a specific set of skills in a fun, engaging, and effective way; while also unlocking more metrics that can be tracked for global assessment. Every ATLAS device has user-upgradable firmware to ensure that our customers continue to enjoy and use their products throughout their skillset evolution. For only \$250 per officer annually we enable a law enforcement department to increase training by several orders of magnitude; Doing so in an Effective, Safe, and environmentally conscious way.

Part 5: Risk vs. Talent Narrative

We will be pivoting from a pure Hardware sales model to a Hardware Enabled SAAS model to further mitigate risk associated with ownership of Hardware devices. We drastically increase officer training for only \$250USD per officer annually.

Phil Haasnoot - CEO. Philip grew up in a machine shop and forged a deep passion for manufacturing and engineering from early childhood. 14 years of engineering experience combined with a passion for Public Safety put Salted Earth far ahead of the capabilities of its competitors. A "Lead from the front" type of founder putting in the long days and longer nights necessary to ensure success for Salted Earth and our First Responders in the line of Duty.

Donna Pulvermacher - CFO. Donna is passionate about helping the law enforcement community be more effective. For those who choose to serve and protect us every day, we need to provide them with the tools to help them in stressful situations and reduce unintended shootings. She is a CPA with over 25 years CPG experience in working with startups to large sized companies and holds a BA in Accounting from Northern Arizona University and is a CPA.

Jon Coates - CBDO. Jon grew up in a military/first responder household and has been around firearms his whole life. The ability to bring technology to the firearms industry is what drew him to help start Salted Earth. He has over 25 years of sales/marketing/operations experience working in CPG and manufacturing ranging from startups to large sized companies. Jon has an AB from the University of California, Berkeley.

Corey Renner - COO. Corey has also worked in medical, aerospace and consumer products with over 20 years of experience.

Squire Patton & Boggs has advised us on patent and corporate governance. We have worked with AVNET and ABX for manufacturing and supply sourcing. We are working closely with several law enforcement departments and a board member of IALEFI (Int'l Assoc of Law Enforcement Firearms Instructors) who have given insight and guidance towards the product and it's functionality within those channels of business. Our contracted distributors and sales representation groups have also guided us in product and software development. Through their decades of experience and from showing our products to end users we have received excellent feedback and suggestions.