



INDOOR GOLF CENTERS – CRITICAL SUCCESS FACTORS

1. Equipment & Technology

Golf simulators are the number one attraction for indoor golf centers – they are more popular than all the other amenities combined including: putting greens, hitting nets, sand traps and instructional tools including video swing analysis.

If you don't have state-of-the-art golf simulators as the cornerstone of your operation, it will be difficult to keep customers coming back. And without repeat business generating steady recurring revenue, you may be faced with a challenge keeping your business viable in any economy.

Marketing and promotional activities, as well as ambience are also important but if your customers don't have a good indoor golf experience playing on a quality product, then they most likely will not return.



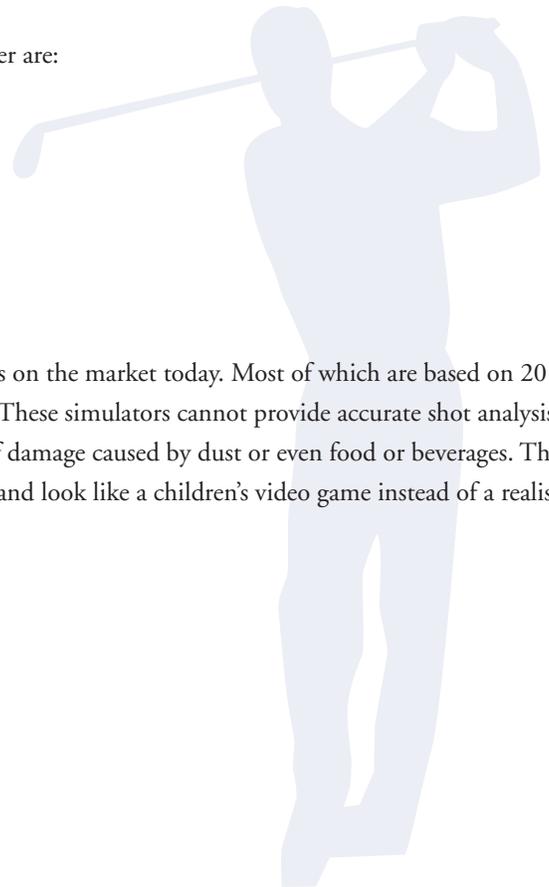
HD Golf™ CASA de CAMPO Hole 7

Simulator Selection:

The most important factors in selecting golf simulators for your indoor golf center are:

- Accurate shot analysis and reproduction
- Photo-realistic graphics utilizing the latest modeling techniques
- Integrated software for golf center management and golf instruction
- Ease of use
- Reliability

There are approximately a dozen commercially available brands of golf simulators on the market today. Most of which are based on 20 year old technology, utilizing photo diode strips mounted in the floor and walls. These simulators cannot provide accurate shot analysis and reproduction. In addition, the photo diodes are prone to failure as a result of damage caused by dust or even food or beverages. These simulators typically use conventional 3D graphics to reproduce the golf courses, and look like a children's video game instead of a realistic golf course.



High Definition Golf™ provides several major competitive advantages for Indoor Golf Centers including:

Advanced computer vision ball & club tracking:

- HD Golf™ Pioneered computer vision technology in the golf simulator industry
- Unique capability to track all club and ball movement - HD Golf™ is the only system to do this
- HD Golf™ makes more measurements, and more accurately than any other simulator – by far (e.g. club face angle 0.1° open)
- Tracks the ball over the entire launch area – provides the most accurate distance and trajectory analysis – other systems track ball at only 2 or 3 points
- Hit from any position – not just a dedicated tee position, no putting over photo diode arrays like streetcar tracks



HD Golf™ Club and Ball Tracking

More Realistic:

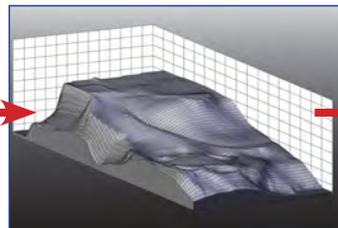
- High Definition Golf™ – looks and plays like you are on the actual golf course
- Our revolutionary image processing software combines high resolution digital images, satellite data and geophysical data into 3D models to produce a totally realistic indoor golf experience



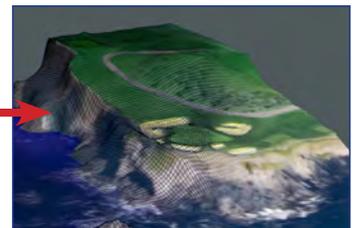
DIGITAL IMAGE



SATELLITE DATA



GEOPHYSICAL DATA



COMPOSITE

Integrated Software & Accessories for Golf Instruction:

- Video Swing Analysis
- Swing Dynamics
- Weight Transfer/Balance Analysis
- Plug and play with no need for a second computer
- All information presented on the touch screen and large screen for easy review. Shot data and club data is completely integrated with your swing



HD Golf™ Video Swing Analysis

Club fitting & Club Comparison:

- The club fitting and club comparison software is FREE
- Club fitter can track every club shaft or even golf ball being tested
- Club fitter can use the software to gap every club in their customers bag
- Measurements are taken in “real-time” and then displayed on the system touch screen and large display screen for instant feedback

Easy-to-use:

- Very easy to operate via touchscreen – as easy to use as an ATM
- Does not require an attendant to operate the simulator

More Reliable:

- HD Golf™ simulators utilize only high quality, business/industrial-rated components including cameras, projectors and computers. – no photo diode lens covers to wear out, etc.
 - Example: We don't use home PC's like other sim manufacturers – we use high performance business workstations**
- HD Golf™ simulators are famous for reliability. We have the most robust, field proven computer vision based ball/club tracking in the industry
- HD Golf™ systems have a track record with “up-time” better than 99%
- Extensive remote diagnostics – just press a button and you are connected with our engineering/customer support – they can diagnose system on-line
- Our hitting screens–high tech material, multi-layer – low rebound, low noise, much greater durability than competitive systems, does not show ball marks

Golf Center Management Software:

This value-added system will help the golf center staff manage the day-to-day operations including:

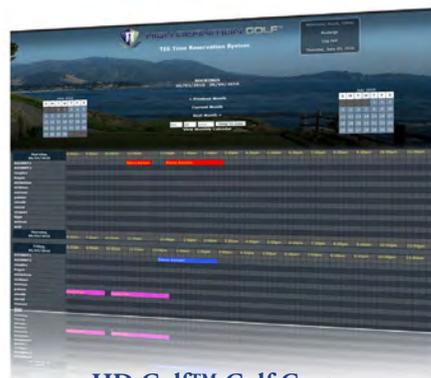
- Book tee times in person or via the Internet
- Save player statistics and video swing analysis videos from the simulators
- Organize tournaments and leagues
- Print or E-mail to clients or save to CD
- Review simulator time usage, number of golf shots, etc.
- Compare simulator usage to POS receipts



The screenshot displays the 'HIGH DEFINITION GOLF™ CLUB FITTING' software interface. It features a table with columns for club types (3 wood, 5 wood, 3 iron, 4 iron, 5 iron) and various performance metrics. The table includes an 'Average' row and several individual shot data rows (Shot #1 to Shot #7). At the bottom, there are navigation buttons: BIG SCREEN, PRINT REPORT, DELETE, CLUBHEAD DATA, EDIT, SUMMARY, OPTIONS, and BACK.

Driver	3 wood	5 wood	3 iron	4 iron	5 iron							
Shot Dist. (yds.)	Ball Speed (mph)	Club Speed (mph)	Smash Factor	Launch Angle (deg)	Horiz. Angle (deg)	Club Path (deg)	Spin Rate (rpm)	Spin Axis (deg)	Club Impact	Max Flex (%)	Min Flex (%)	
Average	244.04	148.86	71.85	0.30	11.53	3.46	0.76	4590.32	7.87	---	1.74	-2.35
Shot #7	220.84	146.51	52.30	2.80	14.78	-0.25	-10.5	3376.52	7.49	H	1.69	-2.38
Shot #6	257.42	150.78	118.03	1.28	11.75	3.36	1.9	4265.37	9.31	C	1.80	-2.27
Shot #5	242.61	147.64	0.00	0.00	7.41	5.00	3.0	4265.37	9.31	C	1.80	-2.27
Shot #4	218.11	143.50	113.90	1.26	12.05	3.15	3.0	7408.95	12.60	H	1.76	-2.56
Shot #3	233.76	144.63	0.00	0.00	8.46	4.90	-0.0	4311.98	9.70	H	1.73	-2.47
Shot #2	273.95	159.13	114.78	1.39	11.59	4.25	4.8	3456.18	1.59	H	1.82	-2.38
Shot #1	261.56	149.79	102.55	1.46	14.69	3.82	3.2	2589.32	-3.46	C	1.90	-2.16

HD Golf™ Club Fitting Software



HD Golf™ Golf Center Management Software

Before making that critical purchase decision for golf simulators, we recommend a thorough evaluation of the leading brands. If you are not an experienced, low handicap golfer we recommend you take along a friend who is and play each of the systems. All golf simulators are NOT created equal. There are some significant differences.

2. Programs

The most successful indoor golf centers offer a comprehensive series of programs that cater to a variety of golfers including low handicap golfers (men & women), recreational players, seniors and even kids. Golf center activities should include:

- Corporate memberships and events
- Leagues
- Golf instruction/lessons
- Junior programs
- Senior programs and discounts
- Tournaments and contests with prizes



Golf Instruction

3. Marketing & Promotion

Marketing and promotional programs will raise awareness and drive traffic to the golf center. Targeting various neighborhoods and businesses with the following are key steps to building a sustainable business:

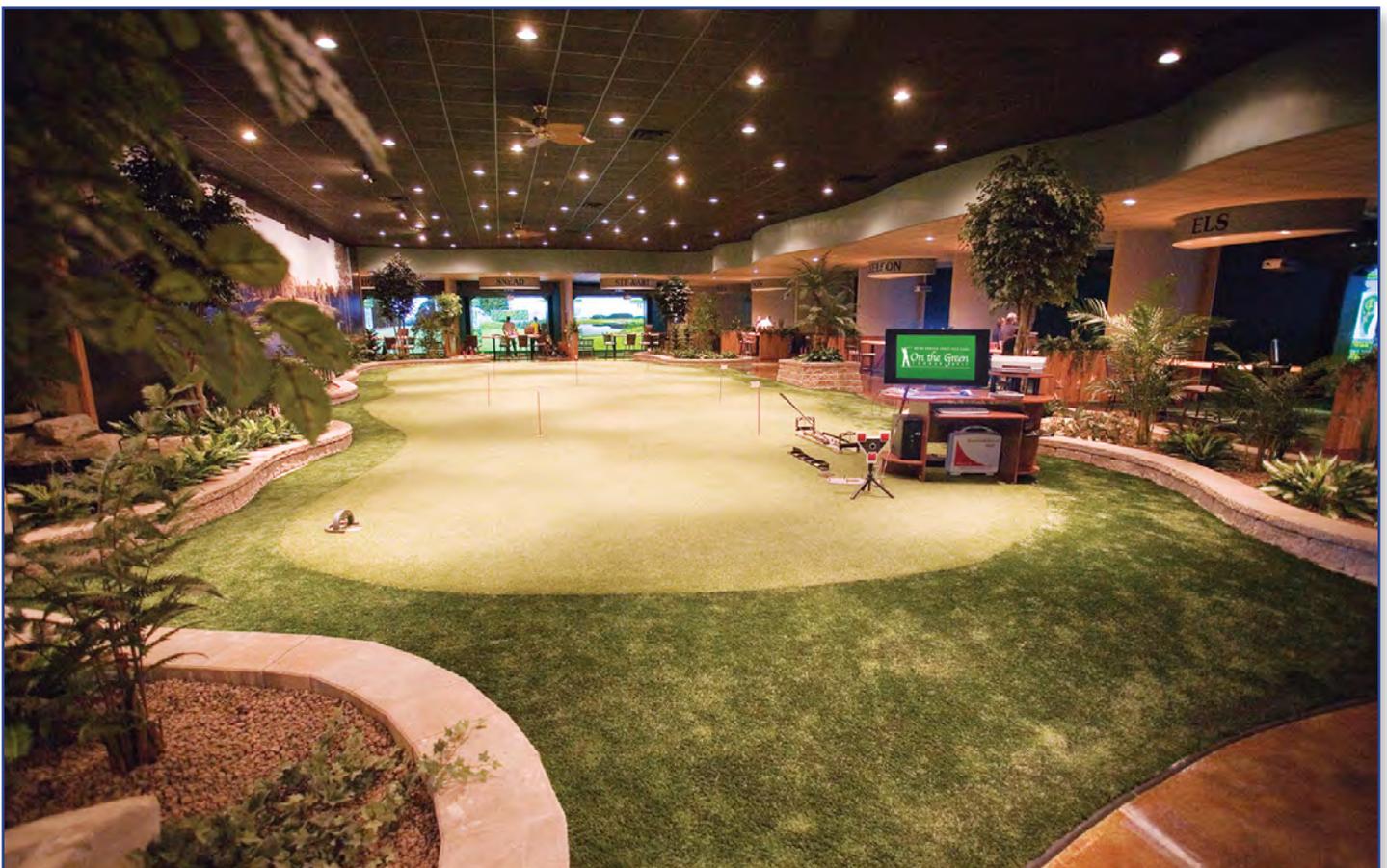
- Website
- Ads, press releases and articles in local media
- Direct mail to local homes and businesses
- Signage including portable road signs
- Co-op marketing with local golf retail outlets, hotels, taxi
- Marketing at local events
- Hosting and sponsoring charity golf tournaments



4. Location & Ambience

The final critical success factor is location and ambience. A location in a highly-populated and busy neighborhood that has a good mix of commercial and residential developments nearby would be ideal. The location should have good parking and close enough to major streets and intersections in order to pick up good drive by traffic. Large easy-to-read signage is also important and should be well-lit in the evenings.

To create a comfortable and attractive atmosphere, the successful indoor golf center should have a bar with reasonable food and beverage service as well as trained and professional staff. It is important to note that 30% of the golf center revenue will typically come from food and beverage sales. Finally, comfortable seating should be plentiful with non-slip flooring suitable for golf shoes. Ensure the doors to your venue are large and perhaps automatic to accommodate patrons with golf bags.



Indoor Golf Center featuring High Definition Golf™



HIGH DEFINITION GOLF™

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