

8-11-05



Dear SatCom Investors,

This letter is to update you on the present status of SatCom and what the future holds for the company. As most of you know we have been trying to secure project funding for some time, we have been promised funding and this funding has not materialized.

We are now reevaluating our short and long term goals for the company and have decided that we need to move in a different direction if we are going to move off dead center and start to build forward momentum for the company and its long term goals.

Most of our investors have long ago written off their money and given up any hope of ever seeing a return on their investment. That is certainly understandable given the time that has transpired. However we still have not given up and will continue to look for ways to secure the necessary funds and find a way to make the company and its goals a reality.

We know the first step needs to be a more modest and achievable goal, therefore we will undertake the funding and completion of the Survivor Radio Project. With the giant steps that have been taken with miniaturization we feel we can make a low cost, and effective and marketable emergency radio that will be well received in the global market. I will be posting the new design and business plan on our web site shortly. This newly designed Survivor Radio will be a must have by a large percentage of the market. I think after you review the design and functionality of the radio and have a chance to read and understand the business and marketing plan you will agree.

The project will initially be funded out of personal finances and once the working prototypes are manufactured we will then move to institutional types of funding. We will be ready to secure additional funding for the mass manufacturing that will be needed to fill all the markets that will be interested in these products once the technology is produced and proven. It is much harder to sell an idea than a working prototype you can hold in your hand.

Our Liberian Project, while still viable and exciting, will be on hold until we can generate our own funding to move this important project forward. Yes, there are a lot of what the Liberian encompassed now on the market in one form or another, but none of these appliances have put it all together on a single platform and in the same configuration and functionality. The educational applications alone make this project not only feasible but necessary for the company and society.

So as we move forward we have everything to gain and nothing to lose, most of you are convinced that you have already lost. It will be our job to pleasantly surprise you at some future date with good news on the company and your investments.

My warmest regards,

Lloyd D. Paine
President
SatCom, Inc.