



Innova Fund II, LP Report on Remaining Designated Capital Taxable Year 2011

A. Amount of Designated Capital Received from Qualified Investors and Not Invested in Qualified Businesses as of December 31, 2011:

- \$3,374,555.44, per Tennessee Treasury Department Escrow Statement dated 1/3/2012. This amount does not include Designated Capital expected in future Qualified Investor tranches.

B. Whether Innova Fund II, LP Has Invested More than Fifteen Percent (15%) of Its Total Designated Capital in Any One Business:

- No, Innova Fund II, LP has not invested more than fifteen percent (15%) of its total designated capital in any one business.

C. Qualified Investments Made by Innova Fund II, LP in Taxable Year 2011, and Number of Employees at Each Qualified Business Receiving Investment at the Time of Such Investment and as of December 1, 2011:

QUALIFIED BUSINESS	DATE	INVESTMENT	EMPLOYEES	WOMEN AND MINORITY EMPLOYEES
iScreen Vision	3/4/11	\$255,000.00	7	
	7/11/11	\$255,000.00	7	
	12/30/11	\$100,000.00	7	
	12/1/11	NA	7	2
ExtraOrtho	4/1/11	\$77,500.00	7	
	11/10/11	Exited	5	2
	12/1/11	NA	NA	
BioNova	11/10/11	See Below Note	2	
	12/1/11	NA	2	0
SixFix	11/10/11	See Below Note	3	
	12/1/11	NA	3	1
Cagenix	6/14/11	\$500,001.00	7	
	12/30/11	\$220,000.50	11	
	12/1/11	NA	11	0
S2 Interactive	9/1/11	\$200,000.00	1	
	12/1/11	NA	1	0
NuScriptRX	9/9/11	\$750,000.00	55	
	12/1/11	NA	68	45
TrakLok Corporation	9/23/11	\$100,000.00	7	
	11/23/11	\$325,000.00	7	
	12/1/11	NA	9	1
Parental Health	11/23/11	\$750,000.00	4	
	12/1/11	NA	4	1

BioNova and SixFix were spun out of ExtraOrtho when that company was acquired. As a shareholder of ExtraOrtho, Innova Fund II received ownership stakes in BioNova and SixFix without further investment.

D. Number of Employees at Qualified Business(es) in which Innova Fund II, LP No Longer Has Investment(s) as of the Last Day before Innova Fund II, LP Terminated Its Investment(s) in the Qualified Business(es):

- As shown Section C, ExtraOrtho, Inc. had five employees when Innova Fund II exited the company through acquisition in November 2011.