

International Fight League, Inc.

Form S-1/A

November 28, 2007

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As filed with the Securities and Exchange Commission on November 28, 2007

Registration No. 333-146629

**SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

**Amendment No. 1
to
Form S-1**

**REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933**

International Fight League, Inc.

(Exact name of Registrant as specified in its charter)

Delaware

*(State or Other Jurisdiction of
Incorporation or Organization)*

7900

*(Primary Standard Industrial
Classification Code Number)*

04-2893483

*(I.R.S. Employer
Identification Number)*

**424 West 33rd Street, Suite 650
New York, New York 10001
212.356.4000**

*(Address, including zip code, and telephone number,
including area code, of Registrant's principal executive offices)*

**Michael C. Keefe
International Fight League, Inc.
424 West 33rd Street, Suite 650
New York, New York 10001
212.356.4000**

*(Name, address, including zip code, and telephone number,
including area code, of agent for service)*

Copies to:

**Steven E. Siesser
Lowenstein Sandler PC
1251 Avenue of the Americas
New York, New York 10020
973.262.6700**

Approximate date of commencement of proposed sale to the public: From time to time after this Registration Statement becomes effective.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act, check the following box:

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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The information in this prospectus is not complete and may be changed. The selling stockholders may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

(SUBJECT TO COMPLETION, DATED NOVEMBER 28, 2007)

PROSPECTUS

39,306,180 Shares

COMMON STOCK

This prospectus covers 39,306,180 shares of our common stock that may be offered for resale by the selling securityholders named in this prospectus and the persons to whom such selling securityholders may transfer their shares. No securities are being offered or sold by us pursuant to this prospectus. We will not receive any of the proceeds from the sale of these shares by the selling securityholders.

Shares of our common stock are quoted on the OTC Bulletin Board under the symbol IFLI. On November 27, 2007, the closing sales price for our common stock was \$0.20 per share.

The selling securityholders may sell their shares from time to time in the over-the-counter market or otherwise, in one or more transactions at fixed prices, at prevailing market prices at the time of sale or at prices negotiated with purchasers. This prospectus includes 13,976,180 shares of common stock that may be issued upon the exercise of warrants held by the selling securityholders. The selling securityholders will be responsible for any commissions or discounts due to brokers or dealers. We will pay substantially all of the expenses of registration of the shares covered by this prospectus.

Investing in our common stock involves risk. You should carefully consider the risk factors beginning on page 7 of this prospectus before purchasing shares of our common stock.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is _____, 2007.

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You should rely only on the information contained in this prospectus. We have not authorized anyone to provide you with information different from that contained in this prospectus. The selling securityholders are offering to sell, and seeking offers to buy, shares of our common stock only in jurisdictions where offers and sales are permitted. The information in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or any sale of shares of our common stock.

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SUMMARY

This summary highlights information contained elsewhere in this prospectus and does not contain all of the information you should consider in making your investment decision. You should read this summary together with the more detailed information, including our financial statements and related notes, elsewhere in this prospectus. You should carefully consider, among other things, the matters discussed in Risk Factors.

Our Company

We are the world's first professional mixed martial arts (or MMA) sports league. Our business was founded in 2005 to organize, host and promote live and televised MMA sporting events and to capitalize on the growing popularity of MMA in the United States and around the world. At the core of our business are our teams, which comprise some of the world's most highly regarded MMA athletes and coaches. Our sporting events typically showcase four teams, in two-team match-ups, with athletes competing in one-on-one matches across five weight divisions. These events create a body of television programming content that we currently distribute through an arrangement with both Fox Sports Net (FSN), a national sports cable network available to over 80 million households across the U.S., MyNetworkTV, Inc. (MNTV), a broadcast network available to over 100 million homes across the U.S., and internationally through our arrangement with Alfred Haber Distribution, Inc., an international distributor of U.S. television programming. We earn revenue from live event ticket sales, sponsorships and promotions and licensing of our intellectual property. We have held eighteen live events, the first of which took place during the second quarter of 2006, the first period in which we recognized revenues. During the year ended December 31, 2006, we recognized a net loss of \$9.6 million and during the nine months ended September 30, 2007, we recognized a loss of \$17.5 million.

MMA is a sport that is growing in popularity around the world. In MMA matches, athletes combine a variety of fighting styles, such as boxing, judo, jiu jitsu, karate, kickboxing, muay thai, taekwondo and/or wrestling, in each fight. Typically, MMA sporting events are promoted either as championship matches or as vehicles for well-known individual athletes. Professional MMA competition conduct is regulated primarily by rules implemented by state athletic commissions and is currently permitted in about 35 jurisdictions. To foster athlete safety and a broader acceptance of the sport, we have established our own rules of conduct, including bans on certain dangerous moves, such as elbow strikes to an opponent's head, placing more emphasis on the sport and competition.

Our mission is to popularize our league based on the success of our teams while developing household stars similar to other professional sports leagues. Our uniqueness is derived from our team-based league structure, where individual exclusive athletes are members of teams that are regionally situated throughout the world. The league format enables the announcement of a full calendar of events in advance of the season, enabling fans, sponsors, and athletes to plan for a full year of events, which is a new concept for MMA. Each of our teams consists of a world recognized coach and five to eight athletes. During each team match, there are five one-on-one matches, one in each weight class (lightweight, welterweight, middleweight, light heavyweight, and heavyweight). The team with three one-on-one match victories wins the competition. The regular season is followed by post-season playoffs culminating in two teams competing for the annual IFL championship. We launched our first full season in 2007, which consisted of a six-month, nine event regular season and was being followed by a two-month, two event post-season. We held our nine 2007 regular season matches from January 19, 2007 through June 16, 2007 in Oakland, California, Houston, Texas, Atlanta, Georgia, Los Angeles, California, Moline, Illinois, Uncasville, Connecticut, Chicago, Illinois, Everett, Washington and Las Vegas, Nevada. The first round of the playoffs was held on August 2, 2007 in East Rutherford, New Jersey and the finals, which determined the league champion, were held on September 20, 2007 in Hollywood, Florida. In addition, we will be hosting our first Grand Prix all-star tournament, in which the four top athletes in each weight class will compete for the title belt to be awarded to the champion of each weight class. The first round took place on November 3, 2007 in Chicago, Illinois and the finals is scheduled for December 29, 2007 in Uncasville,

Connecticut.

Generally, athletes are signed to exclusive contracts for the entire season. These contracts typically provide a base compensation, as well as team and individual performance incentives. For most of our athletes,

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we retain exclusive rights to extend the 2007 regular season contract for an additional year and even if we do not extend the term, we have an exclusive first negotiation right for the 2008 season. This approach allows athletes to train on a full-time basis, which differs markedly from the event-by-event contracts that historically provided the only form of compensation for MMA athletes. Each athlete and team coach is and will be an independent contractor.

Our management believes that the league and team approach to MMA gives us a substantial competitive advantage in that our organization is not dependent on a single athlete's success and has the ability to build the popularity of individual athletes as well as its teams and the league in general.

Our operations are centered on the following three business components:

Live and Televised Entertainment, which consists of live events in arenas and free distribution of IFL content on television.

Sponsorships and Promotions, which consists of sponsorships for live events and televised productions and related promotion opportunities.

Branded Merchandise, which consists of licensing and marketing of our intellectual property.

In addition, we are evaluating the profitability of other revenue sources, such as franchise or team sales, digital rights and pay-per-view broadcasts.

Risks Affecting Us

Our business is subject to numerous risks, which are highlighted in the section entitled "Risk Factors" immediately following this prospectus summary. These risks represent challenges to the successful implementation of our strategy and the growth of our business. Some of these risks are:

our business represents a new business model for the MMA market and our MMA business has been operating for less than two years;

the markets in which we operate are highly competitive;

a future decline in the popularity of mixed martial arts;

we have experienced substantial financial losses and expect to incur net losses in the future;

our limited operating history makes forecasting our revenues and expenses difficult;

our revenues from operations are likely to be insufficient to meet our projected capital needs in the short term, therefore, we will need to raise additional capital;

our failure to obtain and maintain key agreements and arrangements could adversely affect our ability to distribute our television programming;

we may not be able to attract and retain key athletes and coaches;

insiders may exercise substantial control over us; and

if we execute definitive agreements for the currently proposed television distribution arrangement with Fox and Fox extends its agreements with us, our relationship will be exclusive as to U.S. television broadcast rights.

For further discussion of these and other risks you should consider before making an investment in our common stock, see **Risk Factors** beginning on page 7.

Corporate History

Prior to November 29, 2006, we were known as Paligent Inc., a Delaware corporation (**Paligent**). On November 29, 2006, we acquired International Fight League, Inc., a privately held Delaware corporation (**Old IFL**), pursuant to an agreement and plan of merger, dated as of August 25, 2006, as amended (the **Merger**

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Agreement), by and among us, IFL Corp., a Delaware corporation and our wholly-owned subsidiary (Merger Sub), and Old IFL, providing for the merger of Merger Sub and Old IFL, with Old IFL being the surviving corporation and becoming our wholly-owned subsidiary (the Merger). Immediately following the Merger, we changed our name to International Fight League, Inc., and Old IFL changed its name to IFL Corp. and continued to operate Old IFL's business of organizing and promoting a mixed martial arts sports league.

Immediately prior to the Merger, we completed a 1-for-20 reverse stock split of our common stock. Except as otherwise specified herein, all references herein to share amounts of our common stock reflect the reverse stock split. In addition, effective upon the closing of the Merger, all of the pre-Merger Paligent and Old IFL directors, became our directors. As part of the Merger, we also adopted the International Fight League, Inc. 2006 Equity Incentive Plan (the 2006 Equity Incentive Plan) under which all of the options to purchase shares of common stock of Old IFL outstanding prior to the Merger were converted into options to purchase shares of common stock of IFL.

As part of the Merger, we issued 30,872,101 shares of our common stock to the former stockholders of Old IFL in exchange for all of the issued and outstanding shares of common stock of Old IFL (including shares of Old IFL preferred stock which were converted to Old IFL common stock immediately prior to the Merger). As part of the Merger, in exchange for options to purchase 1,865,000 shares of Old IFL common stock, we issued to the holders thereof options to purchase an aggregate of 1,925,376 shares of our common stock under our 2006 Equity Incentive Plan having substantially the same terms and conditions as the Old IFL options. As a result of the Merger, the former stockholders of Old IFL became holders of IFL common stock, and holders of Old IFL options became holders of options to acquire shares of IFL common stock.

Following the reverse stock split and the Merger, there were 32,496,948 shares of IFL common stock outstanding, of which the pre-Merger stockholders of Paligent owned approximately 5% and the pre-Merger stockholders of Old IFL owned approximately 95%. As a result, Old IFL has been treated as the acquiring company for accounting purposes. The Merger has been accounted for as a reverse acquisition under the purchase method of accounting for business combinations in accordance with generally accepted accounting principles in the United States of America. Reported results of operations of the combined group issued after completion of the transaction will reflect Old IFL's operations.

Immediately after the Merger, we issued an additional 1,627,500 shares of IFL common stock to Richard J. Kurtz, Paligent's principal stockholder before the Merger, in exchange for his contribution of \$651,000 of indebtedness owing to him under a promissory note issued to him by Paligent.

Unless otherwise indicated or the context otherwise requires, the terms Company, IFL, we, us, and our refer to International Fight League, Inc. (formerly known as Paligent Inc.) and its subsidiaries, including IFL Corp., after giving effect to the Merger. Unless otherwise indicated or the context otherwise requires, the term our business refers to the mixed martial arts business of Old IFL as continued by IFL Corp. after the Merger.

Recent Developments

On November 19, 2007, our Board of Directors appointed Jay Larkin, our President and Chief Operating Officer at the time, as its acting Chief Executive Officer as a result of the resignation by Gareb Shamus as Chairman, Chief Executive Officer and interim Chief Financial Officer. Mr. Shamus is still a current member of our board. The Company is conducting a search for a new chief financial officer. Mr. Larkin joined us on September 21, 2007 as our President and Chief Operating Officer. The terms of Mr. Larkin's employment agreement are described under Management Executive Employment Contracts.

On November 19, 2007, we disclosed that we would be restating our financial statements to reflect a changing in our barter accounting for our arrangement with Fox Sports Net. The financial statements contained in this prospectus

reflect these changes. See Critical Accounting Policies and Estimates Restatements in the Management's Discussion and Analysis of Financial Condition and Results of Operations.

On August 6, 2007, we sold 25,330,000 shares of our common stock at a price of \$0.50 per share to a number of institutional and individual accredited investors in a private placement, for gross proceeds of

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\$12,665,000. As part of the transaction, we issued to the investors five-year warrants to purchase 12,665,000 shares of our common stock at an exercise price of \$1.05 per shares. In connection with the private placement, we incurred various expenses which included commissions to the placement agent, legal and accounting fees, and other miscellaneous expenses, of \$1 million. We also issued to the placement agent, as partial compensation for its services, a five-year warrant to purchase up to 729,900 shares of common stock at an exercise price of \$1.05 per share.

On April 2, 2007, we entered into an agreement and general release (the Agreement and Release), pursuant to which Salvatore A. Bucci, our former Chief Financial Officer, Executive Vice President and Treasurer was to resign effective at the close of business on June 30, 2007. This Agreement and Release was amended and restated as of June 19, 2007, to extend Mr. Bucci s resignation date to September 30, 2007. Under these arrangements, Mr. Bucci continued to serve as our Chief Financial Officer, Executive Vice President and Treasurer through September 30, 2007, at which time his resignation became effective. We have not yet replaced Mr. Bucci, but are searching for a successor.

Corporate Information

Our principal executive offices are located at 424 West 33rd Street, Suite 650, New York, New York 10001, and our telephone number is (212) 356-4000. Our website address is www.ifl.tv. The information on, or that can be accessed through, our website is not part of this prospectus.

International Fight League, IFL, Bulldogs, Condors, Red Bears, The Scorpions, The Razorclaws, Toronto The Tigersharks, The Pitbulls, The Silverbacks, The Wolfpack, The Sabres and The Anacondas are trademarks. Each trademark, trade name or service mark of any other company appearing in this prospectus belongs to its holder.

THE OFFERING

Common stock offered by the selling securityholders	39,306,180 shares*
Use of proceeds	All net proceeds from the sale of the shares of common stock offered under this prospectus by the selling securityholders will go to the stockholder who offers and sells them. We will not receive any of the proceeds from the offering of the shares by the selling securityholders. See Use of Proceeds.
OTC Bulletin Board symbol	IFLI
Risk Factors	You should read the Risk Factors section of this prospectus for a discussion of factors to consider carefully before deciding to purchase any shares of our common stock.

* Includes 13,976,180 shares of common stock that may be issued upon the exercise of warrants held by selling securityholders.

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You should read the data set forth below in conjunction with our consolidated financial statements and related notes, Management's Discussion and Analysis of Financial Condition and Results of Operation, and other financial information appearing elsewhere in this prospectus.

We derived the consolidated statements of operations data for the period from March 29, 2005 (date of inception) to December 31, 2005 and the consolidated balance sheet data as of December 31, 2005 from the audited consolidated financial statements of International Fight League, LLC, the predecessor to Old IFL, which were prepared in accordance with generally accepted accounting principles, included elsewhere in this prospectus.

We derived the consolidated statements of operations data for the year ended December 31, 2006 and the balance sheet data as of December 31, 2006 from our audited consolidated financial statements included elsewhere in this prospectus. We derived the consolidated statements of operations data for the nine months ended September 30, 2007 and the consolidated balance sheet data as of September 30, 2007 from our unaudited condensed consolidated financial statements included elsewhere in this prospectus. Our historical results are not necessarily indicative of the results to be expected in any future period.

	International Fight League, Inc.	International Fight League, Inc. for the Year Ended December 31, 2006	International Fight League, LLC March 29, 2005 (Date of Inception) to December 31, 2005
	for the Nine Months Ended September 30, 2007		
	(Unaudited)	(Restated)	
Consolidated Statements of Operations			
Data:			
Revenues			
Live and televised events			
Advertising sponsorships	\$ 337,070	\$ 274,080	\$
Live events box office receipts	1,994,550	671,665	
Television rights	1,957,500		
Branded merchandise	72,659	44,315	
Total revenues	4,361,779	990,060	
Cost of revenues			
Advertising sponsorships	110,647	165,180	
Live events costs	15,104,605	6,287,196	
Branded merchandise	67,035	21,390	
Total cost of revenues	15,282,287	6,473,766	
	6,604,486	3,858,790	(43,003)

Selling, general and administrative expenses

Stock-based compensation expense		277,368		48,410	
Operating loss		(17,802,362)		(9,390,906)	(43,003)
Other income (expenses):					
Dividend expense				(153,404)	
Interest expense		(2,894)		(90,647)	
Interest income		322,035		31,557	
Other income (expenses), net		319,141		(212,494)	
Net loss	\$	(17,483,221)	\$	(9,603,400)	\$ (43,003)
Net loss per common share basic and diluted:	\$	(0.30)	\$	(0.49)	\$
Weighted average common shares outstanding:					
Basic and diluted		58,627,000		19,691,000	

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	International Fight League, Inc. as of September 30, 2007 (Unaudited)	International Fight League, Inc. as of December 31, 2006	International Fight League, LLC as of December 31, 2005
Consolidated Balance Sheet Data:			
Cash and Cash Equivalents	\$ 9,342,595	\$ 16,623,159	\$ 1,136,960
Total Assets	\$ 10,233,358	\$ 17,427,637	\$ 1,147,227
Investor Advances	\$	\$	\$ 1,175,000
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RISK FACTORS

You should carefully consider the risks described below before making an investment decision. Our business, prospects, financial condition or operating results could be materially adversely affected by any of these risks. The trading price of our common stock could decline due to any of these risks and you may lose all or part of your investment. In assessing the risks described below, you should also refer to the other information contained in this prospectus, including our financial statements and the related notes, before deciding to purchase any shares of our common stock.

Risks Related To Our Business

Our business is difficult to evaluate because it represents a new business model for the MMA market and we have been operating for less than two years. The MMA market may not develop as we anticipate, and we may not successfully execute our business strategy.

Our league-based MMA business model focusing on team, rather than individual competition, is unique to the MMA industry and may not prove to be successful. We have a limited operating history upon which you can evaluate our business. Although we were organized in 2005, we did not begin revenue generating operations until 2006. The MMA industry is also rapidly growing and evolving and may not develop in a way that is advantageous for our business model. You must consider the challenges, risks and difficulties frequently encountered by early stage companies using new and unproven business models in new and rapidly evolving markets. Some of these challenges relate to our ability to:

increase our brand name recognition;

expand our popularity and fan base;

successfully produce live events;

manage existing relationships with broadcast television outlets and create new relationships domestically and internationally;

manage licensing and branding activities; and

create new outlets for our content and new marketing opportunities.

Our business strategy may not successfully address these and the other challenges, risks and uncertainties that we face, which could adversely affect our overall success and delay or prevent us from achieving profitability.

We have experienced losses and expect to incur substantial net losses in the future. If we do not achieve profitability, our financial condition and stock price could suffer.

Since the inception of our business in 2005, we have incurred significant losses and only began generating revenue during the second quarter of 2006. Through September 30, 2007, we have generated net losses of \$27.1 million.

Our ability to become profitable depends on our ability to generate and sustain substantially higher revenue while maintaining reasonable expense levels. In particular, although we intend to increase significantly our spending on marketing and promotional activities, these efforts may not be effective in growing our brand or increasing our fan

base. If we do not achieve profitability, we may not be able to continue our operations.

Our limited operating history makes forecasting our revenues and expenses difficult, and we may be unable to adjust our spending in a timely manner to compensate for unexpected revenue shortfalls.

As a result of our limited operating history, it is difficult to accurately forecast our future revenues. Current and future expense levels are based on our operating plans and estimates of future revenues. Revenues and operating results are difficult to forecast because they generally depend on our ability to promote events and the growth in popularity of the IFL franchise. As a result, we may be unable to adjust our spending in a

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timely manner to compensate for any unexpected revenue shortfall, which would result in further substantial losses. We may also be unable to expand our operations in a timely manner to adequately meet demand to the extent it exceeds expectations.

Our revenues from operations are likely to be insufficient to meet our projected capital needs in the short term, therefore, we will need to raise additional funds, which may not be available to us on favorable terms, if at all, thereby potentially disrupting the growth of our business and our ability to generate revenues.

Prior to June 30, 2006, Old IFL raised \$2.5 million from the issuance of preferred stock, which was converted to our common stock at the time of the Merger. From August to December 2006, we and Old IFL had received loans in the aggregate principal amount of approximately \$4.9 million from Richard Kurtz, one of our significant stockholders and a former director, to fund our MMA operations. We received \$22.2 million in net proceeds from the December 2006 sale of our common stock in a private sale and \$11.7 million in net proceeds from our August 2007 private sale of our common stock to the selling securityholders. We used approximately \$5.2 million of the proceeds from the December 2006 sale to repay our outstanding indebtedness to Mr. Kurtz and approximately \$200,000 for obligations assumed from Paligent at the time of the Merger.

We expect that our revenues from operations will be insufficient to meet our projected capital needs, unless we are able to increase our revenues through other sources, such as team or franchise sales, exploitation of our digital rights and promoting pay-per view events. Unless we can successfully increase our revenues through these other sources (in excess of the costs we incur to generate these revenues), we will likely be required to raise additional capital through equity or debt financings by the end of the second quarter of 2008. Such capital may not be available, or, if it is available, may not be available on terms that are acceptable to us. A future financing may be substantially dilutive to our existing stockholders and could result in significant financial and operating covenants that would negatively impact our business. If we are unable to raise sufficient additional capital on acceptable terms, we will likely have a cash shortage which would disrupt our planned growth and would have a material adverse effect on our financial condition or business prospects.

Our MMA content is being televised in the United States under a letter of intent with FSN and MNTV, which could be terminated at any time. If we do enter into a definitive agreement, FSN and MNTV will require exclusive rights to telecast our MMA content in the U.S.

We are currently televising our MMA content in the U.S. pursuant to a letter of intent with Fox Cable Networks, Inc. (Fox) and MNTV (Fox, together with MNTV, the Fox Entities). The letter of intent obligated both parties to negotiate definitive agreements in good faith and restricted us from discussing a television distribution arrangement with other parties. These obligations expired on May 31, 2007, and have not been renewed. However, we continue to produce shows for telecasting by FSN and MNTV, FSN and MNTV are continuing to broadcast our shows and have indicated they plan to continue to telecast them in the future, and MNTV has been paying us telecasting fees in accordance with the letter of intent. However, either the Fox Entities or we can terminate this arrangement at anytime. Accordingly, we cannot be certain the FSN or MNTV will continue to air our shows.

In addition, under the terms of the letter of intent, FSN and MNTV have, and we expect will require in any definitive documents we execute, the exclusive right to telecast our MMA content for regular season, playoff and championship events in the U.S., its territories and military bases. Given our arrangements with FSN and MNTV, we are prohibited from acquiring any additional third-party television coverage in the U.S. and its territories for our regular season, playoff and championship events. If MNTV decides to discontinue broadcasting our programming, we will have only a limited commitment from FSN to broadcast our league programming. In addition, under the current letter of intent, FSN will require in any definitive documents the unilateral option to extend the proposed three-year distribution agreement for two additional three-year terms. If we do execute definitive agreements with FSN and MNTV, and FSN

exercises each of these options and the MNTV contract is terminated or not renewed, we may be unable to obtain other television coverage in the United States for our league regular season and playoff events.

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No assurance can be given that we will be able to negotiate a definitive television rights agreement for our MMA content with the Fox Entities or with any other broadcaster or that such agreement will be favorable to us. Our revenues are dependent, indirectly, on the distribution of our free televised programming. Accordingly, any failure to maintain or renew arrangements with the Fox Entities or enter into agreements with other distributors, or a decision by the Fox Entities or these distributors to discontinue telecasting our programming, could adversely affect our operating results.

We depend on certain key executive personnel for our success, the loss of whom could adversely affect our business, financial condition and results of operations.

Our success depends on the continued availability and contributions of members of our senior management and other key personnel. The loss of the services of any of our executive officer or any of a number of other key personnel could delay or reduce our efforts to increase the popularity of our MMA league. Furthermore, recruiting and retaining qualified personnel to assist with these efforts will be critical to our success. The loss of members of our management team or our inability to attract or retain other qualified personnel or advisors, could significantly weaken our management team, harm our ability to compete effectively, harm our long-term business prospects, disrupt our relationships with advertisers and have a corresponding negative effect on our financial results, marketing and other objectives and impair our ability to develop our MMA league.

Our failure to continue to develop creative and entertaining programs and events would likely lead to a decline in the popularity of our brand of entertainment.

The creation, marketing and distribution of our live and televised entertainment, including our proposed future pay-per-view events, are at the core of our business and are critical to our ability to generate revenues across our media platforms and product outlets. Our failure to continue to create popular live events and televised programming would likely lead to a decline in our television ratings and attendance at our live events, which would likely harm our operating results.

Our insurance may not be adequate to cover liabilities resulting from accidents or injuries that occur during our physically demanding events.

We hold numerous live events each year. This schedule exposes our athletes and coaches who are involved in the production of those events to the risk of travel and event-related accidents, the consequences of which may not be fully covered by insurance. The physical nature of our events exposes athletes and coaches to the risk of serious injury or death. Although we provide the necessary and required health, disability and life insurance for our athletes and coaches on an event-by-event basis, this coverage may not be sufficient to cover all injuries they may sustain. Liability extending to us resulting from any death or serious injury sustained by one of our athletes or coaches during an event, to the extent not covered by our insurance, could adversely affect our operating results.

We face a variety of risks as we expand into new and complementary businesses.

We are a new company and are rapidly expanding our businesses. Risks of expansion may include:

- potential diversion of management's attention and other resources, including available cash;
- unanticipated liabilities or contingencies;
- reduced earnings due to increased depreciation and other costs;

failure to retain and recruit MMA athletes;

failure to maintain agreements for distribution;

inability to protect intellectual property rights;

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competition from other companies with experience in such businesses; and
and possible additional regulatory requirements and compliance costs.

If we fail to maintain effective internal control over financial reporting, we may be subject to litigation and/or costly remediation and the price of our common stock may be adversely affected.

As a private company, Old IFL previously had not been obligated to report on its disclosure controls and procedures or its internal control over financial reporting. As a growth stage company, we are in the early stages of implementing formal procedures intended to satisfy the requirements of Section 404 and other related provisions of the Sarbanes-Oxley Act of 2002. However, we will have to fully comply with these requirements for the current 2007 fiscal year.

Failure to establish the required controls or procedures, or any failure of those controls or procedures once established, could adversely impact our public disclosures regarding our business, financial condition or results of operations. Upon review of the required internal control over financial reporting and disclosure controls and procedures, our management and/or our auditors may identify material weaknesses and/or significant deficiencies that need to be addressed. Any actual or perceived weaknesses or conditions that need to be addressed in our internal control over financial reporting, disclosure of management's assessment of its internal control over financial reporting or disclosure of our public accounting firm's attestation to or report on management's assessment of our internal control over financial reporting could adversely impact the price of our common stock and may lead to claims against us.

Compliance with changing corporate governance and public disclosure regulation will likely result in additional expenses and increased liability exposure for us, our directors and our executive officers.

Rules adopted by the United States Securities and Exchange Commission (the SEC) pursuant to Section 404 of the Sarbanes-Oxley Act of 2002 require annual assessment of our internal control over financial reporting, and attestation of our assessment by our independent registered public accountants. The assessment requirement first will apply to our annual report for fiscal 2007. The standards for management's assessment of the internal control over financial reporting as effective are new and complex, and require significant documentation, testing and possible remediation to meet the detailed standards. We may encounter problems or delays in completing activities necessary to make an assessment of our internal control over financial reporting. In addition, we may encounter problems or delays in completing the implementation of any requested improvements and receiving an attestation of our assessment by our independent registered public accountants. If we cannot assess our internal control over financial reporting as effective, or our independent registered public accountants are unable to provide an unqualified attestation report on such assessment, investor confidence in us and the value of our common stock may be negatively impacted. Further, many companies have reported that compliance with these standards requires a disproportionate expenditure of funds.

In addition, the SEC recently announced a significant number of changes to the laws, regulations and standards relating to corporate governance and public disclosure. Our management team will need to invest significant time and financial resources to comply with both existing and evolving standards for public companies, which will lead to increased general and administrative expenses and a diversion of management time and attention from revenue-generating activities to compliance activities. In addition, because public company directors and officers face increased liabilities, the individuals serving in these positions may be less willing to remain as directors or executive officers for the long-term, and we may experience difficulty in attracting qualified replacement directors and officers. We also expect these new rules and regulations to make it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, we may need to expend a significantly

larger amount than we previously spent on recruiting, compensating and insuring new directors and officers.

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Risks Related To Our Industry

The failure to retain or continue to recruit key athletes and coaches could negatively impact the growth of IFL's popularity.

Our success depends, in large part, upon our ability to recruit and retain athletes and coaches who are well known in the MMA world and who can perform at a high level in our live events and televised programming. There is no assurance that we will be able to continue to identify and retain these athletes and coaches in the future. Additionally, there is no assurance that we will be able to retain our current athletes and coaches after their contracts expire. Our failure to attract and retain key athletes, or a serious or untimely injury to, or the death of, or unexpected or premature loss or retirement for any reason of any of our key athletes, could lead to a decline in the popularity of our brand of mixed martial arts, which could adversely affect our operating results.

The markets in which we operate are highly competitive, rapidly changing and increasingly fragmented, and we may not be able to compete effectively, especially against competitors with greater financial resources or marketplace presence.

For our live and television audiences, we face competition from professional and college sports, as well as from other forms of live and televised entertainment and other leisure activities in a rapidly changing and increasingly fragmented marketplace. Many of the companies with which we compete have greater financial resources than are currently available to us. Our failure to compete effectively could result in a significant loss of viewers, venues, distribution channels or athletes and fewer advertising dollars spent on our form of sporting events, any of which could adversely affect our operating results.

A decline in the popularity of mixed martial arts, including changes in the social and political climate, could adversely affect our business.

Our operations are affected by consumer tastes and entertainment trends, which are unpredictable and subject to change and may be affected by changes in the social and political climate. We believe that mixed martial arts is growing in popularity in the United States and around the world, but a change in our fans' tastes or a material change in the perceptions of our advertisers, distributors and licensees, whether due to the social or political climate or otherwise, could adversely affect our operating results.

Changes in the regulatory atmosphere and related private-sector initiatives could adversely affect our business.

Although the production and distribution of television programming by independent producers is not directly regulated by the federal or state governments in the United States, the marketplace for television programming in the United States is affected significantly by government regulations applicable to, as well as social and political influences on, television stations, television networks and cable and satellite television systems and channels. We voluntarily designate the suitability of each of our television programs for audiences using standard industry practices. A number of governmental and private sector initiatives relating to the content of media programming in recent years have been announced in response to recent events unrelated to us or mixed martial arts. Changes in governmental policy and private sector perceptions could further restrict our program content and adversely affect our viewership levels and operating results, as well as the willingness of broadcasters to distribute our programming.

Because we depend upon our intellectual property rights, our inability to protect those rights or prevent their infringement by others could adversely affect our business.

Intellectual property is material to all aspects of our operations, and we may expend substantial cost and effort in an attempt to maintain and protect our intellectual property. We have a portfolio of registered trademarks and service marks and maintain a catalog of copyrighted works, including copyrights to television programming and photographs. Our inability to protect our portfolio of trademarks, service marks, copyrighted

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material, trade names and other intellectual property rights from piracy, counterfeiting or other unauthorized use could negatively affect our business.

We may be prohibited from promoting and conducting our live events if we do not comply with applicable regulations.

In various states in the United States and some foreign jurisdictions, athletic commissions and other applicable regulatory agencies require us to obtain licenses for promoters, medical clearances and/or other permits or licenses for athletes and/or permits for events in order for us to promote and conduct our live events. If we fail to comply with the regulations of a particular jurisdiction, we may be prohibited from promoting and conducting live events in that jurisdiction. The inability to present live events over an extended period of time or in a number of jurisdictions could lead to a decline in the various revenue streams generated from our live events, which could adversely affect our operating results.

A decline in general economic conditions could adversely affect our business.

Our operations are affected by general economic conditions, which generally may affect consumers' disposable income, the level of advertising spending and sponsorships. The demand for entertainment and leisure activities tends to be highly sensitive to the level of consumers' disposable income. A decline in general economic conditions could reduce the level of discretionary income that our fans and potential fans have to spend on our live and televised entertainment and consumer products, which could adversely affect our revenues.

Risks Related To Our Common Stock

Insiders have substantial control over us, and they could delay or prevent a change in our corporate control even if our other stockholders wanted it to occur.

As of October 8, 2007, our executive officers, directors, and principal stockholders who hold 5% or more of our outstanding common stock beneficially owned, in the aggregate, approximately 72% of our outstanding common stock. These stockholders are able to exercise significant control over all matters requiring stockholder approval, including the election of directors and approval of significant corporate transactions. This could delay or prevent an outside party from acquiring or merging with us even if our other stockholders wanted it to occur.

We cannot assure you that a market will develop for our common stock or what the market price of our common stock will be.

Prior to the merger and our acquisition of Old IFL's business, there was a limited trading market for our common stock and there was no public trading market for Old IFL's common stock. Upon the effectiveness on May 29, 2007 of a registration statement for 19,376,000 shares of our common stock sold in a December 2006 private placement, a more active trading market developed for our common stock. However, since that time, the price of our common stock has decreased significantly. No assurance can be given that an active market for our common stock will be sustained, or that you will be able to sell your shares of common stock at an attractive price or at all. We cannot predict the prices at which our common stock will trade. It is possible that, in future quarters, our operating results may be below the expectations of securities analysts or investors. As a result of these and other factors, the price of our common stock may decline, possibly materially.

If we raise additional capital through the issuance of equity securities, or securities exercisable for or convertible into our equity securities, our stockholders could experience substantial dilution.

If we raise additional capital by issuing equity securities or convertible debt securities, our existing stockholders may incur substantial dilution. Further, any shares so issued may have rights, preferences and privileges superior to the rights, preferences and privileges of our outstanding common stock.

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The market price of our common stock may be volatile.

The market price of our common stock has been and will likely continue to be highly volatile, as is the stock market in general, and the market for OTC Bulletin Board quoted stocks in particular. Some of the factors that may materially affect the market price of our common stock are beyond our control, such as changes in financial estimates by industry and securities analysts, conditions or trends in the MMA and entertainment industries, announcements made by our competitors or sales of our common stock. These factors may materially adversely affect the market price of our common stock, regardless of our performance.

In addition, the public stock markets have experienced extreme price and trading volume volatility. This volatility has significantly affected the market prices of securities of many companies for reasons frequently unrelated to the operating performance of the specific companies. These broad market fluctuations may adversely affect the market price of our common stock.

Future sales of our common stock may depress our stock price.

Sales of a substantial number of shares of our common stock, including the shares offered pursuant to this prospectus, in the public market could cause a decrease in the market price of our common stock. On November 27, 2007 had 79,058,509 shares of common stock outstanding, and options and warrants to purchase 3,097,372 and 14,611,180, respectively, shares of our common stock outstanding. We may also issue additional shares of stock and securities convertible into or exercisable for stock in connection with our business. If a significant portion of these shares were sold in the public market, the market value of our common stock could be adversely affected.

If you are not an institutional investor, you may purchase our securities in this offering only if you reside within certain states and may engage in resale transactions only in those states and a limited number of other jurisdictions.

If you are not an institutional investor, you will need to be a resident of certain jurisdictions to purchase our securities in this offering. The definition of an institutional investor varies from state to state but generally includes financial institutions, broker-dealers, banks, insurance companies and other qualified entities. In order to prevent resale transactions in violation of states securities laws, you may engage in resale transactions only in the states and in other jurisdictions in which an applicable exemption is available or a registration application has been filed and accepted. This restriction on resale may limit your ability to resell the securities purchased in this offering and may impact the price of our shares.

We are planning to seek a listing in a securities manual. Publication of certain information with respect to IFL in a securities manual is significant because it will allow you, in certain circumstances, to sell any shares of common stock that you purchase in this offering pursuant to a commonly used selling stockholder exemption to state securities registration known as the manual exemption. The manual exemption permits a security to be distributed in a particular state without being registered if the issuer of that security has a listing for that security in a securities manual recognized by the state. Furthermore, the manual exemption is a non-issuer exemption restricted to secondary trading transactions. Most of the accepted manuals are those published by Standard and Poor's, Mergent Investor Relation Services, Fitch's Investment Service, and Best's Insurance Reports, and many states expressly recognize these manuals, although some states impose additional requirements. A smaller number of states declare that they recognize securities manuals but do not specify the recognized manuals. Other states do not have any provisions and therefore do not expressly recognize the manual exemption. If you are not an institutional investor, you generally will not be permitted to purchase shares in this offering unless there is an available exemption (including the manual exemption) or we register the shares covered by this prospectus in such states. You will be permitted to purchase shares in this offering in New York as we have taken the steps required by the state to allow for the secondary trading of securities under this

registration statement.

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Because we are seeking a limited offering qualification in California, sales of our Common Stock will be limited in California.

We are seeking a limited offering qualification of our common stock in California. If the offering is approved in California on the basis of such limited offering qualification, offers/sales by the selling securityholders can only be made to proposed California purchasers based on their meeting certain suitability standards. The California Department of Corporations refers to and has specified this standard as a super suitability standard of not less than:

\$250,000 liquid net worth, exclusive of home, home furnishings and automobile, plus \$65,000 gross annual income,

\$500,000 liquid net worth,

\$1,000,000 net worth (inclusive), or

\$200,000 gross annual income.

If the offering is approved in California on the basis of a limited offering qualification, we will not have to demonstrate compliance with some of the merit regulations of the California Department of Corporations as found in Title 10, California Code of Regulations, Rule 260.140 et seq. In addition, the exemptions for secondary trading in California available under California Corporations Code Section 25104(h) will be withheld, although there may be other exemptions to cover private sales in California of a bona fide owner for his own account without advertising and without being effected by or through a broker dealer in a public offering.

Provisions in our certificate of incorporation and bylaws and under Delaware law may discourage, delay or prevent a change of control of our company or changes in our management and, therefore, depress the trading price of our common stock.

Our certificate of incorporation and bylaws contain provisions that could depress the trading price of our common stock by acting to discourage, delay or prevent a change of control of our company or changes in our management that the stockholders of our company may deem advantageous. These provisions:

authorize the issuance of blank check preferred stock that our board of directors could issue to increase the number of outstanding shares to discourage a takeover attempt;

provide that only the President, Chairman of the Board or the board of directors may call a special meeting of our stockholders and the only business to be conducted at any special meeting of stockholders shall be matters relating to the purposes stated in the applicable notice of meeting;

provide that the board of directors is expressly authorized to make, alter or repeal our bylaws;

provide that advance notice procedures set forth in our bylaws must be followed for stockholders to make nominations of candidates for election as directors or to bring other business before an annual meeting of our stockholders.

In addition, Section 203 of the Delaware General Corporation Law provides that, subject to certain exceptions, an interested stockholder of a Delaware corporation shall not engage in any business combination, including mergers or consolidations or acquisitions of additional shares of the corporation, with the corporation for a three-year period following the date that such stockholder becomes an interested stockholder unless:

prior to such date, the board of directors of the corporation approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder,

upon consummation of the transaction which resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced (excluding certain shares), or

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on or subsequent to such date, the business combination is approved by the board of directors of the corporation and authorized at an annual or special meeting of stockholders by the affirmative vote of at least 66²/₃% of the outstanding voting stock which is not owned by the interested stockholder.

With some exceptions, an interested stockholder includes any person and affiliates that own 15% or more of our outstanding voting stock.

Under certain circumstances, Section 203 makes it more difficult for a person who would be an interested stockholder to effect various business combinations with us for a three-year period. We have not elected to be exempt from the restrictions imposed under Section 203. The provisions of Section 203 may encourage persons interested in acquiring us to negotiate in advance with our board of directors, since the stockholder approval requirement would be avoided if a majority of our directors then in office approves either the business combination or the transaction which results in any such person becoming an interested shareholder. These provisions also may have the effect of preventing changes in our management. These provisions could make it more difficult to accomplish transactions which our stockholders may otherwise deem to be in their best interests.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS AND INDUSTRY DATA

This prospectus includes forward-looking statements. All statements contained in this prospectus other than statements of historical facts, including statements regarding our future results of operations and financial position, our business strategy and plans and our objectives for future operations, are forward-looking statements. The words believe, may, might, estimate, continue, anticipate, intend, expect, could, can, plans, possible, targets, objectives, goals, seeks, should, will, would and similar expressions are intended to identify forward-looking statements. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives, and financial needs. These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including those described in Risk Factors. In light of these risks, uncertainties and assumptions, the future events and trends discussed in this prospectus may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. We are under no duty to update any of these forward-looking statements after the date of this prospectus to conform these statements to actual results or revised expectations.

USE OF PROCEEDS

All net proceeds from the sale of the shares of common stock offered under this prospectus by the selling securityholders will go to the holder who offers and sells them. We will not receive any of the proceeds from the offering of the shares by the selling securityholders. We will receive the proceeds from the exercise of any warrants, unless the holder elects a cashless exercise, in which case the selling securityholder would receive less than all of the shares for which the securityholder is exercising the warrant. If all of the selling securityholders exercise all of the warrants and none of them elect the cashless exercise option, we would receive \$14,389,800 in proceeds. However, the selling securityholders are not obligated to exercise the warrants, or may exercise using a cashless exercise, so we may receive less than \$14,389,800 of proceeds, or may receive no proceeds. Any proceeds we receive would be used for working capital and general corporate purposes.

Table of Contents**MARKET PRICE OF AND DIVIDENDS ON COMMON EQUITY AND
RELATED STOCKHOLDER MATTERS**

Our shares of common stock, par value \$0.01 per share, are quoted on the OTC Bulletin Board under the symbol IFLI. Prior to November 29, 2006, our common stock was quoted on the OTC Bulletin Board under the symbol PGNT. The following table sets forth the range of high and low closing sale prices for the common stock as reported by the OTC Bulletin Board for the periods indicated below.

	High	Low
2007		
Fourth Quarter (through November 27, 2007)	\$ 0.62	\$ 0.20
Third Quarter	\$ 1.02	\$ 0.445
Second Quarter	\$ 8.60	\$ 0.96
First Quarter	\$ 16.50	\$ 8.95
2006		
Fourth Quarter	\$ 14.45	\$ 2.40
Third Quarter	\$ 3.40	\$ 1.30
Second Quarter	\$ 2.10	\$ 0.30
First Quarter	\$ 1.80	\$ 0.01
2005		
Fourth Quarter	\$ 1.60	\$ 0.40
Third Quarter	\$ 1.60	\$ 1.00
Second Quarter	\$ 3.40	\$ 1.20
First Quarter	\$ 5.40	\$ 2.20

The closing sale prices in the table above reflect inter-dealer prices, without retail mark-up or commissions and may not represent actual transactions.

Immediately prior to the Merger on November 29, 2006, we effected a 1-for-20 reverse stock split, whereby every 20 shares of common stock then outstanding were combined and reduced into one share of common stock. The closing sale prices in the table above reflect the reverse stock split. The reverse stock split did not affect the authorized number of shares of common stock or the number of our stockholders of record since each fractional share resulting from the reverse stock split was rounded up to the nearest whole share.

As of November 27, 2007 we had approximately 1,550 holders of record of our common stock. The last sale price of our common stock as reported by the OTC Bulletin Board on November 27, 2007 was \$0.20 per share.

Dividend Policy

We have never declared or paid dividends on our common stock. We intend to retain earnings, if any, to support the development of our business and therefore do not anticipate paying cash dividends for the foreseeable future. Payment of future dividends, if any, will be at the discretion of our board of directors after taking into account various factors, including current financial condition, operating results and current and anticipated cash needs.

Table of Contents**Securities Authorized for Issuance Under Equity Compensation Plans**

The following table sets forth information as of December 31, 2006 with respect to our equity compensation plans, for which our common stock is authorized for issuance. The data in the table below reflects the 1-for-20 reverse common stock split we effected immediately prior to the Merger on November 29, 2006.

	Number of Securities to be Issued Upon	Weighted Average	Number of Securities Remaining Available for Future Issuance
	Exercise of Outstanding Options, Warrants and Rights	Exercise Price of Outstanding Options, Warrants and Rights	
Equity compensation plans approved by security holders	2,168,664(1)	\$ 4.70(1)	3,095,271(2)
Equity compensation plans not approved by security holders			
Total	2,168,664(1)	\$ 4.70(1)	3,095,271(2)

(1) Includes 1,904,729 shares subject to options outstanding under our 2006 Equity Incentive Plan having a weighted average exercise price of \$.16 per share, which options were issued in the Merger upon our assumption of all of the outstanding options of Old IFL, and 263,935 shares subject to options outstanding under our 1998 Equity Incentive Plan having a weighted average exercise price of \$37.44 per share.

(2) Includes 3,095,271 shares that remain available for issuance under our 2006 Equity Incentive Plan.

Table of Contents**SELECTED FINANCIAL DATA**

You should read the data set forth below in conjunction with our consolidated financial statements and related notes, Management's Discussion and Analysis of Financial Condition and Results of Operation, and other financial information appearing elsewhere in this prospectus.

We derived the consolidated statements of operations data for the period from March 29, 2005 (date of inception) to December 31, 2005 and the consolidated balance sheet data as of December 31, 2005 from the audited consolidated financial statements of International Fight League, LLC, the predecessor to Old IFL, which were prepared in accordance with generally accepted accounting principles, included elsewhere in this prospectus.

We derived the consolidated statements of operations data for the year ended December 31, 2006 and the consolidated balance sheet data as of December 31, 2006 from our audited consolidated the financial statements included elsewhere in this prospectus. We derived the consolidated statements of operations data for the nine months ended September 30, 2007 and the consolidated balance sheet data as of September 30, 2007 from our unaudited condensed financial statements included elsewhere in this prospectus. Our historical results are not necessarily indicative of the results to be expected in any future period.

	International Fight League, Inc. for the Nine Months Ended September 30, 2007 (Unaudited)	International Fight League, Inc. for the Year Ended December 31, 2006 (Restated)	International Fight League, LLC March 29, 2005 (Date of Inception) to December 31, 2005
Consolidated Statements of Operations Data:			
Revenues			
Live and televised events			
Advertising sponsorship	\$ 337,070	\$ 274,080	\$
Live events box office receipts	1,994,550	671,665	
Television rights	1,957,500		
Branded merchandise	72,659	44,315	
Total revenues	4,361,779	990,060	
Cost of revenues			
Advertising sponsorships	110,647	165,180	
Live events costs	15,104,605	6,287,196	
Branded merchandise	67,035	21,390	
Total cost of revenues	15,282,287	6,473,766	

Selling, general and administrative expenses	6,604,486	3,858,790	(43,003)
Stock-based compensation expense	277,368	48,410	
Operating loss	(17,802,362)	(9,390,906)	(43,003)
Other income (expenses):			
Dividend expense		(153,404)	
Interest expense	(2,894)	(90,647)	
Interest income	322,035	31,557	
Other income (expenses), net	319,141	(212,494)	
Net loss	\$ (17,483,221)	\$ (9,603,400)	\$ (43,003)
Net loss per common share basic and diluted:	\$ (0.30)	\$ (0.49)	\$
Weighted average common shares outstanding:			
Basic and diluted	58,627,000	19,691,000	

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	International Fight League, Inc. as of September 30, 2007 (Unaudited)	International Fight League, Inc. as of December 31, 2006	International Fight League, LLC as of December 31, 2005
Consolidated Balance Sheet Data:			
Cash and Cash Equivalents	\$ 9,342,595	\$ 16,623,159	\$ 1,136,960
Total Assets	\$ 10,233,358	\$ 17,427,637	\$ 1,147,227
Investor Advances	\$	\$	\$ 1,175,000

ABOUT THE OFFERING

On August 6, 2007, we sold 25,330,000 shares of our common stock at a price of \$0.50 per share to a number of institutional and individual accredited investors in a private placement, for gross proceeds of \$12,665,000. As part of the transaction, we issued to the investors five year warrants to purchase 12,665,000 shares of our common stock at an exercise price of \$1.05 per shares. In connection with the private placement, we incurred various expenses which included commissions to the placement agent, legal and accounting fees, and other miscellaneous expenses, of \$1 million. We also issued to the placement agent, as partial compensation for its services, a five year warrant to purchase up to 729,900 shares of common stock at an exercise price of \$1.05 per share.

In connection with this private placement of our common stock, we and the investors entered into a registration rights agreement, dated as of August 6, 2007, whereby we agreed to file this registration statement to register the resale of the common stock, within 60 days of the closing date and to use reasonable best efforts to cause the registration statement to be declared effective within 90 days, or 120 days upon review by the SEC.

SELLING SECURITYHOLDERS

For additional information regarding the issuance of the common stock offered by the selling securityholders, see

About the Offering above. We are registering the shares of common stock in order to permit the selling securityholders to offer the shares for resale from time to time. The selling securityholders have not had any material relationship with us within the past three years other than (1) the ownership of their common stock, and (2) Piper Jaffray & Co., which has been an advisor to us and was the placement agent for the private placements we completed in August 2007 and December 2006.

This prospectus covers offers and sales of shares of our common stock by the selling securityholders identified below. We sold the 25,330,000 newly-issued shares for \$0.50 per share, issued warrants to the purchasers in the August 2007 private placement to purchase 12,665,000 shares of our common stock and issued to the placement agent a warrant to purchase up to 729,900 shares of common stock at an exercise price of \$1.05 per share. Each selling stockholder represented to us that the selling securityholder purchased the shares and warrants for its or his own account for investment only and that the selling securityholder has no present intent of distributing the shares or warrants.

The table below lists the selling securityholders and other information regarding their beneficial ownership of shares of our common stock. The second column lists the number of shares of common stock beneficially owned by each selling stockholder, based on its ownership of the common stock, as of October 8, 2007. The third column lists the shares of common stock being offered pursuant to this prospectus by the selling securityholders, which in accordance

with the terms of the registration rights agreement with the selling securityholders, includes the resale of all shares of common stock sold by us in the August 2007 private placement and the shares of common stock which the selling securityholders may purchase upon the exercise of warrants issued as part of that private placement. We are also registering all of the shares of common stock that would be issued to Piper Jaffray & Co. upon the exercise of the warrants we issued to it in connection with both the December 2006 and August 2007 private placements, and the amounts in the third column for Piper Jaffray & Co. includes these shares. The fourth column assumes that the selling securityholders sell all of the shares of common stock offered pursuant to this prospectus.

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Beneficial ownership is determined in accordance with Rule 13d-3 promulgated by the Securities and Exchange Commission, and generally includes voting or investment power with respect to securities. Except as indicated in the footnotes to the table, we believe, based on information provided by each selling securityholder, that each selling securityholder possesses sole voting and investment power with respect to all of the shares of common stock owned by that selling securityholder. In computing the number of shares beneficially owned by a selling securityholder and the percentage ownership of that selling securityholder, we have included the number of shares of common stock that the selling securityholder may acquire within 60 days after the date of the table pursuant to options or warrants. All the shares subject to warrants issued to the investors in the August 2007 private placement and issued to Piper Jaffray & Co. as compensation for serving as placement agent for the December 2006 and August 2007 private placements are included in the total. Those shares, however, are not deemed to be outstanding for the purpose of computing the percentage ownership of any other person or group.

Name of Selling Securityholder	Number of Shares Beneficially		Shares Beneficially Owned	
	Owned Prior to Offering(1)	Shares Being Offered	Number	Percent
Apollo Capital Management Group, LP(3)	405,000	405,000	0	0
Apollo Microcap Partners, LP(3)	495,000	495,000	0	0
Atlas Master Fund, Ltd(4)	6,998,315	4,500,000	2,498,315	3.1
Joseph A Besecker	180,000	180,000	0	0
Joseph E. Besecker	90,000	90,000	0	0
EagleRock Institutional Partners L.P.(5)	4,852,000	2,052,000	2,800,000	3.5
EagleRock Master Fund L.P.(5)	2,824,000	1,224,000	1,600,000	2.0
Enable Growth Partners LP(6)	4,987,500	4,987,500	0	0
Heller Capital Investments(7)	3,000,000	3,000,000	0	0
Highbridge International LLC(8)	2,659,415	1,500,000	1,159,415	1.5
Hudson Bay Fund LP(9)	354,750	322,500	32,250	*
Hudson Bay Overseas Fund Ltd(9)	470,250	427,500	42,750	*
Richard Kurtz	5,557,713	1,500,000	4,057,713	5.1
Midsummer Investment, Ltd.(10)	6,000,000	6,000,000	0	0
NFS-FMTC IRA FBO: Ronald I. Heller(7)	1,500,000	1,500,000	0	0
Pierce Diversified Strategy Master Fund LLC(6)	262,500	262,500	0	0
Piper Jaffray & Co.	1,311,180	1,311,180	0	0
RAA Partners LP(11)	375,000	375,000	0	0
SOF Investments, L.P.(12)	5,850,000	5,850,000	0	0
Sophrosyne Technology Fund Ltd.(13)	1,960,000	1,500,000	460,000	*
Nader Tavakoli(5)	724,000	324,000	400,000	*
Whitebox Intermarket Partners, LP	1,500,000	1,500,000	0	0

* Less than 1%.

(1) Assumes that the selling securityholders acquire no additional shares of common stock after October 8, 2007 and before completion of this offering.

- (2) Assumes that all of the shares offered by the selling securityholders under this prospectus are sold.
- (3) Apollo MicroCap Partners L.P. is managed by Bayshore Capital Corp (also known as Walnut Street Capital Corp. in Florida), and Apollo Capital Management Group L.P. is managed by Apollo Capital Corp., as the general partner of each, respectively. Kyle Krueger, the president of Bayshore Capital Corp. and Apollo Capital Corp., respectively, effectively has the dispositive and voting authority of all the shares held by Apollo MicroCap Partners and Apollo Capital Management Group.

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- (4) Dmitry Balyasny in his capacity as Partner to Balyasny Asset Management LP, the investment manager to Atlas Master Fund, Ltd., exercises voting and investment control over the securities owned by Atlas Master Fund, Ltd.
- (5) Nader Tavakoli in his capacity as manager exercises voting and investment control over the securities owned by each of EagleRock Institutional Partners, LP and EagleRock Master Fund, LP.
- (6) Enable Capital Management, LLC is the manager of Enable Growth Partners LP and Pierce Diversified Strategy Master Fund LLC, and Mitch Levine is the manager and majority owner of Enable Growth Capital and they may be deemed to beneficially own the securities owned by such accounts, in that they may be deemed to have the power to direct the voting or disposition of those securities.
- (7) Ronald Heller is the Chief Investment Officer of Heller Capital Investments and exercises voting and investment control over the securities owned by Heller Capital Investments.
- (8) Highbridge Capital Management, LLC is the trading manager of Highbridge International LLC and has voting control and investment discretion over the securities held by Highbridge International LLC. Glenn Dubin and Henry Swieca control Highbridge Capital Management, LLC and have voting control and investment discretion over the securities held by Highbridge International LLC. Each of Highbridge Capital Management, LLC, Glenn Dubin and Henry Swieca disclaims beneficial ownership of the securities held by Highbridge International LLC.
- (9) Sander Gerber, John Doscas and Yoav Roth share voting and investment power over securities held by Hudson Bay Fund LP and Hudson Bay Overseas Fund Ltd. Messrs. Gerber, Doscas and Roth disclaim beneficial ownership of such securities.
- (10) Midsummer Capital, LLC, as investment advisor to Midsummer Investment Ltd., may be deemed to have dispositive power over the shares and warrants owned by Midsummer Investment Ltd. Midsummer Capital, LLC disclaims beneficial ownership of such shares and warrants. Michel Amsalen and Scott Kaufman have delegated authority from the members of Midsummer Capital, LLC with respect to the shares and warrants owned by Midsummer. Messrs. Amsalen and Kaufman disclaim beneficial ownership of such shares and warrants, and neither person has any legal right to maintain such delegated authority.
- (11) Henry Wu and Robert Afshar have dispositive and voting power over the shares and warrants held by RAA Partners LP.
- (12) MSD Capital, L.P. is the general partner of SOF Investments, L.P. and therefore may be deemed to be the indirect beneficial owner of the shares and warrants owned by SOF Investments, L.P. MSD Capital Management LLC is the general partner of MSD Capital, L.P.
- (13) Benjamin Taylor, as managing member of the general partner of Sophrosyne Technology Fund Ltd., has sole voting and sole investment power over the securities owned by Sophrosyne Technology Fund Ltd.

PLAN OF DISTRIBUTION

The selling securityholders and any of their pledgees, donees, transferees, assignees and successors-in-interest may, from time to time, sell any or all of their shares of common stock on any stock exchange, market or trading facility on which the shares are traded or in private transactions. These sales may be at fixed or negotiated prices. The selling

securityholders may use any one or more of the following methods when selling shares:

ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;

block trades in which the broker-dealer will attempt to sell the shares as agent but may position and resell a portion of the block as principal to facilitate the transaction;

purchases by a broker-dealer as principal and resale by the broker-dealer for its account;

an exchange distribution in accordance with the rules of the applicable exchange;

privately negotiated transactions;

short sales;

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broker-dealers may agree with the selling securityholders to sell a specified number of such shares at a stipulated price per share;

through the writing or settlement of options or other hedging transactions, whether through an options exchange or otherwise;

a combination of any such methods of sale; and

any other method permitted pursuant to applicable law.

The selling securityholders may also sell shares under Rule 144 under the Securities Act of 1933, if available, rather than under this prospectus.

Broker-dealers engaged by the selling securityholders may arrange for other broker-dealers to participate in sales. Broker-dealers may receive commissions or discounts from the selling securityholders (or, if any broker-dealer acts as agent for the purchaser of shares, from the purchaser) in amounts to be negotiated. The selling securityholders do not expect these commissions and discounts to exceed what is customary in the types of transactions involved.

The selling securityholders may from time to time pledge or grant a security interest in some or all of the shares owned by them and, if they default in the performance of their secured obligations, the pledgees or secured parties may offer and sell shares of common stock from time to time under this prospectus, or under an amendment or supplement to this prospectus under Rule 424(b)(3) or other applicable provision of the Securities Act of 1933 amending the list of selling securityholders to include the pledgee, transferee or other successors in interest as selling securityholders under this prospectus.

Upon IFL being notified in writing by a selling stockholder that any material agreement has been entered into with a broker-dealer for the sale of common stock through a block trade, special offering, exchange distribution or secondary distribution or a purchase by a broker or dealer, a supplement to this prospectus will be filed, if required disclosing (i) the name of each such selling stockholder and of the participating broker-dealer(s), (ii) the number of shares involved, (iii) the price at which such shares of common stock were sold, (iv) the commissions paid or discounts or concessions allowed to such broker-dealers, where applicable, (v) if applicable, that such broker-dealer(s) did not conduct any investigation to verify the information set out or incorporated by reference in this prospectus, and (vi) other facts material to the transaction. In addition, upon IFL being notified in writing by a selling stockholder that a donee or pledgee intends to sell more than 500 shares of common stock, a supplement to this prospectus will be filed if then required in accordance with applicable securities laws.

The selling securityholders also may transfer the shares of common stock in other circumstances, in which case the transferees, pledgees or other successors in interest will be the selling beneficial owners for purposes of this prospectus.

The selling securityholders may also enter into option or other transactions with broker-dealers or other financial institutions or the creation of one or more derivative securities which require the delivery to such broker-dealer or other financial institution of shares offered by this prospectus, which shares such broker-dealer or other financial institution may resell pursuant to this prospectus (as supplemented or amended to reflect such transaction).

The selling securityholders and any broker-dealers or agents that are involved in selling the shares may be deemed to be underwriters within the meaning of the Securities Act in connection with such sales. In such event, any commissions received by such broker-dealers or agents and any profit on the resale of the shares purchased by them

may be deemed to be underwriting commissions or discounts under the Securities Act. Discounts, concessions, commissions and similar selling expenses, if any, attributable to the sale of shares will be borne by the selling stockholder. Each selling stockholder has represented and warranted to us that it acquired the securities subject to this registration statement in the ordinary course of such selling stockholder's business and, at the time of its purchase of such securities such selling stockholder had no agreements or understandings, directly or indirectly, with any person to distribute any such securities.

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We have advised each selling stockholder that it may not use shares registered on the registration statement of which this prospectus is part to cover short sales of common stock made prior to the date on which the registration statement shall have been declared effective by the SEC. If the selling securityholders use this prospectus for any sale of the common stock, they will be subject to the prospectus delivery requirements of the Securities Act unless an exemption from the delivery requirements is available. The selling securityholders will be responsible to comply with the applicable provisions of the Securities Act and Exchange Act, and the rules and regulations promulgated under these acts, including, without limitation, to the extent applicable, Regulation M, as applicable to such selling securityholders in connection with resales of their respective shares under the registration statement.

In connection with sales of the shares of common stock or otherwise, the selling securityholders may enter into hedging transactions with broker-dealers, which may in turn engage in short sales of the shares of common stock in the course of hedging in positions they assume. The selling securityholders may also sell shares of common stock short and deliver shares of common stock covered by this prospectus to close out short positions and to return borrowed shares in connection with such short sales. The selling securityholders may also loan or pledge shares of common stock to broker-dealers that in turn may sell such shares.

We are required to pay all fees and expenses incident to the registration of the shares, but we will not receive any proceeds from the sale of the common stock. We have agreed to indemnify the selling securityholders against certain losses, claims, damages and liabilities, including liabilities under the Securities Act and state securities laws, relating to the registration of the shares offered by this prospectus.

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**MANAGEMENT'S DISCUSSION AND ANALYSIS
OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our historical financial statements and related notes that appear elsewhere in this prospectus.

In addition to historical financial information, the following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements. Factors that could cause or contribute to these differences include those discussed below and elsewhere in this prospectus, including those set forth in Risk Factors.

Overview

We operate, through our subsidiary, IFL Corp., the world's first professional mixed martial arts sports league International Fight League. Immediately prior to November 29, 2006, we were known as Paligent Inc. and were a shell company with no operating business. On November 29, 2006, pursuant to the Merger between our wholly owned subsidiary and Old IFL, we acquired the mixed martial arts sports league business of Old IFL. As a result of the Merger, Old IFL became our wholly owned subsidiary and changed its name to IFL Corp., and we changed our name from Paligent Inc. to International Fight League, Inc.

Immediately prior to the Merger, all of the outstanding shares of preferred stock of Old IFL were converted into shares of Old IFL common stock on a one-for-one basis, and we effected a 1-for-20 reverse stock split of our common stock, such that the number of shares of our common stock outstanding following the Merger would be approximately equal to the number of shares of our common stock outstanding immediately prior to the reverse stock split. Pursuant to the Merger, we issued 30,872,101 shares of our common stock to the stockholders of Old IFL in exchange for all of the outstanding capital stock of Old IFL. In connection with the Merger, all of the options to purchase 1,865,000 shares of common stock of Old IFL outstanding prior to the Merger were converted into options to purchase 1,925,376 shares of our common stock on the same terms and conditions applicable to such options prior to the Merger. The new options were issued under the International Fight League, Inc. 2006 Equity Incentive Plan approved by our stockholders in conjunction with their approval of the Merger.

Following the reverse stock split and the Merger, there were 32,496,948 shares of IFL common stock outstanding, of which the pre-Merger stockholders of Paligent owned approximately 5% and the pre-Merger stockholders of Old IFL owned approximately 95%. As a result, Old IFL has been treated as the acquiring company for accounting purposes. The Merger has been accounted for as a reverse acquisition under the purchase method of accounting for business combinations in accordance with generally accepted accounting principles in the United States of America. Reported results of operations of the combined group issued after completion of the transaction will reflect Old IFL's operations.

As part of the Merger, our two then existing directors, Salvatore A. Bucci and Richard Kurtz, and Old IFL's three then existing directors, Gareb Shamus, Kurt Otto and Michael Molnar, were elected as our directors, and Old IFL's officers became our officers, except that upon the consummation of the Merger, Mr. Bucci, our President and Chief Executive Officer before the Merger, resigned from these positions and was appointed our Chief Financial Officer, Executive Vice President and Treasurer. Mr. Bucci resigned from the Company effective September 30, 2007. Mr. Shamus resigned his officer positions with the Company on November 19, 2007. Changes to our Board of Directors and executive officers is discussed under Management.

In addition, immediately following the Merger, we issued 1,627,500 shares of common stock to Mr. Kurtz, Paligent's principal stockholder before the Merger, in exchange for his contribution of \$651,000 of indebtedness owing to him

under a promissory note issued by Paligent.

The Old IFL business was founded in 2005 to organize, host and promote live and televised mixed martial arts sporting events and to capitalize on the growing popularity of mixed martial arts, or MMA, in the United States and around the world. Following the acquisition of Old IFL, we refocused our business efforts

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on developing and operating Old IFL's mixed martial arts sports league business and have continued operating this business through IFL Corp. At the core of our business are our twelve mixed martial arts teams, which consist of some of the world's most highly regarded mixed martial arts athletes and coaches. Our mixed martial arts sporting events typically include two match-ups of two teams, with athletes competing in one-on-one matches according to weight division. These events create a body of television programming content that we currently distribute in the United States through an arrangement with Fox Sports Net and MyNetworkTV, Inc. and internationally through an agreement with Alfred Haber Distribution, Inc. We earn revenue from television distribution, live event ticket sales, sponsorships and promotions, and licensing of our intellectual property.

Old IFL's predecessor, International Fight League, LLC (the "LLC"), was organized on March 29, 2005 as a New Jersey limited liability company. On January 11, 2006, the LLC merged into Old IFL, whereupon the existence of the LLC ceased, and at which time the members of the LLC received an aggregate of 18,000,000 shares of Old IFL common stock, par value \$0.0001 per share, in exchange for their membership interests in the LLC.

Old IFL operated as a development stage enterprise through March 31, 2006. On April 29 and June 3, 2006, Old IFL held its debut MMA sports events featuring its initial four teams. The event was broadcast in a series of three original taped telecasts in May and June 2006. We held four additional events as part of The World Team Championship, including the final event held in December 2006. We launched our first full season in 2007, which consisted of a six-month, nine event regular season and was followed by a two-month, two event post-season. We held the nine 2007 regular season matches from January 19, 2007 through June 16, 2007 in Oakland, California, Houston, Texas, Atlanta, Georgia, Los Angeles, California, Moline, Illinois, Uncasville, Connecticut, Chicago, Illinois, Everett, Washington and Las Vegas, Nevada. The first round of the playoffs were held on August 2, 2007 in East Rutherford, New Jersey and the finals, which determined the league champion, was held on September 20, 2007 in Hollywood, Florida. In addition, we are hosting our first Grand Prix all-star tournament, in which the four top athletes in each weight class will compete for the title belt to be awarded to the champion of each weight class. The first round took place on November 3, 2007 in Chicago, Illinois and the finals are scheduled for December 29, 2007 in Uncasville, Connecticut.

As Old IFL, we raised funds primarily through stockholder loans and the issuance of preferred stock. The Merger is considered to be a capital transaction in substance rather than a business combination. The transaction is equivalent to the issuance of stock by Old IFL for the net monetary assets of Paligent, accompanied by a recapitalization. The transaction has been accounted for as a reverse acquisition of a shell company whereby Old IFL is the acquirer for accounting purposes and Paligent is the legal acquirer. In this transaction, no goodwill or other intangible assets have been recorded. As a result, the financial information included in this prospectus for periods prior to the Merger relates to Old IFL.

As of September 30, 2007, we had stockholders' equity of \$9.4 million and an accumulated deficit of \$27.1 million. During the year ended December 31, 2006, we incurred losses and negative operating cash flows of \$9.6 million and \$8.2 million, respectively. These trends have continued in the first nine months of 2007 during which we incurred losses and negative operating cash flows of \$17.5 million and \$18.3 million, respectively.

On December 28, 2006, we completed the sale to a number of institutional and individual accredited investors of an aggregate of 19,376,000 shares of common stock at a price of \$1.25 per share, or \$24,220,000 in the aggregate. In connection with the private placement, we incurred expenses which included, without limitation, commissions to the placement agent, legal and accounting fees, and other miscellaneous expenses, of approximately \$2 million. We also have issued to the placement agent, as partial compensation for its services, a five year warrant to purchase up to 581,280 shares of common stock, or 3% of the number of shares sold in the private placement, at an exercise price of \$1.25 per share.

On August 6, 2007, we completed the sale to a number of institutional and individual accredited investors of an aggregate of 25,330,000 shares of common stock at a price of \$0.50 per share, or \$12,665,000 in the aggregate, and issued five year warrants to the investors to purchase 12,665,000 shares of common stock with an exercise price of \$1.05 per share. In connection with the private placement, we incurred expenses which

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included, without limitation, commissions to the placement agent, legal and accounting fees, and other miscellaneous expenses, of \$1 million. We also have issued to the placement agent, as partial compensation for its services, a five year warrant to purchase up to 729,900 shares of common stock at an exercise price of \$1.05 per share.

Unaudited Quarterly Consolidated Financial Data

The following tables set forth selected unaudited quarterly consolidated income statement data for each of the quarters ended March 31, June 30, September 30, December 31, 2006, March 31, 2007, June 30, 2007 and September 30, 2007. No information is presented for earlier quarters, as Old IFL did not commence operations until January 2006, and such earlier information is not deemed material or comparable. The consolidated financial statements for each of these quarters have been prepared on the same basis as the audited consolidated financial statements included in this prospectus and, in the opinion of management, include all adjustments necessary for the fair presentation of the consolidated results of operations for these periods. You should read this information together with our audited consolidated financial statements and the related notes included elsewhere in this prospectus. These quarterly operating results are not necessarily indicative of the results for any future period.

	March 31, 2006	Three Months Ended					September 30, 2007
		June 30, 2006 (Restated)	September 30, 2006 (Restated)	December 31, 2006 (Restated)	March 31, 2007 (Restated)	June 30, 2007 (Restated)	
Revenues							
Advertising and televised events							
Advertising sponsorships \$		\$ 234,080	\$ 19,469	\$ 19,531	\$ 67,045	\$ 74,178	\$ 195,8
Advertising other		230	770				
Events box office							
Scripts		127,142	324,987	219,536	513,842	891,721	588,9
Television rights					210,000	672,500	1,075,0
Merchandise		1,342	17,604	25,369	19,470	34,831	18,3
Total revenues		362,794	362,830	264,436	810,357	1,673,230	1,878,1
Cost of revenues							
Advertising and televised events							
Advertising sponsorships		102,280	37,200	25,700	33,034	22,274	55,3
Events other costs		1,513,422	2,114,376	2,659,398	5,598,976	6,403,309	3,102,3
Merchandise		680	10,562	10,148	7,742	16,682	42,6
Total cost of revenues		1,616,382	2,162,138	2,695,246	5,639,752	6,442,265	3,200,2
Operating, general and administrative expenses	565,190	504,773	1,276,590	1,512,237	2,280,097	2,164,012	2,161,5
Stock-based compensation expense	9,582	15,546	7,738	15,544	15,208	14,469	247,6
Operating loss	(574,772)	(1,773,907)	(3,083,636)	(3,958,591)	(7,124,700)	(6,947,516)	(3,731,3
Interest expense	(27,450)	(45,167)	(47,580)	(33,207)			

rest expense			(14,795)	(75,852)		(928)	(7
rest income	11,523	11,248	2,900	5,886	162,492	71,644	87,8
loss	\$ (590,699)	\$ (1,807,826)	\$ (3,143,111)	\$ (4,061,764)	\$ (6,962,208)	\$ (6,876,800)	\$ (3,644,2

Results of Operations

From inception to September 30, 2007, we have incurred costs and expenses significantly in excess of revenues. As we pursue our goals and continue to build out our organization and business, we expect to increase revenues and control costs and maximize value to existing stockholders, though we expect to incur additional losses.

During 2005 and through March 31, 2006, we were a development stage company with insignificant operations. Accordingly, there are no meaningful comparative data for these periods.

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Year ended December 31, 2006

During the year ended December 31, 2006, IFL incurred a net loss of \$9.6 million or \$0.49 per common share.

Revenues for fiscal 2006 were \$1 million, all of which were derived from IFL's initial six events, which comprised the two tournaments held—the Legends Championship, which was held on April 29 and June 3, 2006 and the World Team Championship, which was held on September 9 and 23, November 3 and December 29, 2006. The principal components of revenue include:

box office receipts of \$672,000; and

sponsorships of \$273,000.

The original agreements with FSN granted FSN exclusive rights to the Legends and World Team Championship events through December 31, 2006 and June 30, 2007, respectively. In return, FSN agreed to broadcast the initial telecast and one repeat telecast of each series episode of the Legends Championship in a minimum of 50 million homes. These telecasts were aired during the three months ended June 30, 2006. The agreement with FSN relating to the World Team Championship events provides for FSN to broadcast ten hours of original programming, including six one-hour broadcasts, a two-hour season championship finale broadcast and a two-hour Best Damn Sports Show special broadcast during prime time. The broadcasts of this series were aired during the third and fourth quarters of 2006. The agreements with FSN provided that there shall be no payment of any distribution fee by us and we received no payments from FSN.

During the year ended December 31, 2006, costs of revenues were \$6.5 million, consisting of the following principal components:

live event costs of \$6.3 million; and

sponsorship costs of \$165,000.

Components of live event costs for the year ended December 31, 2006, include \$2.1 million of talent costs, \$1.6 million of event travel and other event costs, \$1.6 million of television production costs and \$1.0 million of advertising expenses.

During the year ended December 31, 2006, selling, general and administrative expenses were \$3.9 million, the primary components of which, respectively, were professional fees of \$1.4 million, payroll and benefits expenses of \$1.3 million and travel and entertainment of \$174,000. In addition, advertising expenses of \$134,000 were recorded to selling, general and administrative expenses during the year ended December 31, 2006. During fiscal 2006, we also recorded a \$80,000 charge to bad debt expense.

Stock compensation expense of \$48,000 recorded to the statement of operations for the year ended December 31, 2006, relates to option grants under Old IFL's 2006 Equity Compensation Plan which option grants were assumed under the Equity Incentive Plan.

Dividend expense of \$153,000 for fiscal 2006 relates to dividends that accrued on the Series A Preferred Stock. Immediately prior to the Merger, all accrued dividends were converted into common stock of Old IFL, which was then exchanged for shares of IFL in connection with the Merger.

Interest expense of \$91,000 for fiscal 2006 relates to the cost of funds loaned to IFL pursuant to the promissory note with Mr. Kurtz.

During the year ended December 31, 2006, interest income of \$32,000 was earned on available cash balances.

Three and Nine Months Ended September 30, 2007 as compared to the Three and Nine Months Ended September 30, 2006

During the three-month period ended September 30, 2007 we held two live events. In addition, during this period, we created television content for sixteen original episodes for broadcast on FSN and ten for

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MNTV. During the nine months ended September 30, 2007, we held eleven live events and created thirty original episodes for broadcast on FSN and twenty-two for MNTV.

For the three months ended September 30, 2007, we incurred a net loss of \$3.6 million, or \$0.05 per share, as compared to a net loss of \$3.1 million, or \$0.17 per share during the comparable period in 2006. For the nine months ended September 30, 2007, we incurred a net loss of \$17.5 million, or \$0.30 per share, as compared to a net loss of \$5.5 million, or \$0.32 per share, during the comparable period in 2006.

Revenues for the three and nine months ended September 30, 2007 were \$1.9 million and \$4.4 million, respectively. During 2006, revenues for the comparable periods were \$4 million and \$7 million. The principal components of revenue for the referenced periods in 2007 and 2006, respectively, include:

television rights of \$1.1 million and \$2 million, respectively, during the three and nine months ended September 30, 2007, consisting of \$675,000 and \$1,557,500, respectively, relating to our agreement with MNTV. We also recognized \$400,000 of revenue related to international television rights in the three month and nine-month periods ended September 30, 2007. No television rights revenue was recognized during the three and nine month periods ended September 30, 2006;

box office receipts and related revenue of \$589,000 and \$2.0 million, respectively, during the three and nine month periods ended September 30, 2007 as compared to \$325,000 and \$452,000 during the three and nine month periods ended September 30, 2006; and

sponsorships of \$196,000 and \$337,000, respectively, during the three and nine month periods ended September 30, 2007 as compared to \$20,000 and \$255,000 during the three and nine month periods ended September 30, 2006.

During 2006, IFL entered into agreements with National Sports Programming, owner and operator of FSN. The agreements with FSN granted FSN exclusive rights to broadcast episodes of IFL's 2006 events through June 30, 2007. In January 2007, we entered into a Letter of Intent with Fox Cable Networks, Inc. (Fox) and MyNetworkTV, Inc. (MNTV and, together with Fox, the Fox Entities) (the Letter of Intent), which set forth certain terms and conditions under which the Fox Entities and IFL proposed to create, promote and distribute IFL MMA content. Under the proposed terms, FSN would retain exclusive distribution rights to all IFL regular season, playoff and championship events. The provision of the Letter of Intent relating to the broadcasts on MNTV provide for MNTV to pay IFL \$50,000 for each initial telecast, \$20,000 for each second telecast and \$12,500 for each third telecast and any re-cuts. During the third quarter ended September 30, 2007, MNTV broadcast ten first run telecasts; five second run telecasts and three third run telecasts. During the nine months ended September 30, 2007, MNTV broadcast twenty-two first run telecasts, fifteen second run telecasts, eight third run telecasts and three one hour re-cuts.

During the three and nine months ended September 30, 2007, costs of revenues were \$3.2 million and \$15.3 million, respectively. During 2006, costs of revenues for the comparable periods were \$2.2 million and \$3.8 million, respectively. The principal components of costs of revenues for the referenced periods consists of the following:

costs of branded merchandise of \$42,600 and \$67,000, respectively, during the three and nine months ended September 30, 2007 and \$10,600 and \$11,200, respectively, during the three and nine months ended September 30, 2006;

live events costs of \$3.1 million and \$15.1 million, respectively, during the three and nine months ended September 30, 2007. During 2006, we recorded \$1.8 million of live events costs for the three months and \$3.2 million for the three months and nine months ended September 30, 2006, respectively; and

sponsorship costs of \$55,000 and \$111,000, respectively, during the three and nine month ended September 30, 2007 as compared to \$374,000 and \$544,000, respectively recorded in the three and nine-month periods ended September 30, 2006.

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The primary components of live event costs for the quarterly and nine month periods ended September 30, 2007, respectively, include \$907,000 and \$4.3 million of talent costs as compared to \$847,000 and \$1,234,000, respectively in the three and nine month periods ended September 30, 2006; \$576,000 and \$3.1 million of event travel and other event costs as compared to \$576,000 and \$992,000 in the three and nine month periods ended September 30, 2006; \$1.4 million and \$6.3 million of television production costs as compared to \$423,000 in 2006; and \$858,000 and \$1.3 million, respectively of event marketing and advertising expenses for the three and nine month periods ended September 30, 2007, as compared to \$240,000 and \$544,000, respectively for the three and nine month periods ended September 30, 2006.

During the three and nine month periods ended September 30, 2007, selling, general and administrative expenses were \$2.2 million and \$6.6 million, respectively, as compared to \$1.3 million and \$2.3 million during the comparable periods in 2006. The primary components of selling, general and administrative expenses for the three and nine month periods ended September 30, 2007 and 2006 were, respectively, professional fees of \$435,800 and \$1.4 million in 2007 as compared to \$443,000 and \$899,000 in 2006; payroll and benefits expenses of \$1.2 million and \$3.6 million in 2007 as compared to \$465,000 and \$746,000, advertising expenses of \$111,000 and \$454,000 in 2007 as compared to \$51,000 and \$102,000 in 2006; and travel and entertainment of \$115,000 and \$398,000 in 2007 as compared to \$158,000 and \$252,000. In addition, office and facilities costs of \$128,000 and \$471,000 were recorded during the quarterly and nine month periods in 2007, as compared to \$69,000 and \$145,000 for the corresponding periods of 2006.

Stock-based compensation expenses relating to option grants and warrants of \$248,000 and \$277,000, respectively, were recorded to the statement of operations for the quarterly and nine month periods ended September 30, 2007 as compared to charges of \$8,000 and \$33,000 for the similar periods in 2006.

During the quarterly and nine-month periods ended September 30, 2007, interest income of \$88,000 and \$322,000, respectively, was earned on available cash balances as compared to \$3,000 and \$26,000 during the comparable period in 2006.

During 2006, \$48,000 and \$120,000 of dividend expense relating to preferred stock of Old IFL was recorded. All preferred stock of Old IFL, including accrued dividends, was exchanged for common stock of Old IFL at the time of the Merger.

Liquidity and Capital Resources

At December 31, 2006, our cash and cash equivalents were \$16.6 million, an increase of \$15.5 million from the end of the prior year. During fiscal 2006, we (i) issued \$24.2 million in common stock, of which \$23.0 million was received in cash and \$1.2 million was held as a subscription receivable at December 31, 2006; (ii) issued \$2.5 million of Series A Preferred Stock, of which \$1.3 million was received in cash and \$1.2 million was issued in exchange for the conversion of investor advances that were received in 2005; (iii) received \$4.9 million in loans from Richard J. Kurtz, one of our significant stockholders and a former director, to fund operations during the third and fourth quarters of 2006; and (iv) used \$8.2 million for operating activities, \$5.1 million to repay principal indebtedness to Mr. Kurtz (including \$189,000 of debt assumed from Paligent at the time of the Merger) and \$400,000 for deposits and purchases of property and equipment.

On December 28, 2006, we completed a private placement to a number of institutional and individual accredited investors of an aggregate of 19,376,000 shares of common stock at a price of \$1.25 per share, or \$24,220,000 in the aggregate. In connection with the private placement, we incurred expenses which included commissions to the placement agent, legal and accounting fees, and other miscellaneous expenses, of approximately \$2 million. We have

issued to the placement agent, as partial compensation for its services, a five year warrant to purchase up to 581,280 shares of common stock at an exercise price of \$1.25 per share.

At September 30, 2007, our cash and cash equivalents were \$9.3 million, an increase of \$9.0 million from the end of the comparable period in the prior year. During the nine months ended September 30, 2007, we received \$11.7 million in proceeds from a private placement and \$1.2 million from the receipt of the remaining subscription receivable relating to the December 2006 private placement of common stock, and used

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\$18.3 million to fund operating activities and \$1.6 million to pay accrued commissions on the private placement that was completed in December 2006. Our net decrease in cash and cash equivalents was \$7.3 million for the nine months ended September 30, 2007.

Future Capital Requirements

Since inception, our MMA operations have incurred losses, and we have funded these operating deficits through proceeds of \$2.5 million from the 2006 issuance of preferred stock and from net proceeds of approximately \$22.2 million from our December 2006 private placement. During August 2007, we completed a second private placement, from which we received net proceeds of approximately \$11.7 million. Based upon management's current forecast of future revenues and expenses, the Company believes its cash resources will likely be sufficient to fund operations into the third quarter of 2008. This assumes that the Company's expenses continue to decrease as a result of the Company's cost reduction efforts and that the Company realizes additional cash from the following: (i) the distribution of IFL mixed martial arts content via DVD, electronic sell through and similar media pursuant to our letter of intent with Warner Home Video; (ii) the distribution of programming internationally pursuant to our exclusive relationship with Alfred Haber Distribution, Inc.; (iii) the continuation of television rights consistent with terms contemplated by the Letter of Intent with the Fox Entities (see Note 10); and (iv) an increase in sponsorship and licensing revenue. The Company is also evaluating the profitability of other revenue sources, such as digital rights and pay-per-view broadcasts. If the Company can succe