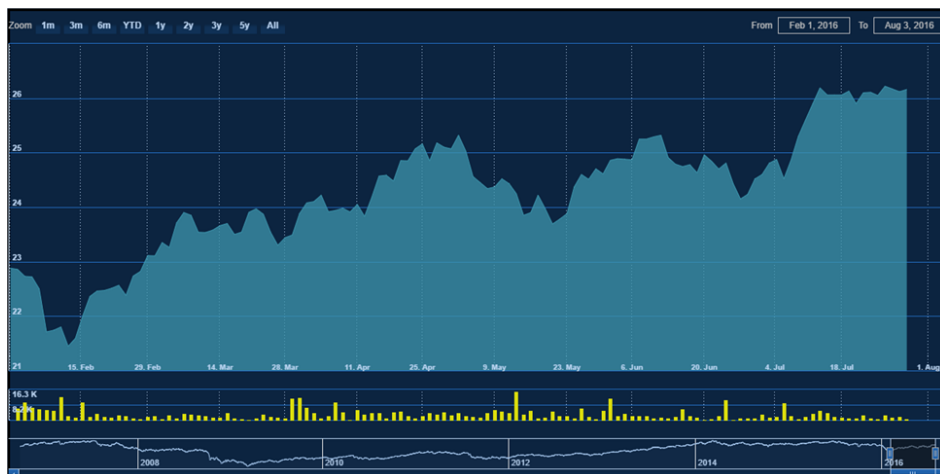


## MZ Perspectives

### Spotlight on Microcaps: What Factors Are Behind the Recent Rally?

Over the last decade, microcaps have bucked their long-term trend of outperforming large cap stocks – much to the annoyance of those familiar with investing in the microcap space from an index standpoint. Though over the past six months, among much volatility, they have come roaring back. From February 1st through July 29th, microcap indexes have outperformed relative to the S&P 500 by about 1% [this performance is specific to the microcap index being used to track performance; for instance, the recently created LD Micro Index™ ([ldmicro.com](http://ldmicro.com)) has outperformed macro-indexes to a *far greater* degree based on microcap basket-investment selection]. This has come among significant *volatility*, a common characteristic of microcaps.

The only question is, what have been the driving factors behind the recent rally? Further, what have been the reasons for the sudden shift “back” to being an outperforming asset class, relative to larger cap peers? We’ve outlined what we believe could be a few of them below.



(Note: WMCR is an ETF issued by Guggenheim which tracks the Wilshire US Microcap Index)

### Searching for Value

We are currently in the midst of a bull market of unprecedented length, the second longest since 1949. Valuations have skyrocketed, with the S&P 500 TTM P/E ratio sitting at ~25x. Compare this to ~14x for WMCR (as of 3/31/16), a Guggenheim ETF tracking the Wilshire US Microcap Index, and the appeal of microcaps is clear. These factors have perhaps made many value oriented investors anxious to buy into many large cap equities, driving them to reach for value in places they would traditionally avoid.

Microcap companies are often undervalued as a result of their lack of coverage on Wall Street. Microcaps often lack coverage due to both their small size and liquidity issues, making it difficult to invest a large amount of capital in a company. According to Bloomberg as of 2009, microcap stocks had an average of 2.4 analyst recommendations per listed company vs 10.5 for small caps and 22.8 for large caps. This inefficient space is one of the few *where security selection has a greater contribution to total returns than asset allocation*. It provides a great environment for fundamental analysts to uncover hidden gems, creating unique opportunities for value investors.

### Summer 2016

Thanks for reading the summer edition of our MZ Newsletter, focusing on a review of the microcap market, some updates from the MZ team, and some recent highlights from our clients. Please be sure to visit us at the upcoming conferences this fall.

Please visit us at [www.mzgroup.us](http://www.mzgroup.us) to learn more our complete set of investor relations products and services.

-The MZ Team

### Upcoming Fall Conferences

**Rodman & Renshaw 18th Annual Investment Conference**  
Sep. 11-13 in New York



**MicroCap Club**  
Sep. 23 in Chicago



**The MicroCap Conference**  
Oct. 24-25 in Philadelphia



**Drexel Hamilton Micro-Cap Investor Forum**  
Nov. 10 in New York



**Craig-Hallum 7th Annual Alpha Select Conference**  
Nov. 16 in New York



**Benchmark Company Micro Cap Discovery One-on-One Conference**  
Dec. 1 in Chicago

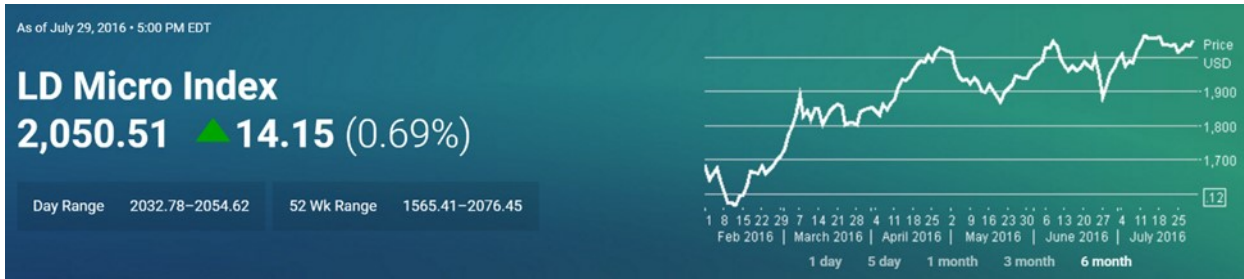


**LD Micro 8th Annual Main Event Micro-Cap**  
Dec. 6-8 in Los Angeles



Continued from page 1 - Spotlight on Microcaps

This becomes *especially true* when finding rare “index collections” of microcaps which accurately track capital allocated to all three “tiers” of the microcap universe; the recently created LD Micro Index™ ([ldmicro.com](http://ldmicro.com)) is one index, alluded to above, which has significantly outperformed more traditional, higher volume microcap index selections. Again, this has been the case largely based on the LD Micro Index™ having a more focused microcap tier-selection approach and due to the creating firm (LD Micro) having a greater familiarity within the microcap space:



## An Alternative to Alternatives

Another possible driving factor is that investors seeking to better diversify their portfolio in these uncertain times have looked to the microcap “asset class” to replace a portion of their alternative investments. A portfolio of microcap companies shares many characteristics with a private equity fund; some examples being low liquidity, little analyst coverage, long-term investment horizons, and lumpy returns. These unique characteristics give microcaps a relatively low correlation to the broader market over the long-term, making it a reasonable alternative for investors who are unsatisfied with the performance of some of their alternative investments. From 1927-2014, the Fama French Decile 10 (microcaps) has a correlation coefficient of only 0.69 vs Decile 1 (large caps). Comparing this correlation coefficient with 0.85 for small caps and 0.89 for large caps, it’s clear that the diversification benefits offered by microcaps are unmatched within US equities.

## Low-Interest Rates Paired with Economic Growth

Microcap companies have traditionally *underperformed* in low interest rate environments and *outperformed* during periods of economic growth. This has largely been driven by a Bull Market-led “risk-on” trade (coupled with valuation multiples being stretched) that allows for more traditional capital to look to the microcap space for capital allocation (looking for value and inefficiency, looking to leverage positive macro-market beta into outsized returns, etc.). Currently, however, this uncommon dynamic (low interest rate environment, somewhat stagnant macro-market performance, etc.) has provided a unique environment for microcap companies to operate in. *Well, it has for some.*

Low interest rates, while not usually conducive to microcap outperformance, have recently offered unique benefits to microcap companies. This is because many microcap companies often must utilize fixed rate debt and/or debt which is tied to a “conversion to equity” option. Any company raising capital in this interest rate environment can: 1) lock in historically low interest rates on their long-term debt; and, because of equity outperformance, 2) lock in conversion terms which are historically soft on dilution. As a result of this relatively inexpensive debt, paired with generally positive economic growth figures and a consensus that interest rates will not rise with significant overall measure and/or with significant velocity in the coming years, this provides a reasonably good environment for microcap companies to operate/raise capital in.

## Conclusion

That said, it is without argument that capital is the lifeblood of microcaps (historically and currently). Recently, as a result of the above factors, having greater access to capital has driven the ability for microcap companies to realize model-based operational milestones at an historic rate and at historic levels of sector realization (i.e. this phenomenon hasn’t been limited to any particular sector, market cap level within the microcap space, etc.). The ability to realize model-based milestones, in turn, has *driven equity performance and return for investors*. This cycle of capital flowing into the microcap space, capital being effectively allocated to microcap models, and capital driving model-based operational milestone execution, for however long it can be sustained, should act as an accelerant for return on investment for the entire space.

This cycle, however, is only opportune for those microcaps adept at making visible the equity-performance driving potential of the capital raised. Having a successful, full-scale, highly-visible investor relations program prior to, during, and after milestone execution realization is

paramount to maximizing capital efficiency. While investor relations programs have no direct crossover to actual capital raising or capital market transactions, effectively managing investor expectations and the making visible of operational execution is *without question the single largest driver of capital efficiency* (in capital market terms).

Microcaps *adept at raising efficient capital* [i.e. non-toxic capital, non-punitively dilutive capital (on a conversion terms basis), etc.] and adept at making visible the equity performance driving potential of the capital raised (via effective investor relations programs) have benefitted most from the current micro-cap Bull Market. So far, into the current Bull Market, this has been the clear separating factor between outperformers and underperformers. MZ Group – a global IR firm, has been one firm which has notably led a wide spectrum of microcaps to successful management of investor expectations and the making visible of operational execution as well as notably led microcap names which have significantly outperformed peers. A simple sifting of the top performing names in the microcap space and a screening for IR firms will show MZ Group to be, more often than not, the IR firm of selection.

In conclusion, it appears that the recent rally in microcaps may be a result of a few unique factors coming together in a way that provides many microcaps the opportunity for a brighter future than many previously thought. Investors stretching for value in a market filled with lofty valuations combined with the diversification benefits from the private equity-like characteristics of microcaps could be a driving factor behind the recent demand for microcap stocks. These factors working in tandem with the low interest rate environment and the expectation that rates will not rise in great volume and/or with great velocity as the economy grows in the coming years have created a reasonably good environment for microcap stocks over the past six months.

## MZ News

### MZ Expands Management Team with Key Hires

With our continued growth, MZ has expanded our team to better serve our clients with the addition of Christopher Tyson, Managing Director - MZ North America, and Greg Falesnik, Senior Vice President - MZ North America in 2015.

Christopher's experience in the small and micro-cap space spans over 15 years. Prior to joining MZ, Chris spent five years specializing in financial and investment analysis, corporate messaging and institutional outreach for Liolios Group. He was also responsible for developing relationships with both public and private companies within multiple sectors including technology, consumer and business services, among others. Before joining Liolios Group in 2010, Chris served as senior vice president, head of corporate access and institutional equity sales for Miller Tabak's west coast region. Previously, Chris was an institutional sales trader at Merriman Capital and ROTH Capital Partners. Chris received a Bachelor of Science from The Smeal College of Business Administration at Penn State University.

Greg oversees many aspects of the firm's investor relations activities. Greg plays an integral role in MZ's consulting process; including institutional outreach, corporate communications and investment analysis. Greg has worked with numerous senior management teams to build comprehensive and effective IR campaigns. Previous to joining MZ, he served in a senior role with Liolios Group, a small -cap focused investor relations firm based in Newport Beach, CA. His experience spans across multiple industries, including disruptive technology, business services and consumer, among others. Greg holds a B.B.A. degree in Finance and a Certificate in Investment Management (IMCP) from the Lubar School of Business at the University of Wisconsin-Milwaukee.

More recently Mike Cole, Vice President - MZ North America, joined the team to serve our growing client base.

For complete bios on our team, please visit [www.mzgroup.us](http://www.mzgroup.us)



**Chris Tyson**  
Managing Director



**Greg Falesnik**  
Senior Vice President



**Mike Cole**  
Vice President

### MZ Opens New Corporate Office in Aliso Viejo, CA

With our continued growth, MZ North America has opened a new office in Aliso Viejo to better serve our West coast clients in addition to the San Diego office and other US locations.

**MZ Aliso Viejo Office**  
27422 Aliso Creek Rd., Suite 250  
Aliso Viejo, CA 92656



## MZ Client Spotlight

### Technology

#### Resonant

Resonant Inc. (NASDAQ: RESN) is a late-stage development company. The Company creates filter designs for radio frequency (RF) front-ends for the mobile device industry. The RF front-end is the circuitry in a mobile device for analog signal processing and is located between the device's antenna and its digital baseband. The Company uses a technology called Infinite Synthesized Networks (ISN) to configure and connect resonators, the building blocks of RF filters. The Company uses ISN to develop new classes of filter designs. The Company is also developing a series of single-band surface acoustic wave (SAW) filter designs for frequency bands. The Company is developing multiplexer filter designs for over two bands to address the carrier aggregation (CA) requirements of its customers. In addition, the Company is also developing reconfigurable filter designs to replace multiple filters for multiple bands. The Company is also involved in the development of a filter reconfigurable between three bands. For more information, please visit [www.resonant.com](http://www.resonant.com).

#### Highlights & Growth Drivers

- Resonant uses fundamentally new technology called Infinite Synthesized Networks™, or ISN™, to configure and connect acoustic resonators, which are the building blocks of RF filters.
- RF Front End Market to Reach \$19B by 2020 (Mobile Experts, LLC)
- Market is explosive as the RF front-end industry is undergoing dramatic increases in growth and complexity due to: Band Proliferation, Carrier Aggregation and Multiple-Input, Multiple-Output (MIMO)
- 20B mobile device filters sold in 2014; Projected to grow to 35B by 2017
- As carriers use more data bands, mobile devices need more filters creating a significant market opportunity
- Two customers secured with five licensing agreements (currently developing 11 products under agreements)
- Strong Intellectual Property Portfolio with 100+ patents

#### Research Frontiers

Research Frontiers is the developer of SPD-Smart light-control technology which allows users to instantly, precisely and uniformly control the shading of glass or plastic, either manually or automatically. Research Frontiers has built an infrastructure of over 40 licensed companies that collectively are capable of serving the growing global demand for smart glass products in automobiles, homes, buildings, museums, aircraft and boats. For more information, please visit [www.SmartGlass.com](http://www.SmartGlass.com).

#### Highlights & Growth Drivers

- Cumulative investment of approximately \$100 million in SPD-SmartGlass technology development (\$64 million of NOLs)
- 180 worldwide patents issued
- Over 40 companies have already licensed SPD-SmartGlass technology, including a majority of the world's automotive glass producers
- Licensing royalties business model based on sales of SPD-SmartGlass end-products (10 - 15% royalty fee range)
- Daimler adopted SPD technology in the Mercedes-Benz SLK in 2011, SL in 2012, S-Class Coupe in 2014, S-Class Maybach in 2015 and S550 sedan in 2016
- SPD-Smart windows are standard equipment on 7 aircraft models
- Business model is highly scalable minimizing capital expenditures and operating expenses as SPD-SmartGlass business expands



NASDAQ	RESN
Share Price (7/26/16)	\$4.47
Market Cap (7/26/16)	\$41.9 M
Shares Outstanding	7.4 M
Average Volume	67.5 K

#### Account Manager

Greg Falesnik  
T: 949-385-6449  
[greg.falesnik@mzgroup.us](mailto:greg.falesnik@mzgroup.us)



NASDAQ	REFR
Share Price (7/26/16)	\$3.25
Market Cap (7/26/16)	\$78.0 M
Shares Outstanding	24.0 M
Average Volume	29.9 K

#### Account Manager

Ted Haberfield  
T: 760-755-2716  
[thaberfield@mzgroup.us](mailto:thaberfield@mzgroup.us)



## MZ Client Spotlight

### Technology

#### Covata

Covata Limited (ASX: CVT) is a next generation cyber security company with a disruptive approach to IT security, enabling true ownership and control over data in the cloud and over mobile services. The Company delivers data-centric security solutions without compromising simple usability; providing a true end-to-end security platform for enterprises of various sizes to access, store, share, and manage their content/information. Data is always protected wherever it may travel – inside your network, beyond the domain, to mobile devices and to the cloud – with granular access controls that extend to external ad hoc users, view-only restrictions, real time revocation and complete visibility and auditability. For more information, please visit [www.covata.com](http://www.covata.com).

#### Highlights & Growth Drivers

- Covata's patented data centric security solution addresses an ever increasing problem of high profile security breaches in large enterprises with superior performance when compared to Dropbox or Box Inc. (NYSE: BOX).
- Covata is at an inflection point as full commercialization of its lead product 'Safe Share' with Fortune 100 OEM & Telco Channel Partners, most notably with an agreement signed with Fortune 100 Technology partner Cisco Systems (NASDAQ: CSCO).
- The Covata Platform service is building a high volume transaction based service for the future of Internet of Everything (IoE) and Software Defined Networking.
- Since Covata was accepted on the UK Government G-Cloud in Nov. 2015, there are a number of major government departments looking at Safe Share for a secure file sharing solution with a pipeline of over 250K users.



ASX	CVT
Share Price (7/26/16)	\$0.20
Market Cap (7/26/16)	\$103.1 M
Shares Outstanding	480 M
Average Volume	866 K

#### Account Manager

Chris Tyson  
T: 949-491-8235  
[chris.tyson@mzgroup.us](mailto:chris.tyson@mzgroup.us)

#### BrainChip

BrainChip Holdings Limited, (ASX: BRN.AX) formerly Aziana Limited, is an Australia-based company, which is engaged in the development of neural computing technology. The Company focuses on its spiking neuron adaptive processor (SNAP) technology and licensing the SNAP technology with technology partners. The Company operates through the technological development of designs segment. The Company's SNAP offer a complete development solution for companies entering the neuromorphic semiconductor chip market. SNAP is a core enabling technology in Neuromorphic semiconductor chips that possesses various applications, such as gaming, cyber security, robotic technology and stock market forecasting, among others. SNAP also implements learning rules in hardware, enabling autonomous features extraction (AFE) directly from input data without the need for any software processing. For more information, please visit [www.brainchipinc.com](http://www.brainchipinc.com).

#### Highlights & Growth Drivers

- The Neuromorphic Chip Market is estimated will be worth \$4.8 billion by 2022 with a CAGR of over 26%.
- Neuromorphic chips can be used in nearly any smart application or product – a massive and unlimited market.
- Citations of BrainChip's patents are accelerating – a leading indicator for a growing market. Citations include Qualcomm (13), IBM (9) and Samsung (1).
- Protecting and developing intellectual property is a central part of BrainChip's business strategy. BrainChip is the first company to file a digital neuromorphic chip patent (2008).
- On target to meet milestone 4 of revenue producing license deal by end of 2016.



ASX	BRN
Share Price (7/26/16)	\$0.13
Market Cap (7/26/16)	\$95.4 M
Shares Outstanding	7.4 M
Average Volume	733.5 K

#### Account Manager

Greg Falesnik  
T: 949-385-6449  
[greg.falesnik@mzgroup.us](mailto:greg.falesnik@mzgroup.us)

## MZ Client Spotlight

### Technology

#### Blue Calypso

Blue Calypso (OTCQB: BYCP), based in Dallas, develops and delivers an innovative location-centric mobile shopper engagement experience for brands, retailers and consumers. The Company's KIOSentrix® platform connects consumers to brands, drives local in-store traffic, increases shopper spend and shortens the consumer's path-to-purchase. The Company was recently selected to Retail CIO Outlook magazine's "Top 10 Merchandising Solution Providers 2016". For more information, please visit [www.bluecalypso.com](http://www.bluecalypso.com).

#### Highlights & Growth Drivers

- Technology built on proven intellectual property (3 Patent Families; 6 Issued/11 Pending U.S. Patents) in the peer-to-peer mobile advertising space.
- Their technology has been used by Fortune 500 companies including international brands, advertising agencies, retailers, media providers and tier-one technology companies.
- Global mobile proximity payment users to surpass one billion by 2019 (both NFC & non-NFC) where 66% of consumers are more likely to shop in stores with mobile engagement.
- Blue Calypso is focused on leveraging their dual platform to drive longer-term engagements with current clients and partners to grow recurring revenue and leverage the scalability of their platform.

#### BLUECALYPSO®

OTCQB	BCYP
Share Price (7/26/16)	\$0.84
Market Cap (7/26/16)	\$6.0 M
Shares Outstanding	7.2 M
Average Volume	18.5 K

#### Account Manager

Chris Tyson  
T: 949-491-8235  
[chris.tyson@mzgroup.us](mailto:chris.tyson@mzgroup.us)

### Clean Technology

#### Aqua Metals

Aqua Metals, Inc. (NASDAQ: AQMS) is engaged in the business of recycling lead through a process that the Company developed and named AquaRefining. AquaRefining process will provide for the recycling of lead acid batteries (LABs) and the production of lead. AquaRefining is a water-based ambient temperature process. The modular nature of AquaRefining makes it possible to start LAB recycling at a smaller scale than is possible with smelters. Its AquaRefining process begins with the crushing of used LABs and the separation of the metallic lead, active material (lead compounds), sulfuric acid and plastic for recycling. The active material is dissolved in its solvent. The primary lead is then stripped from the solvent using its automated process allowing the solvent to be reused continuously and indefinitely. Its AquaRefining process generates over three outputs, such as lead; cleaned plastic chips, recovered from battery casings, and sulfuric acid. For more information, please visit [www.aquametals.com](http://www.aquametals.com).

#### Highlights & Growth Drivers

- Lead is a growing \$22B market opportunity, supporting the \$60B lead acid battery industry. Lead is ~100% recycled and recycled lead forms 80% of North American battery manufacture.
- Commercial scale and the technology's flexibility supports multiple business models
- Strategic Relationships with two of the top battery distribution and collection companies in the US – Interstate Batteries and Battery Systems Inc. Interstate Batteries made a strategic investment of approximately \$10M into Aqua Metals
- Now in discussions with a number of established large scale lead companies looking to acquire AquaRefining modules equivalent to ~2,000 T/day of lead.
- High insider ownership (25%+)
- 22 patent applications and have invested in a robust patent strategy



NASDAQ	AQMS
Share Price (7/26/16)	\$9.42
Market Cap (7/26/16)	\$146.6 M
Shares Outstanding	15.6 M
Average Volume	184.4 K

#### Account Manager

Greg Falesnik  
T: 949-385-6449  
[greg.falesnik@mzgroup.us](mailto:greg.falesnik@mzgroup.us)

## MZ Client Spotlight

### Clean Technology

#### Ideal Power

Ideal Power (NASDAQ: IPWR) has developed a novel, patented power conversion technology called Power Packet Switching Architecture™ (PPSA). PPSA significantly improves the size, cost, efficiency, flexibility and reliability of electronic power converters, plus can accommodate different customer needs all through convenient software controls. This includes creating electrical isolation without a transformer, something no other technology has done at scale to date. The Company has developed a significant IP Estate and the initial markets being penetrated are Energy Storage (stand alone and coupled with PV) and Microgrids all through large partners who are driving adoption. For more information, please visit [www.idealpower.com](http://www.idealpower.com).

#### Highlights & Growth Drivers

- Ideal Power signed its first licensing agreement with Fortune Global 500 company for the Company's SunDial™ product.
- Entered into distribution agreement with Wesco International (NYSE: WCC).
- Announced installation of state-of-the-art microgrid pairing Aquion's batteries with their Grid-Resilient Multi-Port Power Conversion System (PCS).
- Signed master purchase agreement with Powin to supply our 30kW & 125kW PCS.
- Partnered with Austin Energy on US DOE-funded project to integrate solar and storage.
- Self-Generation Incentive Program in California just released \$70 million in new project funding for new energy storage projects submitted in February 2016.
- Order backlog of \$4.9 million as of March 31, 2016.
- Currently have 46 issued patents and over 100 patent applications pending.

#### IDEAL POWER

NASDAQ	IPWR
Share Price (7/26/16)	\$5.24
Market Cap (7/26/16)	\$50.1 M
Shares Outstanding	9.6 M
Average Volume	20.5 K

**Account Manager**  
Chris Tyson  
T: 949-491-8235  
[chris.tyson@mzgroup.us](mailto:chris.tyson@mzgroup.us)

#### Midwest Energy Emissions (ME<sub>2</sub>C)

Midwest Energy Emissions Corp. (OTCQB: MEEC) is an environmental services company. The Company is focused on mercury emission control technologies, primarily to utility and industrial coal-fired units. The Company's business is focused on the delivery of mercury capture technologies to power plants in North America, Europe and Asia. ME<sub>2</sub>C develops and deploys technologies to remove mercury emissions from coal-fired power plants. The Company's customer contracts include designing and installing front-end injection equipment for injection of its front-end product, and in some cases include installation of an additional back-end sorbent injection system. MES, Inc. is a subsidiary of the Company and is engaged in the business of developing and commercializing control technologies relating to the capture and control of mercury emissions from coal fired boilers in the US and Canada. For more information, please visit [www.midwestemissions.com](http://www.midwestemissions.com).

#### Highlights & Growth Drivers

- Estimated 800-850 coal-fired electric generating units (EGU's) throughout North America that will need to comply with the final component of the Clean Air Act of 1990 – Mercury & Air Toxic Standards (MATS). MATS requires all U.S.-based coal-and oil-fired electric power plants generating 25MW & higher to reduce mercury emissions by ~90%.
- ME<sub>2</sub>C is the only technology company in the mercury control space. ME<sub>2</sub>C's technology allows for >90% mercury removal, meeting or surpassing the new emissions regulations – GUARANTEED
- Minimal to no downtime during conversion over to SEA™ Technology with pre-engineered, designed, and fabricated modular systems.
- Company expects FY 2016 revenues to exceed \$30 million, representing an increase of at least 137% over FY 2015
- High insider ownership (38%+) and 19 EGU's currently under contract (800+ opportunities across North America).
- Over 20 years and \$65 million invested in R&D on the technology

#### ME<sub>2</sub>C

Midwest Energy Emissions Corp

OTCQB	MEEC
Share Price (7/26/16)	\$1.16
Market Cap (7/26/16)	\$52.6 M
Shares Outstanding	47.2 M
Average Volume	49.5 K

**Account Manager**  
Greg Falesnik  
T: 949-385-6449  
[greg.falesnik@mzgroup.us](mailto:greg.falesnik@mzgroup.us)

## MZ Client Spotlight

### Clean Technology

#### Ener-Core

Ener-Core, Inc. (OTCQB: ENCR) designs and manufactures innovative systems for producing continuous energy from a broad range of sources, including previously unusable ultra-low quality gas. Ener-Core's "Power Oxidation" technology is an alternative to combustion, and enables traditional systems (gas turbines, boilers, dryers, etc.) to produce heat and power from low-quality waste gases that are not suitable for combustion processes. For more information, please visit [www.ener-core.com](http://www.ener-core.com).

#### Highlights & Growth Drivers

- Compliance with air quality laws is an increasing cost for industrial businesses; Ener-Core's process uses naturally occurring reaction to generate heat with nearly zero pollution.
- Purchased energy expenditures can exceed 30% of an industrial manufacturer's operating expenses creating a \$80 B market opportunity.
- Since launching the technology commercially in 2014, Ener-Core has sold eight CHP systems valued at roughly \$7.6 M.
- The Company has scaled up the technology from 0.25 MW to 2 MW representing an 8x increase in power.
- Large sales pipeline of CHP + Pollution Abatement opportunities in 10-15 vertical markets.
- Signed first commercial and manufacturing licensing agreement in June 2016 with Dresser-Rand business, a subsidiary of Siemens Power and Gas Division.

#### GreenPower Motor Company

GreenPower Motor Company Inc. (TSX.V:GPV/OTCQB:GPVRF) develops a complete line of all-electric powered buses for commercial and public transit markets. GreenPower's bus is based on a flexible clean sheet design and utilizes a proprietary Flex Power battery management system for the drive motors which can enhance range significantly. This OEM platform allows GreenPower to meet the specifications of various operators while providing standard parts for ease of maintenance. The Company has announced a string of recent purchase orders from a diverse array of customers which support the following markets; public transit in the State of Washington -- commercial tourism in Las Vegas, The Grand Canyon and Vancouver -- and fleet managers representing numerous school districts in the State of California. These units will be delivered beginning Q3, 2016, driving the first significant revenues of the company. GreenPower recently announced the construction of a new production and distribution facility in Porterville, CA, establishing a key presence in the California market. For more information, please visit [www.greenpowerbus.com](http://www.greenpowerbus.com).

#### Highlights & Growth Drivers

- Potential for substantial revenue ramp beginning late 2016 through 2017
- Orders received from a diverse customer base serving a wide variety of markets and geographies -- both public and private -- well diversified
- Strong pipeline with several Letters of Intent for 10-20 unit orders
- EV350 approved by the California Air Resources Board (CARB) and the California HVIP for a voucher amount of \$95,000 -- substantially improves ROI
- Decline in battery costs has driven economics to favor the all-electric option over diesel when comparing total lifetime cost -- confirmed by report conducted in State of Washington -- all electric now makes both financial and environmental sense
- Low burn rate -- only need to sell 1-2 buses per quarter to break even - high margin business providing operating leverage as revenues accelerate
- Clean Balance Sheet
- Substantial insider buying

#### ENER-CORE

OTCQB	ENCR
Share Price (7/26/16)	\$3.7
Market Cap (7/26/16)	\$14.1 M
Shares Outstanding	3.8 M
Average Volume	3,700

#### Account Manager

Chris Tyson  
T: 949-491-8235  
[chris.tyson@mzgroup.us](mailto:chris.tyson@mzgroup.us)



TSXV OTCQB	GPV GPVRF
Share Price (7/26/16)	C\$0.65/ US\$0.49
Market Cap (7/26/16)	C\$56.1 M/ US\$42.1 M
Shares Outstanding	84.8 M
Average Volume	64.6 K

#### Account Manager

Mike Cole  
T: 949-259-4988  
[mike.cole@mzgroup.us](mailto:mike.cole@mzgroup.us)



## MZ Client Spotlight

### Environmental Technology & Services

#### Strategic Environmental & Energy Resources (SEER)

Strategic Environmental & Energy Resources ('SEER') (OTCQB: SENR) provides innovative environmental technologies and services focused on managing and minimizing solid waste as well as capturing and conditioning gaseous waste for renewable energy or reuse to a broad customer base operating across multiple, billion-dollar industry verticals. The company has commercialized several patented environmental clean technologies addressing multi-billion dollar markets. These incorporate recurring, high margin revenues into the business plan. For more information, please visit [www.seer-corp.com](http://www.seer-corp.com).

#### Highlights & Growth Drivers

- SEER's mission is to make environmental compliance profitable by offering economic environmental solutions to several industries including the oil and gas, transportation and waste industries.
- Blue Chip customer base includes leaders in oil and gas exploration and production, food, beverage and agricultural processing, waste management, diversified manufacturing, and railroads.
- Large, diverse, and growing addressable markets over \$30 billion annually.
- California approval of SEER's Paragon Waste Solutions technology would disrupt monopolistic control of the largest player in hazardous medical waste and serve as the blueprint for national rollout.
- In May of 2016, their H2SPlus System was deployed into a landfill gas project with nation's leading player in landfill gas recovery and North America's premier landfill gas company.



STRATEGIC ENVIRONMENTAL  
& ENERGY RESOURCES, INC.

OTCQB	SENR
Share Price (7/26/16)	\$0.72
Market Cap (7/26/16)	\$37.7 M
Shares Outstanding	53.1 M
Average Volume	32.2 K

#### Account Manager

Chris Tyson  
T: 949-491-8235  
[chris.tyson@mzgroup.us](mailto:chris.tyson@mzgroup.us)

#### BioHiTech Global

BioHiTech Global, Inc. (OTCQB: BHTG) is a green technology company that provides an innovative data-driven solution for food waste disposal. The Company's unique solution combines green technology with the power of big data to help businesses be more efficient, effective and profitable. Its Eco-Safe Digester is an on-site aerobic digester that eliminates the need to transport food waste by truck to landfills and instead converts it into a "grey water" to be utilized by advanced wastewater facilities or anaerobic digesters. The Company's BioHiTech Cloud is a reliable, manageable and secure platform where the measured food waste is categorized and analyzed for improved efficiencies and a reduction in the generation of food waste at its source. For more information, please visit [www.biohitech.com](http://www.biohitech.com).

#### Highlights & Growth Drivers

- BioHiTech solution reduces waste volume and collection frequency costs, reduces labor and housekeeping costs, and provides the ability to improve purchasing, inventory control, menu planning for additional savings.
- Highly scalable, recurring revenue rental model targeting the 34M tons of food waste sent to landfills at a cost of more than \$165B per year, where only 3% is diverted from landfills.
- Multiple drivers including Federal, State, and Local Government regulations and legislation creating demand in a multi-billion-dollar market opportunity.



OTCQB	BHTG
Share Price (7/26/16)	\$3.40
Market Cap (7/26/16)	\$28.0 M
Shares Outstanding	8.2 M
Average Volume	1.5 K

#### Account Manager

Chris Tyson  
T: 949-491-8235  
[chris.tyson@mzgroup.us](mailto:chris.tyson@mzgroup.us)

## MZ Client Spotlight

### Life Sciences & Medical Technology & Services

#### Second Sight Medical Products

Second Sight Medical Products, Inc. (NASDAQ: EYES) is engaged in developing, manufacturing and marketing prosthetic devices that restore vision to blind individuals. The Company's product, the Argus II System, treats outer retinal degenerations, such as retinitis pigmentosa (RP). The Argus II System provides an artificial form of vision that differs from the vision of people with normal sight. It does not restore normal vision and it does not slow or reverse the progression of the disease. The Company's Argus II System employs electrical stimulation to bypass degenerated photoreceptor cells and to stimulate remaining viable retinal cells thereby inducing visual perception in blind individuals. The Argus II System works by converting video images captured by a miniature camera housed in a patient's glasses into a series of small electrical pulses that are transmitted wirelessly to an array of electrodes that are implanted on the surface of the retina. For more information, please visit [www.secondsight.com](http://www.secondsight.com).

#### Highlights & Growth Drivers

- First and only FDA-approved neurostimulation device for the blind on the market – targeted significant addressable market of 8+ million people.
- CMS Coverage for 5 of 12 MAC Regions issued coverage policies (40% of U.S. population)
- Proposed 2017 CMS pricing of \$150K for device & surgical procedure
- 5 subject clinical trial for Age Related Macular Degeneration (AMD) in the UK initiated June 2015
- Completed 11 animal implants to-date in the Orion I study & on-track to file with the FDA by end of 2016 for a human feasibility study (commencing in 2017).
- 361 patents granted; 146 pending; 16+ years of R&D
- 35 Implanting centers worldwide
- Recently completed an oversubscribed rights offering for net proceeds of \$19.4 million (June 2016)



NASDAQ	EYES
Share Price (7/26/16)	\$4.16
Market Cap (7/26/16)	\$148.8 M
Shares Outstanding	36.1 M
Average Volume	459.1 K

#### Account Manager

Greg Falesnik  
T: 949-385-6449  
[greg.falesnik@mzgroup.us](mailto:greg.falesnik@mzgroup.us)

#### Auxilio

Auxilio (OTCQB: AUXO) is a complete document workflow solutions and security company serving the healthcare market. By guaranteeing cost savings, greater process efficiency and document security to its clients, Auxilio has established itself as a trusted partner within the largest healthcare systems in the United States. Auxilio serves a national portfolio of nearly 220 hospital campuses and manages over 1.5 billion documents annually from over 90,000 devices, supporting over 280,000 caregivers. Through its cybersecurity group, Redspin (a subsidiary of Auxilio) provides an end-to-end security offering that specifically addresses hospital security challenges or when a breach has occurred. For more information, please visit [www.auxilioinc.com](http://www.auxilioinc.com).

#### Highlights & Growth Drivers

- Auxilio's MPS service competes in a \$1.5 B market opportunity where the stated goal is to create \$150M revenue IT Services leader in 5 years with 10% EBITDA margins.
- Focus on key areas of the new "post- EMR" Healthcare IT Market— Advanced Document Workflow, IT Security, Print Management.
- Auxilio's cybersecurity branch competes in growing market that is forecasted to reach \$10 B by 2020.
- Company's strong balance sheet and operating cash flow provide war chest for accretive acquisition opportunities



OTCQB	AUXO
Share Price (7/26/16)	\$0.80
Market Cap (7/26/16)	\$19.7 M
Shares Outstanding	24.5 M
Average Volume	8.5 K

#### Account Manager

Mike Cole  
T: 949-259-4988  
[mike.cole@mzgroup.us](mailto:mike.cole@mzgroup.us)

## MZ Client Spotlight

### Life Sciences & Medical Technology & Services

#### BioCorRx

BioCorRx, Inc. (OTC: BICX) provides a new and unique approach to the \$35 billion addiction treatment market by combining an outpatient recovery program with a proprietary implant of the FDA approved medication naltrexone -- which is proven to substantially reduce cravings for alcohol and opioids. BioCorRx partners with treatment clinics across the US to license the proprietary BioCorRx Recovery Program where hundreds of procedures have been completed with success rates well above traditional results. Utilizing the Company's R&D facility, BioCorRx plans to be a leader in the next generation of addiction treatment by further enhancing and expanding the Company portfolio of naltrexone based medications across multiple methods of delivery. The Company offers a high-quality, comprehensive and cost-effective recovery program that allows patients and their loved ones freedom from the pain associated with the cycle of drug and alcohol addiction. For more information, please visit [www.bicxcorp.com](http://www.bicxcorp.com).

#### Highlights & Growth Drivers

- Highly fragmented competition with no dominant player – plenty of room for innovators – space is rapidly evolving
- FDA views the “addiction epidemic” as a major crisis and is highly supportive of new treatment options
- In its history, the Company has treated several hundred patients since 2010 with no known adverse events
- Potentially seeking FDA approval for proprietary implant -- opens up additional markets if successful
- BioCorRx® Recovery Program licensed to 14 treatment facilities in the U.S.
- Revenue model includes both up front licensing fees and per implant fee
- R&D facility to enhance and expand portfolio



OTC	BICX
Share Price (7/26/16)	\$0.06
Market Cap (7/26/16)	\$8.8 M
Shares Outstanding	145.4 M
Average Volume	87.7 K

#### Account Manager

Mike Cole  
T: 949-259-4988  
[mike.cole@mzgroup.us](mailto:mike.cole@mzgroup.us)

### Natural Resources

#### Diamcor Mining

Diamcor Mining Inc. (TSX-V:DMI / OTCQX:DMIFF) is a junior diamond mining company with a well-established operational and production history in South Africa and extensive prior experience supplying rough diamonds to the world market. For more information, please visit [www.diamcormining.com](http://www.diamcormining.com).

#### Highlights & Growth Drivers

- During the three months ended March 31, 2016 the Company sold 6,896.5 carats resulting in U.S. proceeds of \$1.0 million representing a ~49% increase from 4,619.1 carats in fiscal 2015.
- New Tomra XRT installation recovered a 12.8 and a 7.5 carat diamond discovery in the fourth quarter of 2016 and subsequently, the new Tomra XRT has recovered two special diamonds; 11.6 and 12.7 carats that will up for sale in upcoming tenders.
- Current NI43-101 –58M tons of diamond-bearing gravel with preliminary estimate of 1.327M carats.
- Secured long-term water-use license to support processing of 300,000 tons per month and fast track an initial production decision.
- Strategic alliance with Tiffany & Co (NYSE:TIF) made by \$10M investment into Diamcor's Krone-Endora at Venetia project.



TSXV OTCQX	DMI DMIFF
Share Price (7/26/16)	\$1.20
Market Cap (7/26/16)	\$53.2 M
Shares Outstanding	43.0 M
Average Volume	16.2 K

#### Account Manager

Derek Gradwell  
T: 512-270-6990  
[dgradwell@mzgroup.us](mailto:dgradwell@mzgroup.us)

## MZ Client Spotlight

### Natural Resources

#### Fission Uranium

Fission Uranium Corp. (TSX: FCU) is a Canadian-based uranium exploration company operating in Canada's Athabasca Basin, home to the world's richest source of high-grade uranium. The Company was spun-out to the shareholders of Fission Energy Corp, after Fission Energy was acquired by Denison Mines Corp. in February, 2013. In December 2013, Fission Uranium consolidated 100% ownership of the PLS Property, where an exciting high-grade uranium discovery was made in 2012, by acquiring all of the outstanding shares of Alpha Minerals Inc. The PLS Property, which now comprises seventeen mineral claims totaling 31,309 ha, is Fission Uranium's sole property asset. For more information, please visit [www.fissionuranium.com](http://www.fissionuranium.com).

#### Highlights & Growth Drivers

- Potential gross revenue of \$7.71 B and operating cash flow of \$5.45 B.
- Three years of pre-production and 14 year mine life, processing nominally 1,000 tonnes per day (350,000 tonnes per year).
- Total Tonnes Processed: 4.8 million tonnes at 1.00% U3O8 average grade; open pit mining of 1.56 million tonnes at 2.21% U3O8.
- Process recovery of 95%, supported by metallurgical testwork.
- Production of 100.8 million lbs.' U3O8; an average of 13 million lbs. U3O8 per year for 6 years, followed by an average of 3 million lbs. U3O8 per year for 8 years.



TSX	FCU
Share Price (7/26/16)	\$0.72
Market Cap (7/26/16)	\$348.4 M
Shares Outstanding	483.9 M
Average Volume	602.4 K

#### Account Manager

Derek Gradwell  
T: 512-270-6990  
[dgradwell@mzgroup.us](mailto:dgradwell@mzgroup.us)

#### Torchlight Energy Resources

Torchlight Energy Resources (NASDAQ: TRCH) based in Plano, Texas, is a high growth oil and gas Exploration and Production (E&P) company with a primary focus on acquisition and development of highly profitable domestic oil fields. The company currently holds interests in Texas and Kansas where their targets are established plays such as the Eagle Ford, Morrow, Wolfcamp A&B, and WolfPenn formations. For more information, please visit [www.torchlightenergy.com](http://www.torchlightenergy.com).

#### Highlights & Growth Drivers

- Complete turnaround efforts being executed through 2016
  - Total elimination of Senior Debt Sell down of Non-core assets
  - Farm-out Agreement for development on Marcelina Creek
  - 3D Seismic evaluation with Ring Energy Project in Kansas
- Attractive low-risk growth plan with assembled acreage positions and initial development work through equity sales and farm-out agreements.
- Signed multiyear commitment from development partner Founders Oil & Gas for \$50M, essentially fully funding concept prove-out of its contiguous acreage position in the Orogrande Project, Based on similar Midland Basin EUR's – potential EUR's of 4 to 6 million barrels per section.



NASDAQ	TRCH
Share Price (7/26/16)	\$1.19
Market Cap (7/26/16)	\$43.4 M
Shares Outstanding	36.2 M
Average Volume	445.5 K

#### Account Manager

Derek Gradwell  
T: 512-270-6990  
[dgradwell@mzgroup.us](mailto:dgradwell@mzgroup.us)

## MZ Client Spotlight

### Natural Resources

#### T-Rex Oil

T-Rex Oil, Inc. (OTCQB: TRXO) is an oil and gas E&P focused in Wyoming, the historical area of operations for its management. Through acquisitions the Company is growing production, creating value through operational efficiencies and field improvements. T-Rex is capitalizing on depressed commodity prices, building a strong asset base which later can be further exploited employing Enhanced Oil Recovery (EOR) methods. For more information, please visit [www.t-rexoilinc.com](http://www.t-rexoilinc.com).

#### Highlights & Growth Drivers

- Immediate low risk enhancement opportunities on wells employing conventional practices, with low operating costs.
- Seasoned management team with 100 years of combined experience in the region.
- Deep rights thorough 3-D re-evaluation provide for near term value increase.
- The Company planned CO2 project will provide substantial long term upside potential with zero exploration needed on identified reserves (proved and developable).
- Additional “Pearls” to be acquired with working interest aggregation opportunities on Identified targets provide the basis for strong consolidation.



OTCQB	TRXO
Share Price (7/26/16)	\$2.00
Market Cap (7/26/16)	\$32.0 M
Shares Outstanding	43.0 M
Average Volume	88

#### Account Manager

Derek Gradwell  
T: 512-270-6990  
[dgradwell@mzgroup.us](mailto:dgradwell@mzgroup.us)

#### PetroShare

PetroShare Corp (OTCQB: PRHR) is a public, domestic energy company based in Denver, CO formed to investigate, acquire and develop unconventional oil and gas properties in the Rocky Mountain and mid-continent areas of the United States. For more information, please visit [www.petrosharecorp.com](http://www.petrosharecorp.com).

#### Highlights & Growth Drivers

- PetroShare plans to continue to acquire core Wattenberg leases at attractive prices given the depressed state of oil and gas prices.
- Assets are focused on the DJ Basin one of the lowest cost basins in the U.S and drilling and completion costs continue to drop.
- The Company’s current lease position provides PetroShare with approximately 5% to 50% working interest in up to 90 low risk horizontal well locations where the Company can develop and convert estimated proven reserves to cash flow in an orderly manner and grow well inventory.
- Strategic partnership agreements provide assistance for access to surface drill sites and water for drilling and completion activities as well as the provisions for certain pipeline easements.
- PetroShare’s management estimates a greater than 40% IRR based on \$35 oil, \$2 natural gas, 450 MBoe/well and \$3.0 M to drill and complete.



OTCQB	PRHR
Share Price (7/26/16)	\$1.64
Market Cap (7/26/16)	\$35.6 M
Shares Outstanding	21.7 M
Average Volume	2,000

#### Account Manager

Derek Gradwell  
T: 512-270-6990  
[dgradwell@mzgroup.us](mailto:dgradwell@mzgroup.us)



## MZ Client Spotlight

### Financials & Real Estate

#### IEG Holdings

IEG Holdings Corp (OTCQX: IEGH) is a consumer finance company that provides online unsecured consumer loans to individuals in 17 US states. The Company offers \$5,000 personal loans over a five-year term at 23.9% to 29.9% APR with zero application fees, establishment fees or prepayment penalties. IEGH plans to increase US population coverage to 25 US states encompassing ~75% of the US market by obtaining 8 additional US online state licenses during 2016 including New York and Ohio. It offers loans for debt consolidation, medical expenses, home improvements, auto repairs, major purchases, and discretionary spending. The Company provides its unsecured consumer loans under the Mr. Amazing Loans consumer brand through its MrAmazingLoans.com website in the U.S. For more information please visit [www.investmentevolution.com](http://www.investmentevolution.com).

#### Highlights & Growth Drivers

- Large market and strong market niche for high credit quality clients seeking a \$5,000 unsecured consumer loan at <29.9% APR cost of funding
- Materially compliant with 17 US state lending licenses
- Well positioned for current and future regulatory changes
- Low cost alternative to payday loans: Average 28.9% APR vs 400%+ APR
- Currently debt free
- Future equity capital via common stock and debt capital via 10 yr unsecured notes
- Full online loan distribution serving 17 states
- Centralized & low overheads in Vegas
- Strongly positioned with approval to operate 17 state licenses from one centralized head office



OTCQX	IEGH
Share Price (7/26/16)	\$1.66
Market Cap (7/26/16)	\$158.2 M
Shares Outstanding	95.3 M
Average Volume	6.6 K

#### Account Manager

Ted Haberfield  
T: 760-755-2716  
[thaberfield@mzgroup.us](mailto:thaberfield@mzgroup.us)

#### Algodon Wines & Luxury Development Group

Algodon Wines & Luxury Development Group, Inc. (OTCQB: VINO) is a real estate development brand, with unleveraged luxury lifestyle assets and premium wines in Argentina. Algodon Group seeks to aggregate a collection of luxury assets that fit within their proprietary ALGODON® brand; one of distinction, prestige, and elegance. Algodon Group identifies and develops vineyard operations, lifestyle properties, and other real estate assets and luxury brands in Argentina, as well as potentially more in other vital areas of South America and around the globe. For more information, please visit [www.algodongroup.com](http://www.algodongroup.com).

#### Highlights & Growth Drivers

- Algodon has accumulated a portfolio of premium unleveraged real estate consisting of a winery, resort, hotel and development lots.
- International accolades and awards for the Company's hotel, resort and premium wines that sell in Argentina and Europe, with plans to launch in the U.S. in 2016.
- Goal is to become recognized as the 'LVMH' of South America as the only public vehicle to play premium real estate, vineyard real estate, and wine in Argentina.
- Public status and U.S. management provide transparency and credibility in 100% equity ownership in pristine assets.



OTCQB	VINO
Share Price (7/26/16)	\$2.00
Market Cap (7/26/16)	\$80.8 M
Shares Outstanding	40.4 M

#### Account Manager

Chris Tyson  
T: 949-491-8235  
[chris.tyson@mzgroup.us](mailto:chris.tyson@mzgroup.us)

## MZ Calendar

Date	Client	Event	Location
Aug 9-10	RESN	Oppenheimer 19th Annual Technology, Internet & Communications Conference	Boston
Aug 10-11	RESN	Cannacord 36th Annual Growth Conference	Boston
Aug 11-12	RESN	Non Deal Roadshow	New York
Aug 19	BICX	MicroCap CEO Conference	Newport Beach, CA
Sep 6	AQMS, RESN	LD Micro 5th Annual Micro-Cap SF Summit	San Francisco
Sep 7-8	CVT, RESN	Drexel Hamilton Telecom, Media & Technology Conference	New York
Sep 11-13	BCYP, RESN, IPWR, MEEC, EYES	Rodman & Renshaw 18th Annual Investment Conference	New York
Sep 12-15	IPWR	4th Annual ROTH Solar and Storage Symposium at SPI 2016	Las Vegas
Oct 24-25	AUXO, AQMS, BCYP, BHTG, CVT, ENCR, GPV, MEEC, SENR	The MicroCap Conference	Philadelphia
Nov 10	RESN, EYES	Drexel Hamilton Micro-Cap Investor Forum	New York
Nov 16	REFR, IPWR	Craig-Hallum 7th Annual Alpha Select Conference	New York
Dec 1		Benchmark Company Micro Cap Discovery One-on-One Conference	Chicago
Dec 6-8	AUXO, BCYP, BHTG, BICX, CVT, ENCR, GPV, IPWR, SENR, VINO	LD Micro 8th Annual Main Event Micro-Cap	Los Angeles



MZ Group is a multinational company and the world's largest independent investor relations, corporate communications, IPO journey, governance, market intelligence and applied technology firm. Founded in 1999, it focuses on innovation and personalized services, supported by its exclusive one-stop-shop business model. With offices in New York, Chicago, San Diego, Austin, Vancouver, Hong Kong, Taipei and São Paulo, MZ has over 300 professionals serving 530 clients in 11 countries. MZ serves as a premier informational resource for institutional investors, brokers, analysts, private investors, and the media which creates a dynamic audience and assists in diversifying our clients' shareholder base. Visit us at [www.mzgroup.us](http://www.mzgroup.us).

### Disclaimer

Information has been obtained from sources considered to be reliable, but we do not guarantee that it is accurate or complete. This material is not an offer to sell or a solicitation of an offer to buy any securities. While we believe all sources of information to be factual and reliable, in no way do we represent or guarantee the accuracy thereof, nor the statements made herein. **THE READER SHOULD VERIFY ALL CLAIMS AND DO THEIR OWN DUE DILIGENCE BEFORE INVESTING IN ANY SECURITIES MENTIONED. COMMON STOCKS INVOLVE SUBSTANTIAL RISK AND IT IS POSSIBLE TO LOSE YOUR ENTIRE INVESTMENT. IF YOU ARE NOT PREPARED TO SUSTAIN A SUBSTANTIAL LOSS THEN INVESTING IN INDIVIDUAL EQUITIES IS NOT ADVISABLE FOR YOU.** This information is not an endorsement of any company described herein by MZ Group. MZ Group is not responsible for any claims made by companies described herein. You should independently investigate and fully understand all risks before investing. Statements included in this email or fax may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements involve a number of risks and uncertainties such as competitive factors, technological development, market demand and the a company's ability to obtain new contracts and accurately estimate net revenues due to variability in size, scope and duration of projects, and internal issues in the sponsoring client. Further information on potential factors that could affect a company's financial results, can be found in the company's Registration Statement and in its Reports on Forms 10-K and 10Q filed with the Securities and Exchange Commission (SEC).