

CONFERENCE NOTE STONEGATE'S IMPRESSIONS FROM PDAC 2026
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PRESENTER SNAPSHOT

AS OF 03/06/2026 IN USD

Avalon Advanced Materials Inc.

Price	\$ 0.04
52 week Range	\$0.01 - \$0.11
Daily Vol (3-mo. average)	1,217,666
Market Cap (M)	\$ 36.8
Enterprise Value (M)	\$ 31.2

American West Metals Limited

Price	\$ 0.04
52 week Range	\$0.02 - \$0.07
Daily Vol (3-mo. average)	4,233,813
Market Cap (M)	\$ 35.3
Enterprise Value (M)	\$ 36.0

Chesapeake Gold Corp.

Price	\$ 2.58
52 week Range	\$0.61 - \$3.80
Daily Vol (3-mo. average)	187,314
Market Cap (M)	\$ 198.2
Enterprise Value (M)	\$ 192.3

Copper Fox Metals Inc.

Price	\$ 0.51
52 week Range	\$0.16 - \$0.66
Daily Vol (3-mo. average)	241,546
Market Cap (M)	\$ 301.6
Enterprise Value (M)	\$ 301.2

Frontier Lithium Inc.

Price	\$ 0.64
52 week Range	\$0.32 - \$0.87
Daily Vol (3-mo. average)	294,461
Market Cap (M)	\$ 147.3
Enterprise Value (M)	\$ 142.9

Grid Metals Corp.

Price	\$ 0.08
52 week Range	\$0.02 - \$0.14
Daily Vol (3-mo. average)	217,822
Market Cap (M)	\$ 19.7
Enterprise Value (M)	\$ 19.4

Heliostar Metals Ltd.

Price	\$ 1.95
52 week Range	\$0.59 - \$2.55
Daily Vol (3-mo. average)	636,995
Market Cap (M)	\$ 536.1
Enterprise Value (M)	\$ 500.7

Lithium Ionic Corp.

Price	\$ 0.73
52 week Range	\$0.37 - \$1.02
Daily Vol (3-mo. average)	341,120
Market Cap (M)	\$ 140.4
Enterprise Value (M)	\$ 125.7

Mont Royal Resources Limited

Price	\$ 0.15
52 week Range	\$0.11 - \$0.28
Daily Vol (3-mo. average)	321,925
Market Cap (M)	\$ 28.4
Enterprise Value (M)	\$ 22.0

OceanaGold Corporation

Price	\$ 38.27
52 week Range	\$7.97 - \$43.47
Daily Vol (3-mo. average)	837,700
Market Cap (M)	\$ 8,590.2
Enterprise Value (M)	\$ 8,265.7

Ucore Rare Metals Inc.

Price	\$ 4.55
52 week Range	\$0.54 - \$9.60
Daily Vol (3-mo. average)	476,816
Market Cap (M)	\$ 513.2
Enterprise Value (M)	\$ 518.1

This March we attended the PDAC 2026 conference where we met with, and attended presentations by, a range of critical minerals, mining, and processing companies. While asset stages and business models varied, a consistent theme was that the push toward electrification, energy storage, and next-generation manufacturing is increasingly dependent on assets outside of China. Before getting into a breakdown of presenting companies, a few of our overarching takeaways are:

Diversification from China is Strategically Important: One of the clearest themes at PDAC was that diversification away from China is being driven by both geopolitics and constrained supply. Across metals, the challenge is not just China's dominance in processing, but the fact that alternative supply outside China remains limited and slow to develop, especially in refining, separation, and chemical conversion. The urgency is also shaped by history. The 2010–2011 rare earth crisis showed how concentrated Chinese supply could disrupt global markets, while the later price collapse demonstrated how easily Western projects could be pushed out (see Appendix). That history appears to be driving today's security-over-price mindset, with greater focus on building durable, non-China supply chains rather than simply finding new deposits. For investors, the takeaway is that projects with realistic paths to nearer-term non-China supply, particularly those tied to midstream bottlenecks, should command a premium (see Appendix).

Electrification Transition is Driving Demand: A dominant theme at PDAC 2026 was that critical-mineral demand is now driven by needs in Electrification, Digitization, and National Security. Conversations moved beyond just EV adoption to focus on AI-driven data center expansion, grid hardening, and defense applications. This broader mix has fundamentally changed the copper and lithium stories. For Copper, the buildout of AI infrastructure, which is significantly more metal-intensive than traditional computing, has created a new structural floor for demand. Meanwhile, Lithium, Graphite, and Battery-Grade Phosphate are seeing a second wind from the explosive growth of Energy Storage Systems. The demand tailwind is no longer a one-trick pony tied to EV sales as exemplified by the numerous end markets that are reliant of LFP batteries (see Appendix). An example of this demand shift can be seen in the cumulative growth of CapEx spending where more money is flowing into the mining industry. In the S&P 600, since 2016, yearly metals and mining expenditure grew 238% (14.5% CAGR) with the sharpest increase in recent years. This compares to the rest of the index, the S&P 600 semiconductor industry, and inflation, with CAGRs of only 4.9%, 5.7%, and 3.3%, respectively (see Appendix).

Precious Metals Still Glitter: Gold's strength increasingly reflects a debasement trade as much as a traditional safe-haven bid. In 2025, total gold demand including OTC exceeded 5,000 tonnes, global gold ETF holdings rose 801 tonnes, and central banks still added a substantial 863 tonnes (see Appendix) maintaining momentum through 2025, suggesting continued diversification away from fiat reserves. That monetary backdrop has been reinforced by a surge in geopolitical and macro uncertainty as investors reacted to conflict risk, tariff uncertainty, and still-elevated concerns around inflation, fiscal deficits, and reserve diversification leading to spot gold prices above \$5,100/oz in late January 2026. Reflecting that setup, forecasts have moved materially higher, with the latest Reuters poll showing a 2026 median forecast of \$4,746.50/oz. Given this positive price movement, we are becoming more bullish on miners with current production as they can sell into this spot market, realizing enhanced unit economics, and thus materially lowering payback periods.

Stonegate does not currently have research coverage on any of the below listed companies. Stonegate does have mining specific research coverage on American Tungsten Corp., Cassiar Gold Corp., Heliostar Metals Inc., Pensana Plc, and Seabridge Gold Inc. For a full list of covered companies please see stonegateinc.com/companies.

Metallurgical Overview

As a primer we have highlighted the use cases, recent price movement, major suppliers, and key market considerations for the metals associated with the companies whose presentations we attended:

Copper

Copper is a core electrification metal used in wiring, power grids, motors, renewables, EVs, and data centers. Copper was about \$5.77/lb as of March 6, 2026, after averaging \$4.80/lb in 2025, highlighting a still-tight market, despite volatility. Supply is dominated by Chile, the DRC, Peru, China, and Russia/Zambia, with 2025 mine production at 23.0 Mt. Key risks include project delays, lower ore grades, permitting issues, and geopolitical concentration.

Gold

Gold is a precious metal used mainly as a store of value, in jewelry, and to a lesser extent in electronics. Gold was about \$5,155/oz as of March 6, 2026, following a \$3,300/oz average in 2025, reflecting a strong macro-driven upcycle. Supply is led by China, Russia, Australia, Canada, and the U.S., which represented 41% of 2025 global mine production. Gold's key distinction is that it trades more as a macro hedge than an industrial metal, with prices driven by real rates, central-bank buying, geopolitics, and ETF flows.

Graphite

Graphite is a carbon mineral used in battery anodes, refractories, lubricants, brake linings, and steel-related applications. Pricing has been more stable than lithium, with graphite prices mostly unchanged in early 2026 and 2025 flake graphite import values have stayed around \$1,000/t. Supply remains heavily concentrated in China, which accounted for 82% of global natural graphite production in 2025. The key issue is downstream concentration, as battery anode processing remains heavily China-centric even where upstream mine supply is more diversified.

Lithium

Lithium is a battery metal used primarily in lithium-ion batteries for EVs, storage, electronics, and power tools. Lithium carbonate was almost \$20,000/t as of March 6, 2026, up ~14.6% over the past month, though still recovering from a deep correction; 2025 consumption rose 20% and production rose 31%. Supply is led by Australia, Chile, China, Argentina, and Zimbabwe. The main consideration is extreme price volatility, as new supply can quickly shift the market from shortage to oversupply.

Phosphate

Phosphate's relevance increasingly extends beyond fertilizer, with the more important distinction now being igneous versus sedimentary rock. Igneous phosphate is rarer, higher grade, and cleaner, making it better suited for purified phosphoric acid (PPA) production for the LFP battery supply chain, while sedimentary phosphate remains more exposed to lower-value fertilizer markets. The key consideration is that not all phosphate is equal: as battery demand grows, igneous deposits may carry greater strategic value given their superior suitability for high-purity downstream processing.

Rare Earths

Rare earths are a group of 17 elements used in catalysts, ceramics, polishing powders, and especially permanent magnets. The most important magnet materials are NdPr, while dysprosium and terbium enhance high-temperature performance. NdPr was about \$123/kg in mid-February 2026, up 41% YTD. Supply remains dominated by China, and the main choke point is not just mining, but also separation, refining, and magnet manufacturing.

Avalon Advanced Materials Inc. (AVL)

Avalon Advanced Materials Inc. (AVL): Avalon is a critical minerals development company focused on building a North American lithium and rare earth supply chain, anchored by the Lake Superior Lithium Project in Thunder Bay and the Nechalacho rare earth project in the Northwest Territories. The Company is still at the development / pre-production stage and trades on the TSX under AVL. Some of our key takeaways from PDAC are:

- **Economic takeaway:** The valuation case is driven by a clear sum-of-the-parts disconnect, with management highlighting a C\$4.1B after-tax NPV for the Lake Superior Lithium project and roughly C\$1.3B after-tax NPV for Nechalacho from prior studies, versus a much smaller public market valuation today.
- **What makes the story differentiated:** What stands out is that Avalon is not just a single-asset developer, it has two strategic critical minerals platforms, one in lithium chemicals and one in rare earths, both aligned with North American supply-chain security. The story has also become more credible with the management reset, balance-sheet cleanup, Sibelco JV exposure, and partnerships with groups such as Metso and Qualcomm.
- **Key catalyst / rerating potential:** The main catalysts are advancing the Lake Superior feasibility study, the Nechalacho PEA and refreshed FS path, strategic funding, offtake/feedstock progress, and potential non-core asset monetization. Just as importantly, Avalon completed an ~C\$18.7M financing in late 2025, which gives it capital to push both platforms forward and supports a more structured path to revaluation.

American West Metals Ltd. (AW1/AWMLF)

American West is a base metals and critical minerals developer/explorer advancing the West Desert Project in Utah and the Storm Copper Project in Nunavut. The Company is still at the development / exploration stage and trades on the ASX under AW1. Some of our key takeaways from PDAC are:

- **Economic takeaway:** The valuation case is still driven more by resource scale and strategic metal exposure than near-term NAV. West Desert already hosts a 33.7Mt resource grading 20g/t indium, 3.83% zinc, 0.15% copper, and 9.1g/t silver, including 23.8Moz of indium, making it the largest undeveloped indium resource in the U.S.
- **What makes the story differentiated:** What stands out is the Company's leverage to indium and gallium, two strategically important metals with limited Western supply. West Desert is also on private land in Utah, with strong infrastructure and a clearer potential development path than many U.S. critical minerals projects.
- **Key catalyst / rerating potential:** The main catalysts are the 2026 drill program, including up to 5,000m at West Desert, resource expansion around the Goldilocks Zone, and further gallium targeting. Just as importantly, management is positioning the asset as a potential first domestic U.S. indium supply chain story, which could become a meaningful strategic rerating lever.

Chesapeake Gold Corp. (CKG)

Chesapeake is a pre-development gold and silver developer advancing the Metates Project in Mexico, while also working on its proprietary oxidative leach technology and earlier-stage upside at Lucy. The Company is still at the PEA / pre-feasibility stage and trades on the TSXV under CKG. Some of our key takeaways from PDAC are:

- **Economic takeaway:** The economic framing is centered on scale and valuation disconnect. Metates remains one of the world's largest undeveloped gold-silver deposits, with roughly 17Moz of M&I gold and 423Moz of M&I silver, and management highlights that the stock is trading at a steep discount to development peers on an EV/oz basis, giving investors significant leverage to gold and silver.
- **What makes the story differentiated:** What stands out is the combination of sheer deposit size and the Company's proprietary oxidative leach technology, which is meant to unlock a more practical and financeable development path for a large refractory asset. The story is no longer just about owning a massive deposit, but about improving the route to extraction and making Metates more developable over time. We view the proprietary oxidative leach technology as a significant differentiator allowing the Company to potentially diversify revenue with patent protection allowing for potential licensing. In essence we believe CKG is both a mining Company that also has the potential to sell the metaphorical picks and shovels. Lastly, we are biased towards companies that have a dog logo with bonus points for the dog being a retriever.
- **Key catalyst / rerating potential:** The main rerating drivers are continued metallurgical progress on oxidative leach, advancement toward pre-feasibility work at Metates, and further drilling/resource upside at Lucy. More broadly, Chesapeake remains highly leveraged to the gold price, so any continued strength in gold, alongside technical de-risking at Metates, could materially improve sentiment around the story.

Copper Fox Metals Inc. (CUU)

Copper Fox is a copper development and exploration company with assets in Arizona and British Columbia, anchored by its 100%-owned Van Dyke ISCR project in Arizona and its 25% interest in the Schaft Creek JV with Teck in B.C. The Company is at the development / advanced exploration stage and trades on the TSXV under CUU. Some of our key takeaways from PDAC are:

- **Economic takeaway:** The story is driven more by project optionality and asset base than near-term cash flow, but there is substance underneath it. Management points to a combined after-tax NPV of US\$855M from the prior PEAs on Van Dyke and Schaft Creek, while Van Dyke alone is framed as a potential 17-year mine life ISR copper project producing 85Mlbs/year of cathode copper.
- **What makes the story differentiated:** What stands out is the mix of nearer-term ISR copper exposure at Van Dyke and long-dated leverage to a large-scale porphyry through Schaft Creek. Van Dyke also benefits from being in Arizona with established infrastructure and a cleaner ISR development angle versus a conventional mine.
- **Key catalyst / rerating potential:** The main catalysts are the updated 2026 PEA at Van Dyke, completion of the groundwater flow model to support permitting, and any further progress at Schaft Creek through Teck. More broadly, CUU remains a leveraged way to play a stronger copper tape, especially if Van Dyke continues to advance toward a clearer permitting and development path.

First Phosphate Corp. (PHOS/FRSPF)

First Phosphate is a phosphate development and cleantech company focused on building a vertically integrated mine-to-market LFP battery supply chain in Quebec, anchored by its Bégin-Lamarche property in Saguenay-Lac-Saint-Jean. The Company is still at the exploration / development stage and trades on the CSE under PHOS. Some of our key takeaways from PDAC are:

- **Economic takeaway:** The story is still driven more by strategic positioning and downstream optionality than near-term NAV. What matters economically is that First Phosphate is trying to move beyond a pure mining story and capture value across the phosphate concentrate, purified phosphoric acid, and LFP cathode chain, which could support a meaningfully larger long-term value proposition if executed. We note that the Company is on the supply chain for the first LFP battery produced in North America since the early 2000's making it of critical strategic importance.
- **What makes the story differentiated:** What stands out is the Company's focus on high-purity igneous phosphate and its explicit strategy to build a North American LFP supply chain, rather than selling into traditional fertilizer markets alone. That positioning looks more relevant today as phosphate has now been added to Canada's list of critical minerals for clean technology, reinforcing the strategic fit of the story.
- **Key catalyst / rerating potential:** The main catalysts are continued technical validation for battery-grade phosphate products, progress toward downstream processing, and additional offtake / partner support. Most notably, the Company recently received conditional approval for up to C\$16.7M in non-repayable NRCan funding, which should help advance engineering and process work tied to LFP-grade phosphate and could improve confidence in the development path.

Frontier Lithium, Inc. (FL)

Frontier Lithium is a pre-production lithium developer advancing the PAK Lithium Project in northwestern Ontario, alongside a planned lithium conversion facility in Thunder Bay, giving it a more integrated mine-to-chemical story than many peers. The Company is currently at the post-feasibility / pre-production stage, with its 2025 Mine and Mill Feasibility Study complete and permitting ongoing, and it trades on the TSXV. Some of our key takeaways from PDAC are:

- **Economic takeaway:** Frontier is one of the more advanced North American lithium names, with a 31-year mine life, 31.1Mt of P&P reserves at 1.51% Li₂O, and a \$932M after-tax NPV. **Key catalyst / rerating potential:** The main catalysts are permitting progress, infrastructure buildout, funding/offtake milestones, and advancement of the conversion facility, with recent support including a Panasonic MoU and conditional NRCan support.
- **What makes the story differentiated:** The key differentiator is the integrated strategy - upstream spodumene plus a planned 20ktpa lithium salts conversion facility - supported by Mitsubishi and now a Panasonic MoU.
- **Key catalyst / rerating potential:** The main catalysts are permitting progress, infrastructure buildout, funding/offtake milestones, and advancement of the conversion facility, with recent support including a Panasonic MoU and conditional NRCan support.

Grid Metals Corp. (GRDM)

Grid Metals Corp. (GRDM): Grid Metals is a critical minerals explorer and developer focused on the Falcon West cesium-lithium discovery in Manitoba, with additional optionality from its nickel, copper, and lithium assets in the province. The Company is still at the exploration / pre-resource stage at Falcon West and trades on the TSXV under GRDM. Some of our key takeaways from PDAC are:

- **Economic takeaway:** The story is still more about discovery value and scarcity than NAV today. With a market cap of only about C\$30-33M, Grid offers exposure to one of the very few meaningful cesium exploration stories globally, which gives the asset potential strategic value even before an initial resource is defined.
- **What makes the story differentiated:** What stands out is the Company's direct exposure to cesium, one of the rarest critical minerals, with Falcon West showing high-grade, near-surface pollucite-hosted mineralization. Recent drilling was particularly strong, including 3.35m grading 20.45% Cs₂O, and the system also carries lithium and tantalum upside within a highly fractionated LCT pegmatite.
- **Key catalyst / rerating potential:** The main catalysts are Phase 2 drill results, expansion of the Lucy South zone, and delivery of an initial cesium resource estimate after assays are received. With the mineralization still open in multiple directions and most of the drilling occurring at shallow depths, continued success could drive a meaningful rerating.

Lithium Ionic Corp. (LTH)

Lithium Ionic Corp. (LTH): Lithium Ionic is a pre-production lithium developer advancing the Bandeira Project and a broader land package in Minas Gerais, Brazil's Lithium Valley. The Company is at the post-feasibility / pre-construction stage and trades on the TSXV under LTH. Some of our key takeaways from PDAC are:

- **Economic takeaway:** Bandeira looks like one of the better economic stories in the junior lithium space, with a long-life, low-capex, high-return profile that gives the Company a more credible development case than many earlier-stage peers. The story also benefits from a broader mineral inventory across the district, which adds potential value beyond the initial build.
- **What makes the story differentiated:** What stands out is the combination of near-term production potential, strong economics, and a location in an established lithium-producing district with existing mines nearby. Just as important, the project appears to benefit from good infrastructure, access to renewable grid power, water, roads, and ports, which helps support the view that this can be a lower-risk development story relative to more remote peers.
- **Key catalyst / rerating potential:** The main rerating drivers are continued engineering progress, contractor tendering, binding offtake agreements, debt financing, and a formal construction decision. Management also appears to be moving the project more firmly into the execution phase, so the next leg of the story is less about proving geology and more about commercial de-risking and getting construction-ready, particularly if lithium prices continue to recover.

Mont Royal Resources Limited (MRZ)

Mont Royal Resources Limited: Mont Royal is a pre-development rare earth and fluorspar company advancing the Ashram Project in Quebec, Canada. The Company is still pre-production / pre-feasibility and trades on the ASX under MRZ and the TSXV under MRZL. Some of our key takeaways from PDAC are:

- **Economic takeaway:** The story is still more about resource quality, scale, and strategic jurisdiction than near-term NAV, with Ashram positioned as a potentially important Canadian rare earth and fluorspar asset.
- **What makes the story differentiated:** What stands out is the combination of rare earths plus fluorspar, with particular upside from higher-value magnet rare earth exposure in the BD-Zone, which could support future resource growth and improve the quality of the overall deposit.
- **Key catalyst / rerating potential:** The main catalysts are advancing the road access strategy, baseline studies, PFS/FS work, and further BD-Zone metallurgical/resource work, all of which could help de-risk the development pathway and highlight Ashram's strategic value.

OceanaGold Corp. (OGC)

OceanaGold Corp. (OGC): OceanaGold is an intermediate gold and copper producer with four operating mines across the U.S., New Zealand, and the Philippines. The Company is already in production and trades on the TSX under OGC. Some of our key takeaways from PDAC are:

- **Economic takeaway:** OGC looks attractive on both an absolute and relative basis, with the stock trading at roughly 4.7x FY26E TEV/EBITDA and offering a ~15% trailing FCF yield in FY25, despite a portfolio that appears capable of delivering ~10–20% consolidated production growth from current levels. Just as importantly, that growth is largely de-risked and internally funded, supported by \$477M of cash, zero debt, and record FY25 free cash flow of \$543M.
- **What makes the story differentiated:** What stands out is the combination of operational delivery, visible organic growth, and capital returns. FY25 production of roughly 498 koz came in above the midpoint of guidance, while 2026 guidance implies ~12% production growth and ~7% lower AISC, which is a strong setup in a higher gold price environment. Unlike many gold names that need M&A or external capital to grow, OGC appears able to fund growth, maintain balance sheet strength, and still return significant cash to shareholders.
- **Key catalyst / rerating potential:** The main rerating drivers are execution on the 2026 growth outlook, continued ramp at Waihi North, brownfield resource-to-reserve conversion, and delivery of updated technical reports across key assets. On top of that, the Company has meaningfully increased shareholder returns, with the dividend tripled and the buyback doubled, supporting up to \$432M of capital returns in 2026, which should help reinforce confidence in both the cash flow profile and valuation.

Ucore Rare Metals Inc. (UCU)

Ucore Rare Metals Inc.: Ucore is a rare earth processing and technology company focused on building a North American rare earth refining platform, with planned Strategic Metals Complexes in Louisiana, Ontario, and Alaska and longer-term exposure to its Bokan-Dotson Ridge heavy rare earth project in Alaska. The Company is still pre-production and trades on the TSXV under UCU. Some of our key takeaways from PDAC are:

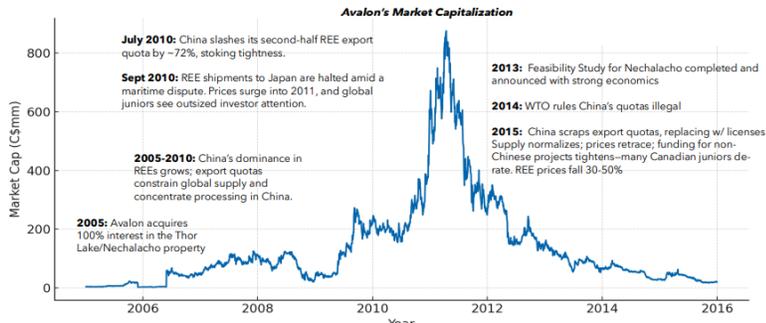
- **Economic takeaway:** Ucore is less a mining valuation story today and more a midstream rare earth choke-point story, targeting the part of the supply chain where China still dominates and where Western pricing for key heavy rare earths has moved sharply higher.
- **What makes the story differentiated:** What stands out is RapidSX and the Company's push into separation/refining rather than just resource ownership, supported by government backing and strategic positioning around defense-critical materials like dysprosium, terbium, samarium, and gadolinium.
- **Key catalyst / rerating potential:** The main catalysts are commercial scale-up of RapidSX, commissioning progress at the Louisiana SMC, and continued government/defense-related contract momentum, particularly as Western supply chains move to secure non-China rare earth processing capacity.

Appendix

Rare Earths Crisis 2005-2015

NECHALACHO PROJECT

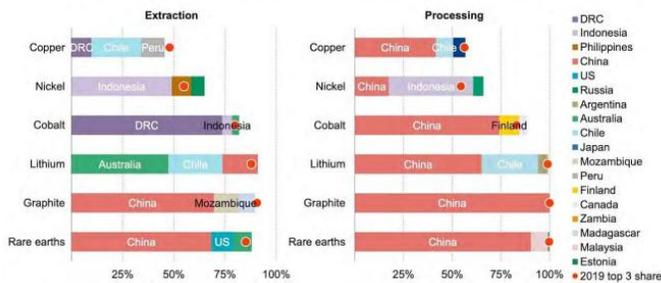
Lessons from China's Rare-Earth Playbook: 2005-2015



Source: Avalon Advanced Materials Inc. Presentation

Control of Supply Chain Goes Beyond Extraction

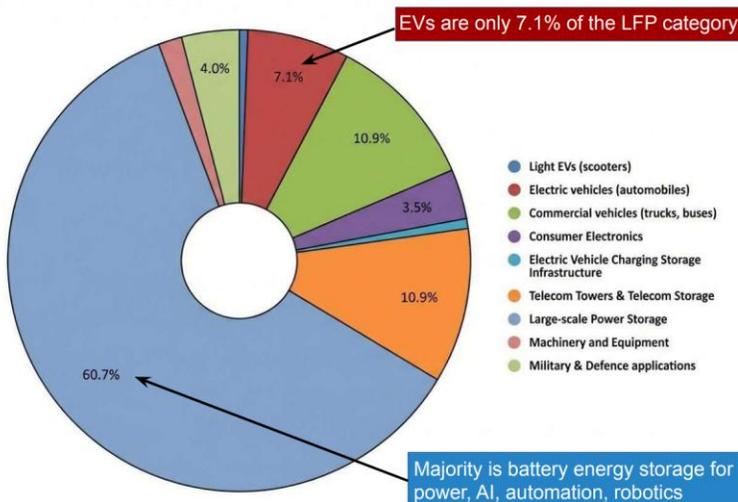
Share of top three producing countries in total production for selected resources and minerals, 2022



Notes: DRC = Democratic Republic of the Congo. Graphite extraction is for natural flake graphite. Graphite processing is for spherical graphite for battery grade. Source: IEA analysis based on S&P Global, USGS (2023), Mineral Commodity Summaries and Wood Mackenzie

Source: Ucore Rare Metals Inc. Presentation

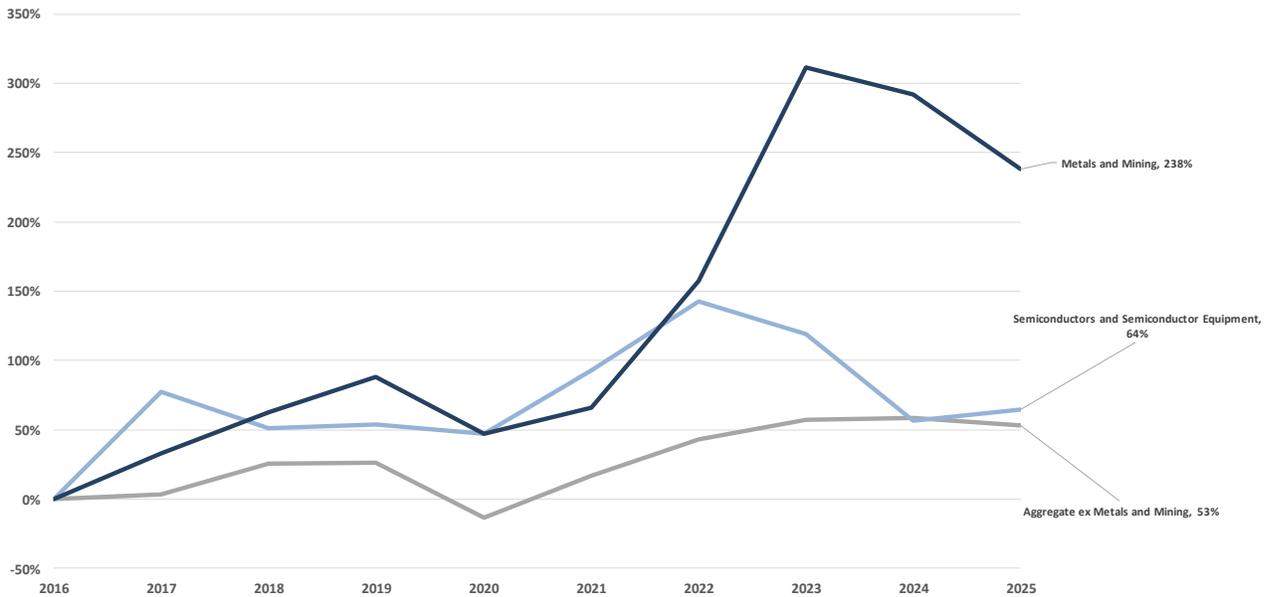
LFP Applications Beyond EVs



Source: Grandview Custom Research 2023

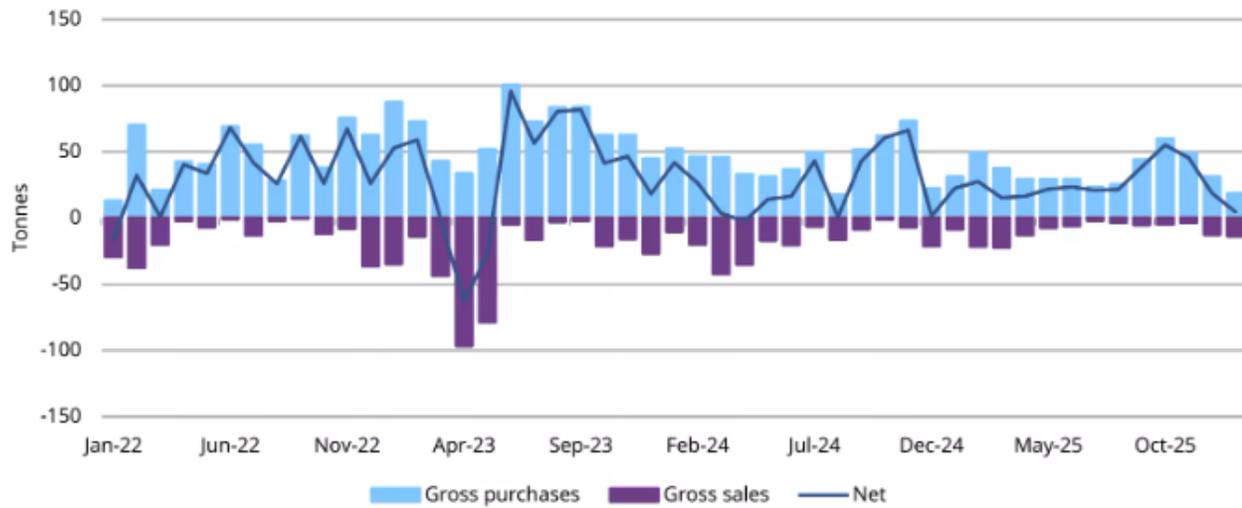
Source: First Phosphate Corp. Presentation

S&P 600 Sector Level Yearly CapEx Spend Cumulative Growth



Source: CapIQ

Monthly Reported Central Bank Gold Transactions



*Data to 30 January 2026, where available

Source: IMF, Respective Central Banks, World Gold Council

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