AN INTRODUCTION TO

PAULSON
INVESTMENT COMPANY, LLC

VENTURE CAPITAL • INVESTMENT BANKING

MEMBER: FINRA/SIPC

Disclaimer

Investment opportunities described herein are not suitable for all investors, and this document is in no way meant to solicit any action from any particular investor or institution. This information is being provided for general informational purposes only and is meant solely for accredited investors as defined in Regulation D under the Securities Act of 1933, as amended. Information on private placements is not generally available to the public and investments in such private placements are available only to accredited investors. Accordingly, no investment will be accepted before appropriate qualification of a prospective investor, its receipt of the applicable disclosure documents (including, without limitation, the Private Offering Memorandum) and its completion of the relevant purchase documents. Investments in private placements are speculative and involve a high degree of risk, including liquidity and volatility risk, and should only be considered as long-term investments. There is no assurance that such an investment will be successful. Past performance is no guarantee of future results. Accordingly, an investor must be prepared to withstand the possibility of a total loss of its investment.

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About Us

Founded in 1970 in Portland, Oregon, Paulson Investment Company, LLC has earned national distinction as a premier boutique investment bank. Focusing on the small to mid-cap markets, we participated in 175 public and private offerings while raising over $1.2 billion in financings.

In the past, we offered a full range of financial products and services to our clients. Recently, to better serve our clients, we reorganized and concentrated our efforts on limited access private equity offerings. We assess all prospective opportunities utilizing our management team's combined 100+ years of experience.

Paulson Investment Company, LLC has chosen RBC Correspondent Services, a division of RBC Capital Markets, LLC as our clearing firm. RBC has worked with independent broker-dealers since 1979, offering comprehensive clearing, custody, and execution services. We have found that their range of services, dedicated support, and extensive experience allow us to provide the best experience possible to our clients.

When considering us, please evaluate us by our depth of experience, our diligence, and unwavering commitment to the future.

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Products

A powerful combination of talent, experience and products delivered with a ***firm-wide commitment*** to customer service.

- Secondary Offerings
- PIPES
- Initial Public Offerings
- Private Placements
- Fixed Income
- Bridge Financing
- Wealth Management
- Insurance & Annuities
- Institutional Sales & Trading
- Market Making

Why Paulson Investment Company, LLC?
We Provide Access to Opportunities

Sarbanes/Oxley
Sharp increase in the cost of being public

Bank Consolidation
Boutiques exit. Mega banks require BIG DEALS to support costly infrastructure (Prefer M&A)

Decimalization
Margins fall; trading firms exit; micro-caps cannot attract interest

Global Competition
Intense competition; more difficult for companies to 'prove themselves' to Wall Street

Typical Qualified Investor is 'Shut Out' of New Opportunities

Fewer IPOs

More Private Funding
(VC/PE)

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Executive Management

Our firm's executive management team is composed of seasoned professionals with proven expertise and long-standing industry relationships. Each member has a successful history of owning and operating investment banks as well as holding key positions at firms such as Lehman Brothers, Bear Stearns, and Black & Co.

With over 100 years of combined industry experience, particularly in private equity, our executive management team has performed due diligence on thousands of companies. Additionally, each individual has a network of experts who can be called upon to assist in their research of potential investments.

We encourage you to get to know our executive management team to give you a confident foundation to begin our relationship.

Executive Management Team

Chris Clark

Chairman of the Board

Chris Clark is a consummate financial professional and entrepreneur whose noteworthy career spans over 25 years. His track record is one of serial commercial and professional success, with him currently serving as our Chairman of the Board.

Chris has held various positions within the brokerage and investment banking industry including Senior Managing Director, Executive Vice President, and Head of Executive Services, working at notable firms such as Black & Co. and Lehman Brothers. Chris co-founded a regional broker/dealer which, between 1994 and 2010, under his management, never reported an unprofitable quarter after the start-up year. At the time of divestiture, the firm was one of the largest broker/dealers in the Northwest. During approximately the same time, he additionally co-founded and operated both a second broker/dealer and a fund family, which managed over half a billion in assets.

Thomas Parigian

Managing Partner | Director of Corporate Finance

Thomas Parigian brings over 25 years of experience to Paulson Investment Company, LLC's Executive Management Team as a Managing Partner. During 20 of those years, he specialized in investment banking and sales.

Prior to joining Paulson Investment Company, LLC, he worked with several investment banks where he sourced, structured and raised well over $100 million in direct and indirect financing for small to medium sized companies. Though a generalist, Thomas has an affinity for the life science sector and has directly raised over $750 million in capital for pharmaceutical company transactions through institutions.

Thomas assumed his current position after co-leading an outside syndicate of investors and industry professionals in the recapitalization and reorganization of Paulson Investment Company, LLC.

Robert Setteducati

Managing Partner | Director of Business Development

Robert Setteducati adds more than 28 years of industry experience to the Executive Management Team. Long before he came aboard at Paulson Investment Company, LLC, Robert served in various capacities at several Broker/Dealers while raising capital for small to medium sized companies.

During his tenure in the industry, Robert has held roles ranging from Executive VP of Sales to Senior Managing Director of Business Development at such firms as National Securities, Fordham Financial Management, and Advanced Equities.

Robert assumed his current position after co-leading an outside syndicate of investors and industry professionals in the recapitalization and reorganization of Paulson Investment Company, LLC.

Executive Management Team (cont.)

Starla Goff

Chief Executive Officer

Starla Goff brings 20 years of experience in strategically advising public, private, and governmental entities. Prior to joining Paulson Investment Company, LLC, Starla was a shareholder at the Portland office of Smith Freed and Eberhard, PC. During her time there, she co-chaired the Employment and Business Litigation Practice Group in Portland, Oregon, and Seattle, Washington. Her success was noticed by external sources which lead to her receiving acknowledgments such as Portland Business Journal's 'Top 40 Under 40'.

Starla assumed her current position after co-leading an outside syndicate of investors and industry professionals in the recapitalization and reorganization of Paulson Investment Company, LLC.

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Alex Winks

Chief Financial Officer | Chief Operating Officer

Alex Winks is Paulson Investment Company, LLC's Chief Financial Officer, FINOP, and Chief Operating Officer. He has over 10 years of experience in broker/dealer, RIA and PE/VC fund accounting. Alex has had increasing positions of responsibility with firms including JP Morgan Chase, Advanced Equities, and Wachovia Securities (now Wells Fargo Advisors). Over his years of experience, Alex's areas of expertise are financial statements preparation and analysis, securities valuation, performance analysis, regulatory reporting, and investor relations.

Tanya Urbach

Executive Vice President | Head of Legal

Tanya Urbach is a former litigator with an emphasis in the financial industry. During her career, she has defended broker/dealers, investment advisors, registered representatives, and other securities professionals in a variety of civil disputes and regulatory inquiries. She has also represented financial institutions, manufacturers, and retailers.

Tanya previously served as the Deputy Commissioner of Securities for the State of Vermont and served on the board of directors and broker/dealer section of the North American Securities Administration Association. She has extensive experience both defending and investigating suitability and other point of sale violations relating to mutual funds, variable annuities, equity-indexed annuities, 529 plans, tenancy-in-common interests, auction rate securities, equities and bonds. Tanya additionally is an adjunct professor at Lewis and Clark Law School, where she teaches securities regulation.

Key Executive Team

Our Key Executive Team is comprised of successful and intelligent professionals that have years of experience in the industry. Together, their experience comprehensively covers the broad spectrum of skills required to succeed.

Below are the individuals who work tirelessly to ensure that our company's vision is executed. Ranging from compliance to sales, our Key Executive Team focuses on continually pushing forward and delivering the best service possible to our clients.

Basil Christakos
Chief Compliance Officer

James Terwilliger
Senior Managing Director | Healthcare Strategies

Investment Banking

Since its inception, Paulson Investment Company, LLC has been involved in investment banking and has earned its distinction as a premier boutique investment bank in the small to mid-cap market. Paulson Investment Company, LLC's recent expansion of its investment banking services is in response to market demands for experienced investment banks. This is following the dramatic shift in the capital markets and financial services industry.

Since the mid-1990s, nearly 50 regional investment banks—including Alex Brown, Montgomery Securities, Hambrecht & Quist, and Robertson Stephens—have been acquired by major financial institutions. Such industry consolidation has pressured a new breed of bulge-bracket investment banks to compete for large market-capitalization clients. This has greatly reduced Wall Street's focus on the middle market. Through the consolidation of the market, Paulson Investment Company, LLC has maintained its independence and growth-oriented, entrepreneurial focus dedicated to serving the needs of small and mid-sized companies and the individuals and institutions that invest in them.

Investment Banking Team

With the support of our dynamic Executive Management and Key Executive Team, our Investment Banking Team is a powerful combination of talent, experience, and synergy that has a firm-wide commitment to customer service. They propel new visions forward with a keen sense of direction and purpose, having access to the resources, experience, and conviction to go there with confidence.

Mark Finckle
Head of Investment Banking

Lorraine Maxfield
Senior Vice President | Corporate Finance

Zvi Ben-Zvi
Managing Director | Investment Banking

Jeffrey Morfit
Managing Director | Investment Banking & Institutional Sales

Christopher Roberts
Vice President | Investment Banking

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Common Deal Characteristics
"What We Look For"

Sector Focus
- Companies in the life sciences, technology, and media sectors. This includes; semis, software, SaaS models, communications, social media, Pharma, medical devices, and biotech.

Disruptive Impact
- The ability to substantially improve a product, service, industry, or function.

Market Opportunity
- Companies that address a large and rapidly growing addressable market.

Stage of Development
- A clear proof of concept. Execution risk, not development risk.

Liquidity
- Reasonable prospects for liquidity within 24 months.

Management and Sponsorship
- Superior management with established track record. Strong technical, financial, or strategic supports including, VCs, experts, or large corporate sponsors.

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Common Deal Characteristics

Private Transactions

- Size $5M to $30M
- Insider Participation
- Sr. Liquidation Preference
- Co-Sale / Tag-Along
- Anti-Dilution Protection
- Other Protective Provisions

Public Transactions

- Size $5M to $30M
- Large Public Float
- Space will Attract Attention
- Research Coverage
- Prospectus for Follow-On
- Public “Friendly” Management

Disclaimer: Not every investment banking opportunity will conform precisely to these guidelines. Investment banking opportunities may be offered at terms more or less favorable than those noted here.

Institutional Sales & Trading Team

The Institutional Sales & Trading Team has over 100 years of combined experience in both bull and bear markets, executing orders from broker/dealers, hedge funds and high net worth individuals. The firm makes markets in Exchange Listed, NASDAQ and OTC equities, both foreign and domestic, to ensure the highest possible quality executions. We have access to most exchanges, algorithmic strategies and dark pools, giving our customers unparalleled liquidity.

Ron D'Angelo
Managing Director | Institutional Sales & Trading

Robert Oakes
Managing Director | Institutional Sales & Trading

Tony Pontecorvo
Managing Director | Institutional Sales & Trading

Chris Cappillo
Vice President | Institutional Sales

Recent Transactions

DermTech, Inc.
Placement Agent
May 2018
$6,933,326

AMMO, Inc.
Placement Agent
April 2018
$3,497,029

AMMO, Inc.
Placement Agent
March 2018
$9,994,674

New Jersey Mining Company
Placement Agent
March 2018
$550,550

CytoDyn, Inc.
Placement Agent
February 2018
$14,002,452

CytoDyn, Inc.
Placement Agent
January 2018
$1,535,507

ElectroCore, LLC
Placement Agent
December 2017
$29,341,299

CytoDyn, Inc.
Placement Agent
October 2017
$1,222,500

CytoDyn, Inc.
Placement Agent
September 2017
$2,002,251

Viking Energy Group, Inc.
Placement Agent
August 2017
$1,475,000

Due Diligence

- **Paulson Investment Company, LLC's Executive Management Team brings over 100 years of industry experience**
  - Throughout their careers, Paulson Investment Company, LLC management/bankers have specialized in private equity, micro-cap, and life science/technology investing and have performed diligence on hundreds of such companies.
  - Bankers have access to technologists/scientists who can be called upon to assist in industry specific due diligence.
- **Paulson Investment Company, LLC management has financed and worked with hundreds of companies who are managed by preeminent industry experts**
  - Past clients serve as a ready source of industry and technical insight.
  - Paulson Investment Company, LLC is also involved with these companies on an ongoing basis (board meetings, updates, etc.). This assists the firm in staying current with industry trends and technologies.

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