

Trickle Research

Every raging river, every great lake, every
deep blue sea starts ... with a trickle



Earnings Update – 2Q F20



Cavitation Technologies, Inc.

(OTC: CVAT)

(www.ctinanotech.com)

Report Date: 02/27/20

12- 24 month Price Target: \$.10

Allocation: 4

Closing Stock Price at Initiation (Closing Px: 08/21/19): \$.0325

Closing Stock Price at This Report Date (Closing Px: 02/26/20): \$.02

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Disclosure: Portions of this report are excerpted from Cavitation Technology Inc.'s filings, website(s), presentations or other public collateral. We have attempted to identify those excerpts by *italicizing* them in the text.

Just a quick earnings update on Cavitation.

The company reported nominal revenues for the quarter largely as a result of timing around its Desmet license. Recall, the Company has a license with Desmet Ballestra whereby Desmet pays a minimum license fee of \$600,000 per year, which is then offset by unit sales to/by Desmet. Our assumption is that (in step with prior history) Desmet will see a few more units each year than the license minimum, and we use a straight-line approach (we estimate the Desmet sales in the context of the minimum licenses and we apply that equally to each quarter) to reflect that. However, the actual revenue recognition is associated with actual Desmet deliveries. Our sense is that what they don't recognize in one quarter, they will likely recognize in the next (or the prior). To translate, the revenue miss is not particularly germane to our view of the opportunity.

In our view, what *was* germane in the quarter, was the filing's narrative regarding "Enviro Watertek, LLC".

To edify, here is narrative regarding this relationship:

"In April 2019, we entered into a licensing and service contract agreement with Enviro Watertek, LLC ("EW"). This agreement covers our industrial treatment of produced and frack water. Our agreement with EW provides for sales of Nano Reactors® plus recurring revenue stream based on processing frack water volumes and utilization over a 15 year term but can be terminated by either party every anniversary".

For some additional information on Enviro Watertek, LLC see their website: <https://www.envirowatertek.com/>

In the initiating coverage we discussed what we thought were some of Cavitation's emerging opportunities in the water treatment space, most notably frac and produced water. This agreement represents the initial commercialization of this opportunity. Granted, they generated a relatively modest \$25,000 for the quarter in this segment. However, we believe Enviro Watertek has spent considerable resources since mid-last 2019 until now, developing the infrastructure to scale the treatment of produced water in the Permian Basin. As the following bullet points from <https://www.circleofblue.org/2019/world/permian-oil-boom-uncorks-multibillion-dollar-water-play/> note, the Permian Basin has a water problem:

- *Producing oil produces even more water: two to five barrels of water for every barrel of fracked oil*
- *Produced water, as the industry calls it, is a noxious mix, a hypersaline brine that includes chemicals used during fracking and trace minerals and radioactive elements that are naturally present at depth*
- *IHS Markit, a research and consulting firm, reckons that the overall market for water in the Permian totaled \$12.2 billion in 2018. That includes sourcing water for fracking, transporting, storing, treatment, and disposal of produced water*

Groundwater and surface water are under immense pressure in arid western Texas.

The Permian basin, a chunk of western Texas and southeastern New Mexico that is larger than most eastern U.S. states, is the hottest thing in oil these days. Production there, spurred by growth in fracked oil from stacks of shale formations thousands of feet below ground, has helped drive America's oil output to its highest level ever, nearly 12 million barrels per day.

According to a recent article from Natural Gas Intel:

<https://www.naturalgasintel.com/articles/119110-permian-alone-holds-12b-produced-water-market-potential-says-raymond-james>

As U.S. oil production continues to grow, so will produced water, offering substantial market opportunities as operators look for ways to reuse or dispose of the dirty water, according to Raymond James & Associates Inc. Overall, the produced water market in the United States may reach 54 million barrels/day by 2025, analysts said.

Disposal and treatment costs for water typically run around \$1.00/barrel, which means there is a \$12 billion market in the Permian Basin alone, the biggest market with more than 60% of the country’s produced water.

“U.S. oilfield water production today is already a whopping 50 million barrels/day,” analysts led by J. Marshall Adkins said in a note Monday. “Given that the U.S. only produces about 15 million bbl of petroleum liquids each day, you can see that oilfield water production outpaces oil production by more than 4-to-1 on a national basis. For scale, this amount of water could cover over 8,000 football fields with a foot of water, each and every day.

“We estimate just under one-half of this water comes from today's horizontal basins, despite making up close to 80% of onshore crude production...We expect a rising tide of water companies come to markets that allow for public investment in water disposal, with similar economics to traditional midstream,” Adkins and his colleagues said, echoing recent analyses by other firms....“We project total U.S. water production reaches 55 million barrels/d by 2025, and 60 million barrels/d by 2030.” The Permian alone is forecast to account for the bulk of the produced water, at 32 million barrels/day in 2025 and 38 million by 2030.

New wells in the Permian Delaware are coming online with water-to-oil ratios as high as 10-to-1, a level typically exhibited in old, conventional wells, analysts noted. Across the Permian, water-to-oil ratios of 4-1 or 6-1 are considered “normal.”

If we take the two sets of narrative above, we think it’s reasonable to glean that the Permian is likely producing 20 million to 25 million barrels of produced water **per day** (perhaps more by some measures). Further, at the \$1.00 per gallon disposal and treatment metric noted above, if our math is correct that translates to an annual number of around \$8 billion (22.5 million * 365). One does not need to dig too hard to ascertain that the treatment of produced water in the Permian is becoming increasingly topical. From that perspective, Enviro Watertek and Cavitation may in fact be in the “right place at the right time”.

Doing some simple math, CVAT’s portion of Permian produced water treated by Enviro Watertek is as we understand it a usage fee. That is, they get paid based on each barrel of produced water that Enviro Watertek treats. We don’t know what that number is, although we feel comfortable that it is more than 1 cent per barrel but probably not more than 5 cents per barrel.

That said, we have provided a series of matrices below to help illustrate what the considerable and likely growing opportunity for produced water treatment in the Permian Basin is for Enviro Watertek and by extension Cavitation. We have provided some color for each.

The Company has not provided a great deal of specific information about the Enviro Watertek venture and we think that is related to EW’s desire to initially keep some of their activity quiet for competitive reasons. However, there are a few things that we believe we can piece together. First, we know EW has commenced treating produced water because Cavitation has recognized associated revenues from those efforts. We expect them to accelerate those endeavors. Second, we believe EW is close to rolling out a portable treatment unit that can be moved around as needed. Obviously, that would have major advantages over a stationary unit. As we understand it, those portable units will be able to process about 400,000 to 500,000 barrels of produced water per month. Here are some of the tables/models we have developed to help frame the opportunity.

Barrels of produced water per day	15,000,000	17,000,000	19,000,000	21,000,000	23,000,000	25,000,000
EW Market Share						
1%	150,000	170,000	190,000	210,000	230,000	250,000
2%	300,000	340,000	380,000	420,000	460,000	500,000
3%	450,000	510,000	570,000	630,000	690,000	750,000
5%	750,000	850,000	950,000	1,050,000	1,150,000	1,250,000
10%	1,500,000	1,700,000	1,900,000	2,100,000	2,300,000	2,500,000
12%	1,800,000	2,040,000	2,280,000	2,520,000	2,760,000	3,000,000
15%	2,250,000	2,550,000	2,850,000	3,150,000	3,450,000	3,750,000

As we suggested above, we are assuming the Permian likely creates around 20 million barrels of produced water per day, although we also think that number could be higher. The table above provides a handful of Permian produced water barrels per day assumptions ranging from 15 million to 25 million. We have then provided assumptions about EW’s share of that market. We have highlighted some of these outcomes/iterations, which we will carry through the other matrices and tie together at the end of the illustrations.

Mobile Units	1	3	6	15	27	36
Barrels per day @ 400,000 per month	13,333	40,000	80,000	200,000	360,000	480,000
Barrels per day @ 425,000 per month	14,167	42,500	85,000	212,500	382,500	510,000
Barrels per day @ 450,000 per month	15,000	45,000	90,000	225,000	405,000	540,000
Barrels per day @ 475,000 per month	15,833	47,500	95,000	237,500	427,500	570,000

The table above provides the resulting production that EW could generate with various numbers of the new portable reactors/treatment facilities and at varying levels of monthly production per facility. The highlighted areas in this matrix delineate the number of units and per unit production levels that would correspond to the highlighted production levels in the first table. In other words, the Company would need approximately 27 units to treat 2% of a Permian market producing 21 million barrels per day.

CVAT Royalty @ \$.01						
Barrels of produced water per day	15,000,000	17,000,000	19,000,000	21,000,000	23,000,000	25,000,000
EW Market Share						
1%	\$ 1,500	\$ 1,700	\$ 1,900	\$ 2,100	\$ 2,300	\$ 2,500
2%	\$ 3,000	\$ 3,400	\$ 3,800	\$ 4,200	\$ 4,600	\$ 5,000
3%	\$ 4,500	\$ 5,100	\$ 5,700	\$ 6,300	\$ 6,900	\$ 7,500
5%	\$ 7,500	\$ 8,500	\$ 9,500	\$ 10,500	\$ 11,500	\$ 12,500
10%	\$ 15,000	\$ 17,000	\$ 19,000	\$ 21,000	\$ 23,000	\$ 25,000
12%	\$ 18,000	\$ 20,400	\$ 22,800	\$ 25,200	\$ 27,600	\$ 30,000
15%	\$ 22,500	\$ 25,500	\$ 28,500	\$ 31,500	\$ 34,500	\$ 37,500
CVAT Royalty @ \$.02						
Barrels of produced water per day	15,000,000	17,000,000	19,000,000	21,000,000	23,000,000	25,000,000
EW Market Share						
1%	\$ 3,000	\$ 3,400	\$ 3,800	\$ 4,200	\$ 4,600	\$ 5,000
2%	\$ 6,000	\$ 6,800	\$ 7,600	\$ 8,400	\$ 9,200	\$ 10,000
3%	\$ 9,000	\$ 10,200	\$ 11,400	\$ 12,600	\$ 13,800	\$ 15,000
5%	\$ 15,000	\$ 17,000	\$ 19,000	\$ 21,000	\$ 23,000	\$ 25,000
10%	\$ 30,000	\$ 34,000	\$ 38,000	\$ 42,000	\$ 46,000	\$ 50,000
12%	\$ 36,000	\$ 40,800	\$ 45,600	\$ 50,400	\$ 55,200	\$ 60,000
15%	\$ 45,000	\$ 51,000	\$ 57,000	\$ 63,000	\$ 69,000	\$ 75,000
CVAT Royalty @ \$.03						
Barrels of produced water per day	15,000,000	17,000,000	19,000,000	21,000,000	23,000,000	25,000,000
EW Market Share						
1%	\$ 4,500	\$ 5,100	\$ 5,700	\$ 6,300	\$ 6,900	\$ 7,500
2%	\$ 9,000	\$ 10,200	\$ 11,400	\$ 12,600	\$ 13,800	\$ 15,000
3%	\$ 13,500	\$ 15,300	\$ 17,100	\$ 18,900	\$ 20,700	\$ 22,500
5%	\$ 22,500	\$ 25,500	\$ 28,500	\$ 31,500	\$ 34,500	\$ 37,500
10%	\$ 45,000	\$ 51,000	\$ 57,000	\$ 63,000	\$ 69,000	\$ 75,000
12%	\$ 54,000	\$ 61,200	\$ 68,400	\$ 75,600	\$ 82,800	\$ 90,000
15%	\$ 67,500	\$ 76,500	\$ 85,500	\$ 94,500	\$ 103,500	\$ 112,500
CVAT Royalty @ \$.04						
Barrels of produced water per day	15,000,000	17,000,000	19,000,000	21,000,000	23,000,000	25,000,000
EW Market Share						
1%	\$ 6,000	\$ 6,800	\$ 7,600	\$ 8,400	\$ 9,200	\$ 10,000
2%	\$ 12,000	\$ 13,600	\$ 15,200	\$ 16,800	\$ 18,400	\$ 20,000
3%	\$ 18,000	\$ 20,400	\$ 22,800	\$ 25,200	\$ 27,600	\$ 30,000
5%	\$ 30,000	\$ 34,000	\$ 38,000	\$ 42,000	\$ 46,000	\$ 50,000
10%	\$ 60,000	\$ 68,000	\$ 76,000	\$ 84,000	\$ 92,000	\$ 100,000
12%	\$ 72,000	\$ 81,600	\$ 91,200	\$ 100,800	\$ 110,400	\$ 120,000
15%	\$ 90,000	\$ 102,000	\$ 114,000	\$ 126,000	\$ 138,000	\$ 150,000
CVAT Royalty @ \$.05						
Barrels of produced water per day	15,000,000	17,000,000	19,000,000	21,000,000	23,000,000	25,000,000
EW Market Share						
1%	\$ 7,500	\$ 8,500	\$ 9,500	\$ 10,500	\$ 11,500	\$ 12,500
2%	\$ 15,000	\$ 17,000	\$ 19,000	\$ 21,000	\$ 23,000	\$ 25,000
3%	\$ 22,500	\$ 25,500	\$ 28,500	\$ 31,500	\$ 34,500	\$ 37,500
5%	\$ 37,500	\$ 42,500	\$ 47,500	\$ 52,500	\$ 57,500	\$ 62,500
10%	\$ 75,000	\$ 85,000	\$ 95,000	\$ 105,000	\$ 115,000	\$ 125,000
12%	\$ 90,000	\$ 102,000	\$ 114,000	\$ 126,000	\$ 138,000	\$ 150,000
15%	\$ 112,500	\$ 127,500	\$ 142,500	\$ 157,500	\$ 172,500	\$ 187,500

The tables above illustrate Cavitation’s daily revenues at royalties ranging from 1cent per barrel (the 1st table) to 5 cents per barrel (the 5th table). Again, we have highlighted the cells that correspond to the 2% and 3% assumed EW market share based on 19 million and 21 million Permian produced water barrels per day.

CVAT Annual Royalty @ \$.04						
Barrels of produced water per day	15,000,000	17,000,000	19,000,000	21,000,000	23,000,000	25,000,000
EW Market Share						
1%	\$ 2,190,000	\$ 2,482,000	\$ 2,774,000	\$ 3,066,000	\$ 3,358,000	\$ 3,650,000
2%	\$ 4,380,000	\$ 4,964,000	\$ 5,548,000	\$ 6,132,000	\$ 6,716,000	\$ 7,300,000
3%	\$ 6,570,000	\$ 7,446,000	\$ 8,322,000	\$ 9,198,000	\$ 10,074,000	\$ 10,950,000
5%	\$ 10,950,000	\$ 12,410,000	\$ 13,870,000	\$ 15,330,000	\$ 16,790,000	\$ 18,250,000
10%	\$ 21,900,000	\$ 24,820,000	\$ 27,740,000	\$ 30,660,000	\$ 33,580,000	\$ 36,500,000
12%	\$ 26,280,000	\$ 29,784,000	\$ 33,288,000	\$ 36,792,000	\$ 40,296,000	\$ 43,800,000
15%	\$ 32,850,000	\$ 37,230,000	\$ 41,610,000	\$ 45,990,000	\$ 50,370,000	\$ 54,750,000

The table above extrapolates CVAT’s *annual revenues* associated with a 4 cent per barrel royalty in conjunction with the same 2% and 3% market shares we noted in the prior tables.

CVAT Annual Royalty @ \$.04 (EPS)						
Barrels of produced water per day	15,000,000	17,000,000	19,000,000	21,000,000	23,000,000	25,000,000
EW Market Share						
1%	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.02	\$ 0.02	\$ 0.02
2%	\$ 0.02	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.03	\$ 0.04
3%	\$ 0.03	\$ 0.04	\$ 0.04	\$ 0.05	\$ 0.05	\$ 0.06
5%	\$ 0.06	\$ 0.06	\$ 0.07	\$ 0.08	\$ 0.08	\$ 0.09
10%	\$ 0.11	\$ 0.13	\$ 0.14	\$ 0.15	\$ 0.17	\$ 0.18
12%	\$ 0.13	\$ 0.15	\$ 0.17	\$ 0.19	\$ 0.20	\$ 0.22
15%	\$ 0.17	\$ 0.19	\$ 0.21	\$ 0.23	\$ 0.25	\$ 0.28
CVAT Annual Royalty @ \$.04						
10X Multiple	\$ 0.11	\$ 0.13	\$ 0.14	\$ 0.15	\$ 0.17	\$ 0.18
	\$ 0.22	\$ 0.25	\$ 0.28	\$ 0.31	\$ 0.34	\$ 0.37
	\$ 0.33	\$ 0.38	\$ 0.42	\$ 0.46	\$ 0.51	\$ 0.55
	\$ 0.55	\$ 0.63	\$ 0.70	\$ 0.77	\$ 0.85	\$ 0.92
	\$ 1.11	\$ 1.25	\$ 1.40	\$ 1.55	\$ 1.70	\$ 1.84
	\$ 1.33	\$ 1.50	\$ 1.68	\$ 1.86	\$ 2.04	\$ 2.21
	\$ 1.66	\$ 1.88	\$ 2.10	\$ 2.32	\$ 2.54	\$ 2.77
CVAT Annual Royalty @ \$.04						
20X Multiple	\$ 0.22	\$ 0.25	\$ 0.28	\$ 0.31	\$ 0.34	\$ 0.37
	\$ 0.44	\$ 0.50	\$ 0.56	\$ 0.62	\$ 0.68	\$ 0.74
	\$ 0.66	\$ 0.75	\$ 0.84	\$ 0.93	\$ 1.02	\$ 1.11
	\$ 1.11	\$ 1.25	\$ 1.40	\$ 1.55	\$ 1.70	\$ 1.84
	\$ 2.21	\$ 2.51	\$ 2.80	\$ 3.10	\$ 3.39	\$ 3.69
	\$ 2.65	\$ 3.01	\$ 3.36	\$ 3.72	\$ 4.07	\$ 4.42
	\$ 3.32	\$ 3.76	\$ 4.20	\$ 4.65	\$ 5.09	\$ 5.53

The tables above reflect the approximate earnings per share associated with the annual revenues derived from the prior table, as well as an assumed stock price for CVAT at both 10X and 20X P/E multiples of the eps table.

We submit, we are speculating here that EW can scale their produced water business in the Permian, and that they can in turn capture (albeit small fractions) of that market. In these examples, 2% to 3% of the market, which while fractionally small is significant. That said, our point here is that we are becoming increasingly more comfortable with the idea that this new portion of the business could drive substantially higher valuations for the Company. Moreover, we believe that by the time we get to the end of calendar 2020 (and even throughout) the visibility to

defend that view will be markedly improved. Put another way, we don't think the street is recognizing the value of this new portion of the business despite the emergence of revenues that at least suggest the initial commencement of that business.

In addition to the produced water opportunity, we think the Company is currently looking at other water treatment verticals where they may be able to deploy their technology (municipal water for instance). Further, we think the Company is also making progress in multiple food processing applications of their technology. In short, while we have not modeled as much, we continue to believe it is likely that they will ultimately monetize their technology in food processing applications beyond the current Desmet arrangement. Moreover, as we covered in the initiating research, they continue to assist Alchemy Beverage in the development and commercialization of Barmuze, which we have also not modeled into our assumptions.

To summarize, in our opinion, there is far more in motion here than the current \$4 million market cap suggests. Frankly, we think it is considerably more. We also think the balance of 2020 will provide visibility and data points that will support that assessment.

Projected Operating Model

Cavitation Technology, Inc.										
Projected Operating Model										
Prepared by Trickle Research										
	(actual)	(actual)	(Estimate)	(Estimate)	(Estimate)	(Estimate)	(Estimate)	(Estimate)	(Estimate)	(Estimate)
	9/30/19	12/31/19	3/31/20	6/30/20	Fiscal 2020	9/30/20	12/31/20	3/31/21	6/30/21	Fiscal 2021
Income Statement										
Revenue	\$ 351,000	\$ 25,000	\$ 474,566	\$ 393,166	\$ 1,243,732	\$ 451,851	\$ 569,164	\$ 862,363	\$ 1,155,562	\$ 3,038,939
Cost of revenue	\$ 12,000	\$ -	\$ 39,983	\$ 29,727	\$ 81,709	\$ 32,074	\$ 36,767	\$ 48,495	\$ 60,222	\$ 177,558
Gross profit	\$ 339,000	\$ 25,000	\$ 434,583	\$ 363,440	\$ 1,162,022	\$ 419,777	\$ 532,397	\$ 813,868	\$ 1,095,339	\$ 2,861,382
General and administrative expenses	\$ 299,000	\$ 575,000	\$ 398,728	\$ 394,658	\$ 1,667,387	\$ 397,593	\$ 403,458	\$ 418,118	\$ 432,778	\$ 1,651,947
Research and development expenses	\$ 2,000	\$ 4,000	\$ 17,259	\$ 17,846	\$ 41,105	\$ 19,312	\$ 20,778	\$ 22,244	\$ 23,710	\$ 86,043
Total operating expenses	\$ 301,000	\$ 579,000	\$ 415,988	\$ 412,504	\$ 1,708,492	\$ 416,904	\$ 424,236	\$ 440,362	\$ 456,488	\$ 1,737,990
Loss from Operations	\$ 38,000	\$ (554,000)	\$ 18,595	\$ (49,065)	\$ (546,469)	\$ 2,872	\$ 108,161	\$ 373,506	\$ 638,851	\$ 1,123,392
Gain on settlement of debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other expense, net	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Taxable Income	\$ 38,000	\$ (554,000)	\$ 18,595	\$ (49,065)	\$ (546,469)	\$ 2,872	\$ 108,161	\$ 373,506	\$ 638,851	\$ 1,123,392
Income Tax Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Loss	\$ 38,000	\$ (554,000)	\$ 18,595	\$ (49,065)	\$ (546,469)	\$ 2,872	\$ 108,161	\$ 373,506	\$ 638,851	\$ 1,123,392
Net loss per share, Basic and Diluted	\$ 0.000	\$ (0.003)	\$ 0.000	\$ (0.000)	\$ (0.003)	\$ 0.000	\$ 0.001	\$ 0.002	\$ 0.003	\$ 0.006
Weighted average shares outstanding, Basic and Diluted	197,197,906	197,297,907	197,397,909	198,597,912	197,622,909	199,697,912	200,797,912	201,897,912	202,997,912	201,347,912

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Rating System Overview:

There are no letters in the rating system (Buy, Sell Hold), only numbers. The numbers range from 1 to 10, with 1 representing 1 "investment unit" (for my performance purposes, 1 "investment unit" equals \$250) and 10 representing 10 investment units or \$2,500. Obviously, a rating of 10 would suggest that I favor the stock (at respective/current levels) more than a stock with a rating of 1. As a guideline, here is a suggestion on how to use the allocation system.

Our belief at Trickle is that the best way to participate in the micro-cap/small cap space is by employing a diversified strategy. In simple terms, that means you are generally best off owning a number of issues rather than just two or three. To that point, our goal is to have at least 20 companies under coverage at any point in time, so let's use that as a guideline. Hypothetically, if you think you would like to commit \$25,000 to buying micro-cap stocks, that would assume an investment of \$1000 per stock (using the diversification approach we just mentioned, and the 20-stock coverage list we suggested and leaving some room to add to positions around allocation upgrades. We generally start initial coverage stocks with an allocation of 4. Thus, at \$1000 invested per stock and a typical starting allocation of 4, your "investment unit" would be the same \$250 we used in the example above. Thus, if we initiate a stock at a 4, you might consider putting \$1000 into the position ($\$250 * 4$). If we later raise the allocation to 6, you might consider adding two additional units or \$500 to the position. If we then reduce the allocation from 6 to 4 you might consider selling whatever number of shares you purchased with 2 of the original 4 investment units. Again, this is just a suggestion as to how you might be able to use the allocation system to manage your portfolio.

For those attached to more traditional rating systems (Buy, Sell, Hold) we would submit the following guidelines.

A Trickle rating of 1 thru 3 would best correspond to a "Speculative Buy" although we would caution that a rating in that range should not assume that the stock is necessarily riskier than a stock with a higher rating. It may carry a lower rating because the stock is trading closer to a price target we are unwilling to raise at that point. This by the way applies to all of our ratings.

A Trickle rating of 4 thru 6 might best (although not perfectly) correspond to a standard "Buy" rating.

A Trickle rating of 7 thru 10 would best correspond to a "Strong Buy" however, ratings at the higher end of that range would indicate something that we deem as quite extraordinary..... an "Extreme Buy" if you will. You will not see a lot of these.