



Frank Curzio's WALL STREET UNPLUGGED

Announcer: Wall Street Unplugged looks beyond the regular headlines heard on mainstream financial media to bring you unscripted interviews and breaking commentary, direct from Wall Street, right to you on Main Street.

Frank Curzio: How's it going out there? It's February 27. I'm Frank Curzio, host of the Wall Street Unplugged podcast, where I breakdown the headlines and tell you what's really moving these markets.

Man, what a week! So, a security token offering, which is Curzio Equity Owners, proud to say that we hit our three-million-dollar soft cap. And we hit that soft cap in about eight trading days.

So what does that mean? It means our CEO token is a-go. I won't curse here, but it's going to get real now. Because there's no turning back, it's a-go, we raised three million. That was the amount that was the minimum, so if we didn't raise three million, I would give the investor's money back and say "Ah, let's not do it," security token offering whatever, because in order for us to do this, it's... We're going all in. And I love it, and it's great, and the security token market, guys, I talked to you about it. It's unbelievable, the fact that we hit our soft cap in just eight trading days, is incredible. I want to thank you because that's a private sale with our investors, so our next step now is to go to the exchanges, like OpenFinance, coin based tZERO, to try to get our token list on those exchanges once it goes free trading 12 months after we close the offering.

Again, we're closing the private offering, which is just available to you, and I couldn't go to places like this or even coin based or anything like that, and get coin-based in terms of security tokens. They're going to be trading those on their platform pretty soon, I believe.

But we couldn't go to them because we wanted to hit our soft cap first. But now that it's real and it's going to come out and this token is a go, now we're actually going to talk to them and sit down and bring our offering to these guys. So the entire crypto-community, which is the next step of this, which we're looking to raise 12 million dollars. It's really exciting. I have meetings set up. I'm leaving after this to go to New York City to talk to investors for about a day, I think it's a full day trip going Thursday, coming home like Friday. And again, the private offering does end tomorrow, which is Thursday, but now it's the next step of this.

And why am I going to these platforms? We want to create liquidity for you, which is going to be awesome, and more important, I believe we're going to see a lot of these people invest. I've had like, major endorsements. You have your list of people, everybody's cool, I had like two guys who like, really fundamental analysts who only buy stuff like, they'll only buy Amazon if it was like \$2, right? They're... "I'm not touching [inaudible 00:02:55] I gotta see more value." And they both invested in our token. Which, I was really honored, I was... These are guys that question everything, and go through every single detail and ask a lot of questions and look at our evaluation and everything. Fundamentals. And to me, it was just a validation that our deal is structured right. It's an investor friendly deal. And I think once we bring it to this crypto-community, again, maybe it might not happen, but I think it will, because I've seen some of the things that they invest in and it's not even close to the deal that we're offering them. It's a really cool deal. We get an equity stake, we intend on paying on a dividend, saying 10. You can have access to all of our products.

And more important is its structured almost perfectly, to the point where everyone of our investors, right now, and I talked to so many of them, which is great. I mean, it's just brilliant to really talk to the people. This is even after they

invested. It wasn't like, me convincing... They just had some questions and listen, we're an open book. We want to make sure you know exactly what you are investing in. I'll get to that in a minute.

But when I say structured right, is every one of our investors had a go to our KYC, which is Know Your Customer, AML, Anti-Money Laundering, and also had to actually prove that they're a credit investor. Now, why do we do that? We try to make that process as smooth as possible and we got a lot of compliments and we use a Securitize platform, which made everything a DocuSign, made it very easy. Created guides on how to invest.

But the reason why we're taking those steps because those are the requirements. Those are the requirements to trade this token on an SEC regulated exchange. So if we go... Any ICO right now, it's a utility token, can't go to these exchanges and trade. Most of them didn't go through the KYC, AML checks, most of them are not a credit invest, they didn't open it through a credit investor, so it has to be structured at the beginning. That was one of the biggest things for me, which is the process where we wanted to probably launch this a month and a half ago, but I wanted to make sure, I'm looking beyond just raising money. It's not just "hey, raise money!" Okay, cool. No. For me I have to make sure this token works.

Everything, it checked every single box. How do we get it on these major exchanges and the fact that all of us are KYC, AML compliant proved that. Where a credit investor is... It's the first thing they're going to ask and the fact that we work with Securitize and Securitize is partnered with a lot of these people, they're going to say "hey, here's all the... here it is."

And what does that mean? Because people think it's... "Crypto, bit-coins, all over the place with the 4000 [inaudible 00:05:16]..." Don't think that. That's crypto.

This is different. Alright? This is totally different, where we know every one of our customers. If you lose your tokens or send them to the wrong address in an ICO, if its old coin or a utility token, it could be gone forever. With us, we know everybody. Even the people who are going to register on these exchanges. They're going to know every one of them. If you go to tZERO right now, they only have their token trading. If you go to tZERO right now, you have to show that you're a credit investor. You have to show proof of all this stuff, and they got through the KYC, AML stuff, you know, when you fill out forms. All this gets approved. That means anyone whose buying the tokens, we know. Just like if it was a shareholder or how many shareholders people have. And if you lose those tokens, we could actually burn them and create more for you.

So these security exchanges are going to be insured. Again, SEC regulated. So, that's the next generation of this. And for me, I wanted to make sure that we are 100% compliant when we go there, because that's the point of this. It's not going to work if we don't have that. We can guarantee liquidity through companies like Bancorp, because we went through Securitize, but at the end of the day, we want to trade in these exchanges and you might say "Oh, Frank, tZERO has one company trade in their exchange." There's tons of STOs now coming out. And a lot of these things are going to get lift, so you're going to see over the next six months, over the next year, and going forward, it's going to get bigger and bigger and bigger and bigger. And the fact that we're first to the party is pretty cool.

Nervous, right? I tell you all the time, I joke around and say first to the party, [inaudible 00:06:42] was first to the party, Blackberry as first to the party, did well, and then Apple just ate their lunch and they had to change their whole business model. They're making components or technology for cars right now. Actually they're releasing a new iPhone with the keyboard on it. Not the iPhone, but the new Blackberry with a keyboard on it, which is weird.

So, I don't know. Maybe they're going to bring it back and... good timing with Apple failing. Anyway, don't want to get off point.

So, just really exciting stuff now with... this token is a launch and thank you so much for supporting us. And remember, the first two weeks are offering, that was the private sale. I promise you that it was only going to be available to you which is listeners, subscribers, followers, I'm offering a 10% discount for all of you. Credit investors who participate in the offering, yeah, it's going to give you that equity state, Curzio Research, instead of buying the token at five, you're going to be able to purchase it at 4.50.

If you're not a credit, it's going to go free trading in 12 months after offering closes. It's 12 months after the offering closes. So we're raising money for another six weeks and we're hoping to get this finished before that. That's the goal. But again, I'm not too sure if it will happen. If I had to guess based on what I'm hearing and calls and meetings I'm getting into, people are very interested. I love sitting down and explaining every single detail to them. And so far, most of the people I've done that to have invested in it. And they're excited because they're just learning about the fundamentals of the financial newsletter business and realizing this is one of the greatest businesses on earth that so many people never had access to, because most of the companies here are private. And when we really tell them our model, which some of it we don't, you know, we go over a lot in our white paper, but we don't go over every single number in everything, right? We don't want to... it's just like playing cards and show everyone our hands and our competitors and then when I really talk to these people in detail and say this is what we're looking to do and hey, we can go into recession for five, six years. People don't buy newsletters, highlight the risks and stuff like that.

But when they actually see the model, what we're doing, we're not taking this money and just hire a million people and just... Super bowl commercial is very calculated. I mean, we're looking to cut costs as we're raising money still. This is a five year plan that we plan to initiate, we know how this business is run, we've seen businesses go from where we are right now, which is six million in sales over the past two years to 50, 100, 150 million dollar businesses. We've seen it happen. We know the formula. But it's not an exact comparison, where we want to take the good stuff and add a lot of stuff that we have to bring to the table, like our podcast, like people seeing us in the field, having, I don't want to say some of the most original content out there, where we're writing about stuff that I don't see people in the industry writing for years later, because I have you. I have an amazing network of people. This podcast is getting hundreds of thousands downloads now a month.

It's not just interviewing guys like Dennis Higgs, we're about to interview in a little while. It's having everyone out there listening to this podcast, being able to have this massive network and getting into ideas early. That's what it's about and I think that's a huge advantage we have and as a smaller business, you want to look at the advantages you have over your big competitors. And you want to just go all in on those and that's what we're doing. I'm really excited.

So, with that said, the three million dollars we raised so far, if you're not a credit investor, again, this is for you. We're looking to build a company. You're going to be able to trade this token 12 months from now. Now it's time for us to go outside the list, to try to get it to 12 million dollars. But the private sale will end on Thursday, guys. So it's going to end.

Now, saying this upfront, the [inaudible 00:10:09] not for anyone, but if you are thinking of coming in, or you're

excited about it or whatever, you just try to do it before February 28, which is tomorrow. At least fill out the paperwork so, you know, you can get locked in because after that date, we can't promise that you can get in. We can't promise that you're going to get a discount. So if we go to these funds and some decides to hand us you know, two or three of them decide to hand us a check and say "Well take the whole thing," it's over.

So I just wanted to make that clear to you. I know most of you have already invested or [inaudible 00:10:36] it, but if you're thinking about it, if you're away on vacation or whatever, just send me a note. Send me an email. Or you can just go to the website: curzioequityowners.com. It's going to tell you exactly what to do and how to register and stuff like that. Again, if you're interested. If not, again, it's not for everybody. But be sure you read everything: our white paper, safe agreement, we created a FAQ page for everyone. It probably will answer 95% of the questions you have. So, you know, if there's a question that is not in there, we've gotten questions like "hey Frankie, you go over fundamentals, the business model, a little bit more." I've talked to a dozen investors so far. I've gotten on the phone with them. That's my job. If you're going to invest, our minimum is \$25000. You're a partner. That's what you do when you're a partner.

I mean, some people that might not be a lot of money for. Other people that's a fortune for. To me, that's a lot of money. So if you're going to invest in our company, you need to know every single detail. So that's why we encourage you to read anything, ask questions, I mean. You better ask questions. Hopefully that's what you got from me. Most of my podcasts are so long, right? Be sure to do your due diligence. Question everything. Do the homework. If something doesn't seem right, then it usually isn't. So follow that advice that I've been giving everyone for the last 25 years, even with my deal. But if you're interested... Again it's only available private sale to

you guys for the next couple days, but if you're interested, just go to our website at www.curzioequityowners.com.

So, over the past few podcasts, past few weeks, maybe a little over a month, the theme has been our security token offering. I know a lot of you understand that because by raising money it's going to allow us to grow our business, grow our brand, publish more newsletters, bring on some great analysts, editors, a lot of those guys you heard me interview on this podcast, Wall Street Unplugged. Create more educational content that is going to help you guys become better investors. I mean, that's what we're doing here. But at the end of the day, it's an investment podcast, and with the private sale coming to an end, it's time to get back to business. Which, everyone who didn't invest in it are like, "thank god!" Because Frank, I'm sick of listening to this and I was going to leave you. Whatever.

Getting back to business. Going to have an awesome podcast, even an awesome interview, and just a great guest. So what is coming on this podcast, it was in October I told you a little bit early who it is. If you didn't hear, his name is Dennis Higgs, who is the largest shareholder in Nevada Exploration, symbols NGE, and this is a company that is using new technology to basically find elephant deposits in Nevada. Where more than 330 million ounces have been produced. And you put this in perspective, you're talking about 430 billion dollars in gold discovered in Nevada, so it's one of the biggest gold producing regions in the world. And for Dennis, as you'll hear, he's not just a brilliant guy, he's a really good guy.

He took me on his plane, we flew over the beautiful mountain of Vancouver, where I got to know him a lot better. He explained the company to me, which I personally invested in, along with several of my Curzio Venture investors, who got into his private placement and that was around 12, 13 cents I believe, and the stock went as high as 40 and now it's pulled back, it's trading around

25, 27 cents. But so much has happened since then.

So you know, we've done well in this investment, in terms of getting in early. Again, that was available, that's why for any investor who is coming in, you're going to have access to all the stuff now: the Curzio Venture Opportunities and private placements. Not every private placement worked, this one is actually worked much, much better, because some of them were in the mining industry. I don't have to tell you about the mining industry, how terrible it's been, but this is one of the ones that's working and you know, I have a feeling it's going to work out even better. I'm not looking to sell this, this is money I forgot about, I'm not going to sell this for a very long time. But I just wanted to be in front that I am in investor in this.

The latest news that's come out of this stock is pretty incredible and Dennis is going to be here to explain it. Again, great guy. After you listen to this interview, you're going to know exactly why I'm an investor in this, why I want to hold this thing forever and we'll get to that interview in a minute. Later on, we're going to have a really, really, really cool educational segment. I know I say that a lot, but this one guys, please listen to. It has to do with an email from a subscriber that respectively, respectively, criticized one of my recent recommendations and I got to share the recommendation with you since we're up on it. And I want to teach you one of the biggest mistakes you can make as an investor. I see it time and time again. And you know how I know this is a big mistake? Because over my 25 year career, I've made this mistake several times. But trust me, if there's one educational segment you want to listen to, listen to this. Because I'm going to break down this company and people make this mistake all the time. It's common, it's simple, and it's going to make so much sense to you. I promise you it's going to increase your returns significantly over the short and long term, or prevent you from losing

money in your investments. That's how good this segment is going to be.

Now before I get to that, let's bring in Dennis Higgs, someone, I truly believe this guys, maybe one of the most underrated resource investors I ever met in this industry. Let's get to that interview right now.

Dennis Higgs, how's it going?

Dennis Higgs: Hi, Frank, it's going well. Thank you.

Frank Curzio: Thanks so much for joining us on the podcast.

So let's jump right in with Nevada Exploration, because this is not your traditional, junior mining company, is it?

Dennis Higgs: Well, that's right. We got a different technique for finding gold than what most people have been using in the past.

Frank Curzio: Now, explain that technique in simple forms, not from a geologist point of view, because we do have great investors here, but not everyone is a geologist. And it does get a little complicated, but it is unique and something that attracted me to actually invest in your company.

But go over that technology and what you're using, because it is significant.

Dennis Higgs: Sure, so, I'll give a little background here. Very basically, let's start [inaudible 00:16:17] Nevada first. Nevada produces more gold per unit area than any other jurisdiction on the planet. Production through 2016 is over 200 million ounces.

But the interesting thing about Nevada is that the deposits that have been discovered so far are usually in the mountains, and the range fronts, where the [inaudible 00:16:37] can see and project the faults, the structures, the rock types and so on. But more than half of Nevada is covered by sand and gravel. So if we back up and go back

25 million years ago, when the gold deposits occurred in Nevada, Nevada was flat. And then you had the tectonic events that pulled Nevada apart and created the mountains and valleys and basins and so on that we have today.

So with over 300 million ounces discovered in Nevada and over 200 million ounces produced so far, mostly in the mountains, it's postulated that there's got to be another 2-300 million ounces in the valleys. And the question becomes, how do you find this gold in the valleys? And the simple answer is in ground water. So, water is a universal solvent. And as ground water flows and interacts with the covered bedrock, it picks up the scent of whatever it encounters, whether it's gold, arsenic, [inaudible 00:17:33] and so on.

So what Nevada Exploration has done, our little company, is we're taking over 6000 samples, groundwater samples, around the basins of Nevada, and specifically in this area of the carbon type, gold deposit areas up in North Central Nevada and in the basins, looking for these scents to see if we can find where we might have a gold deposit in the valleys, under the sand and gravel that are not allowing us to see the bedrock.

And we've done this in the area, of course, you've got these very, very large gold deposits. In fact, most recently you have Derek Newmont, having their takeover battles about whose got the better deposits in Nevada. And the whole discussion, the whole debate is mainly about their deposits in Nevada.

Anyway, so coming back to Nevada Exploration, we've done this route, the basins around the Cortez, Carlin type gold deposit areas in Nevada, the trends, and it's come up with some significant projects that have very strong gold and groundwater, arsenic, antimony, mercury, and so on, all the signatures of past found elements for these big deposits. And so now we have three projects in Nevada.

I think that's when you first heard about the company, about a year ago. Is that right?

Frank Curzio: Yeah, that's correct. And we heard about it because we were going to meet in Vancouver and you said "You know, Frank, instead of meeting at a bar, how about I take you on a plane ride?" So, which you're a pilot, you have a nice little plane that you took me up and we went over Whistler and it was great, because look, when you meet people, you learn about companies, you can do it in a bar, you can do it at lobbies sometimes. At hotels, you meet people. I just thought that was really cool. We basically talked about the whole company while we're flying a plane, which I think you let me fly for... a little bit. You wouldn't let me land it though, which is disappointing.

Dennis Higgs: The two difficult parts: take-off and landing. I think I did that part, that's right.

Frank Curzio: Yeah, I don't think the people at my lifetime memberships want me landing any planes anytime soon, so.

Now, talk a little more about the water, because it seems like a simple process, but it really isn't. Right? Because not a lot of companies are doing this and it's almost, when you're able to look at that water, it's basically telling you "hey, there could be something here." Explain that process a little bit more. Because it's important and I'm sure people are going to be like, I'm sure we can use water samples, couldn't anybody do that? But it's not necessarily the case, right?

Dennis Higgs: Well, that's right. So this company, Nevada Exploration, has spent about 15 years now refining the process, getting the right equipment, and so on, to do this procedure. And basically what they're doing is, the [inaudible 00:20:12] down to about 150, 100–200 feet down in the valleys of Nevada, picking up water, ground water samples, and then they have to stabilize the water immediately when they get it to surface because gold and some of the other elements,

they don't like to be in the solution, so they might attach itself to the side of the vessel, the plastic or the glass that you're putting the sample in, with the clays or whatever. So to make sure they can get a proper analysis, they have to stabilize the water.

And then of course, send it off the lab for analysis. And we're talking about very, very low concentrations. It's parts per trillion. But if you think about a gold deposit, for example, we have two projects in Grass Valley area of Nevada and the Grass Valley is due south of the Cortez trend in Nevada. You got pipelines about 23 million ounces. Cortez hills deposit is about 10 million ounces. Gold rush is about 15 million ounces and now, new discovery four miles just north of gold rush, those main deposits at the north end of Grass Valley, they combine to over 50 million ounces. And you've got this great big valley, 500 square kilometers called Grass Valley to the south, and how do you explore in that large area for those gold deposits?

So what we've done is we've done a very large sampling program, ground water sampling. The Cortez hill deposit, for example, is maybe 300 meters across and is 10 million ounces, so it's a very small area to start drilling, looking for a gold deposit when you can't see what the rocks look like under the sand and gravel. So in the groundwater sampling, these deposits, instead of being 300 meters across, might be 900 or 1000 meters across. So we can take a 500 square kilometer valley, take one sample every 1 square kilometer and for about a half a million dollars, about \$1000 a sample, take 500 samples. We've got two very strong gold and ground water anomalies. Very, very strong and arsenic and antimony, mercury, and all the trace elements that go with one of these large contact gold deposits that we have at the north end of grass valley and are able to now zero in on those two areas and start looking, doing more traditional type methods of exploration to determine what we might have under the surface.

And in fact, we've gone now and started drilling one of the projects I call South Grass Valley.

Frank Curzio: And I want to get into the project, because now, see you found a low cost way to basically give you a footprint of possibility where the largest harvest could be, based on what you're finding through these water samples, right?

And now, how did you put that, right, so now you're talking about your new projects, and get into that, because everybody has... You see this in so many different industries that I cover, right? You have the new formula, you're going to do something, but at the end of the day it sounds great but now that you've put it to work, talk about some of the results that you've seen very early on.

Dennis Higgs: Sure. So, we have these two targets, and we went and focused on South Grass Valley and the next thing we did was, we did some traditional exploration techniques. We did some gravity geophysics for example, that told us that the bedrock wasn't too deep below the sand and gravel. And then we did some airborne magnetics, which told us, they gave us a magnetic signature, which tells us the lower plate carbonates, which is the host rock for those large, Carlin type gold deposits at the north end of the valley, as well as take carbonates, the magnetic low signatures told us that there's an area just under the surface that looks like it might be this lower plate.

So we went in and started drilling and sure enough, we confirmed that bedrock was not too deep. We're hitting bedrock at about 150-160 meters in most of the holes. We found the correct host rock, that's the lower plate carbonates, so that's all very [inaudible 00:24:10]. And then we need to see if some hydrothermal alteration, and that's the system, the method that the gold and other elements come up to the surface or get deposited and create these large gold deposits, so we managed to find these seven out of eight holes we've drilled so far have the

thermal alteration. And then, these gold deposits, when the gold comes up, it comes up with these other elements, the gold gets deposited out first. And then the other elements travel farther out. They leave a footprint, a halo around the gold deposit, if you will.

And in our drilling, we're looking to see, of course, it would be nice to get lucky and actually hit a major gold discovery, hit right into the core of the deposit in the first few holes would be wonderful. But that would be extremely lucky. That's not what's happened to us so far, but what we do have is the signature, this halo, this geochemical signature around these major gold deposits in seven out of eight holes we have that signature. So, so far we have everything telling us that we have the potential for major discovery where we're drilling in South Grass Valley.

Frank Curzio:

Yeah, which is incredible. I want to get more to the personal issue here before we get back into the company because you know, when I met you, you're a regular guy. You pull up in this old Jeep, we had this nice, you know it's not a private jet that we went in. It's like this a four seater, probably a two-seater with me in it, right? So you can only fit four people.

But you have an amazing track record, Dennis, you've sold so many companies. If I had to guess, you probably don't have to work anymore. Why specifically, because even when you talked to me about this project, that was one of the things I noticed, I'm like "hey this is a guy that really doesn't have to do this anymore." But I saw it in your eyes, how passionate you are, and how you believe this. And to me, it wasn't like "wow this is a chance where I'm going to get rich!" It was more like "hey, I want to kind of prove this, because this thing could be massive." I'm curious. What made you jump back into the game? Is it the technology that you saw? Is it you just have the itch and "I really want to get back in here," but the passion

behind Nevada Exploration, explain that, because that's something I'm really interested in.

Dennis Higgs:

Frank, I appreciate you commenting. You know, it is really exciting. It's interesting. I'm reading the story of Kirk Kerkorian. The Gambler, it's called, the book, his biography. It's very interesting reading, but it's one of those things where this kind of story is so exciting, it has such an incredible upside potential, and then you look at the guys behind it, [Wade Hodges 00:26:40] for example, he spent his career, he's discovered over 30 million ounces of gold in Nevada, in his career. It's about 10% of the gold ever discovered, he's been involved in.

But he quit all of that when this theory first came out about groundwater and sampling and so on, and he quit all of that and he spent the last 15 years of his career building this technology, building this idea, building this process on hydrogenic chemistry in Nevada. And he's passionate about it and it is a very exciting opportunity, I felt, to get involved in something that will basically, we'll have the treasure map for Nevada. If we can have one discovery, we'll have, I think, a bunch of discoveries, because we'll have taken the 6000 samples that give us the background, the knowledge of Nevada, what the groundwater looks like. We have several other targets we can go in and zoom in on, but for me its personal gratification to help a guy like Wade, whose spent the last 15 years basically bumbling along, struggling to make this work and prove his theory.

And I believe it works. And it's very exciting. It's something that I think, well... I got to be careful how I say this, I don't want to sound too promotional. But it is extremely exciting and it has potential to be... We've got a 20 or 30 cent stock that has the potential to be a \$20 or \$30 stock with a discovery. And it's repeatable. We can do it more than once. We have one discovery. We'll have several discoveries. And not just in Nevada, but potentially

other parts of the world.

Anyway, I'm getting ahead of myself...[crosstalk 00:28:21]

Frank Curzio: [crosstalk 00:28:21] I love it because you're probably the least promotional person I know in the money industry. So, I kind of appreciate that because... It's not promotional where you guys own, I think it's the inside right? You guys own like 35% of the company, if I'm correct?

Dennis Higgs: Yes, we do. My family is a very, very big support of the company, yes. Myself and my family.

Frank Curzio: So, 35% of the company. Now, let me ask you a question. Obviously you can't disclose some of this, but are the majors kind of looking at what you're doing? And I'm only saying that because even a guy like me, where we're trying to disrupt this industry and you know as well as I do we're going through our capital raise and everything, and you've given me great advice, one of the people I've turned to... I showed the white paper to you early, just to take a look, just because that's how much respect I have for you.

And I know that even though we're a blip on the radar, our competitors, our larger competitors are looking at us and they know what we're doing right now and you know, we're kind of like poking them, and they see it and it's cool, you know, because they've reached out to me and stuff like that.

And so my question to you is: Now that you're seeing this, you're polishing some of these samples, you're doing something new, are there majors actually, not to the point, obviously you can't tell me if they're investing in you, obviously, but friends in the industry, are they looking at you or saying "hey, what's going on?" I'm just curious if they're catching on to this.

Dennis Higgs: The simple answer is yes. There's several of the majors, several of the bigger companies, some of the mid-tier

companies are also looking at us. There's companies that produce gold in other parts of the world, but are not in Nevada, they want a foothold in Nevada. They're keeping an eye on us. There's... We've got a big conference next week in Toronto called the Prospectors and Developers Association of Canada, the PDAC, and we've got non-stop meetings while we're there with all these companies and [inaudible 00:30:06]. Everyone is keen to see what we're doing and it's funny, you know, one drill hole, we could be one drill hole away from major discovery and of course, that turns everybody's head.

There's a lot of... The interesting thing is, it depends on who at the company you're talking to. If you're talking to a geologist, you know, whose out in the field every day, some of them don't, aren't convinced necessarily that this works. And then there's others that are absolutely convinced that this works, but they're scared to go into their head office or budget period and say "Gee, I believe this works," but someone has to be the champion at the... You know, so it depends on who you talk to.

We're talking to the senior people, some of the senior people at these major firms, they get very excited when we tell them what we're doing. But we'll see. We've got a lot of meetings lined up. We continued... they've been following us for the last couple of years and every time we put [inaudible 00:31:03] they're keen to hear what we're doing and what we've seen so far.

Just an interesting comment. Going to be a little bit careful how I say this, but we've had a couple geologists, I want to say other companies active in Nevada, who have seen our core and seen what we're doing and they're absolutely astonished. They can't believe the success we've had so far in the eight holes so far we've drilled at South Grass Valley. They're seeing the same kind of rocks that they see up at those major gold deposits up north, at the north end of the valley. So definitely some excitement, lots of

enthusiasm, and yes, they're all following us and keeping an eye on what we're doing.

Frank Curzio: Now, you have so much experience in this industry, decades, and you've been part of these companies that have gone from early stage to production. What are some of the risks, right, because when we hear about you and your miners we always hear "this could be this and this is why..." but what are some of the risks because I know you're a guy always looking at risks, whether it's cost, say that this terrible bedrock continues for another three, four, five years. But what are some of the risks to investors here, or maybe somethings that worry you a little bit if things don't work out?

Dennis Higgs: Sure, so, specifically with Nevada Exploration, the biggest risk we have right now is that you know, there might not be a gold deposit there. We've got all the indications that there is one, and in fact, our geologist, Wade and [inaudible 00:32:29] on site, both tell us that they've never seen this many clues in this part of Nevada, where there was not a gold deposit.

Having said that, yes, there is a chance that number one, there is not a gold deposit there. Or the other risk is that you run out of money before you find it. Finances and financial risk are always risk of [inaudible 00:32:54].

Having said that, they very next hole could be the discovery hole and changes everything overnight and then your financing is not a problem. So, but those are some of the biggest risks. And then, beyond that, once you got a discovery, in our case, let's assume we had a Cortez hills type of discovery, 10 million ounces and so on, once a multi-billion dollar prize and you wouldn't have too much trouble financing it, but what more likely would happen at that point is that you would have a takeover bid because Nevada is one of the best areas, one of the best jurisdictions in the world for producing gold, if you consider all the factors, including political and so on. But

for our company, the production of this would probably not be an issue, but that is definitely an issue.

You've got permitting, and then you've got years of permitting and that has to take place and you've got you know, all the issues that go along with whether or not it did deposit, one of the greatest [inaudible 00:33:48] you can make it and what are the processes going to be able to effectively beneficiate the product, the golds are precious metals and so on.

So there's lots of risk, but for Nevada exploration, our little company, the biggest risk is, of course, always finances and whether or not you have that discovery before you run out of money or whether or not the deposit is actually there. And I can't tell you there is a deposit there, like I said, but boy we sure got all the indications that something's there. So that's what makes it interesting.

Frank Curzio: Yeah, and that's why you need people to experience riding some of these junior miners, sometimes you get younger kids who are ambitious, but they've never run companies before and sometimes they get too aggressive and then you run out of money and the next thing you know, you got to do the financing much lower and give away warrants and stuff then gets crazy. Five year warrants. I mean, yeah that's why it's important where we say whose running the company, who's the management team and things like that. And you guys definitely have a very good one here.

Now if there's people listening to this who say "you know what, that Dennis Higgs guy, he sounds pretty cool and I like him and this is a great story" and they invest, what do they have to look forward to over let's say the next three months, six months, nine months, and say some of the things that you're doing going forward?

Dennis Higgs: Sure. So what we've got going on right now, we've got

actually I'm expecting to have a technical advisor join our advisory board. That's going to be very important for us, he's a fellow very knowledgeable in Nevada. I'm hoping that's going to happen.

But the most recent thing we've announced outside of our drill results is that we have an analysis, we've done some mercury sampling and as it turns out, the... We talked about the [inaudible 00:35:24] elements creating a halo around these big gold deposits, and mercury is one of those elements that comes up with the gold, but the interesting thing about mercury is that it's volatile. As you may know, it's a metallic metal or a metallic element but it's liquid at room temperature and then it also turns to a vapor quite readily. So mercury, when it becomes a vapor in, for example, the bedrock [inaudible 00:35:51] the valley like we're talking about, where we're working, it comes up vertically. And so most recent we've got these mercury results that are telling us that we have the signature, we know what the signature looks like, for Cortez hills. The mercury outlines the Cortez hill deposits almost exactly. We have the very similar signature, mercury signatures, on our property. But just slightly north of where we've already been drilling.

So if we believe that we're currently drilling into the footprint of one of these deposits, we've just been, you know when you drill holes in Nevada, of course you have to permit the holes before you start drilling. We just made an application to permit these holes to the north where we're getting this extremely strong mercury anomaly. And so I think the next thing for us is to go up and test that new area. Well it's not really a new area, it's a continuation of where we've already been drilling, but it's little bit more north. And see if it's giving us... I mean, we got a signature that outlines almost exactly or very similar to what the Cortez hills deposit looks like, the mercury anomaly there.

So next for us will be to go up and drill those mercury, those holes where we've got the mercury signature and see if that's getting us closer to the deposit. But also we have to analyze the drill holes that we've already got, we've already done. The eight holes. And through some pathfinder elements and so on, the footprint I mentioned, we can do some vectoring, towards where this gold deposit might be, and with the information in the eight holes that we have so far. So there's lots of things that we have to do yet.

But again, the most exciting thing of course is drilling.

Frank Curzio: That does sound exciting. And even with the eight holes that you've drilled, right, especially for a new company, it's kind of amazing so far with the results, right? I'm talking this up, but you know, I've seen this process with so many other companies, but what you guys are drilling, it seems like so far, almost everything you guys have drilled has been pretty spot on, right?

Dennis Higgs: It's actually been fantastic and like I say, some people who are active in Nevada are shocked that we've gone into the middle of this valley, middle of nowhere, where we had no information other than the groundwater anomaly and started drilling. Seven out of the eight holes have so far intersect what we call the favorable lower plat carbonate host rocks, which are the host rocks of the giant gold deposits at the north end of the valley.

They're exhibiting intense hydrothermal alteration, which is of course, what brings the gold into those right host rocks, and they can contain a significant concentration of what we call Carlin type gold deposits' pathfinder elements, including gold. Those are the pathfinder elements are mercury, arsenic, antimony and thallium and we've got all that in very thick intervals, greater than 200 meters, thicker than, say, 600 feet.

So, we definitely have new carbon type hydrothermal system with thick intervals and rich gold and supporting pathfinder elements over very long strike line. So that's very exciting. It bodes well for potential discovery here.

Frank Curzio: I want to finish off with this, because you are a macro guy, you look at the total market in terms of gold and where we are and interest rates and things like that. And you have a realistic outlook, where I think over the past, I've been in this industry for a while now, but it's always optimistic, right?

"Oh gold's great! We've a lower interest rate, we have higher..." I don't know if it's inflation, deflation, you know, when I talk to everybody, everything is supposed to move gold higher. Nothing has. Really. The price of gold actually hasn't been too bad, it's just most of the stocks have really been terrible performers.

So let me ask you about the industry, which I'm sure a lot of my listeners want to know, and someone who is kind of like an insider in it is, what do you think about all these major acquisitions? Where you have Newmont trying to pipe Goldcorp, now Barrick's saying "hey, we have a better deal, let's merge with Newmont" and is that a good thing that a lot of these guys are merging? Because once they merge, they're going to say sell off some of these assets, but these are the guys who [inaudible 00:39:47] you, your miners, if they have really good projects. We know that the CapEx spending has dropped off like a cliff for these guys, right because they have more, just fixing their balance sheet, they were highly leveraged.

So when I see these companies and they're merging, do you think it's a good sign or is it a bad sign where, you know, a lot of the buy outs are going to come from them, but yet, seems like they're focusing on just "hey, let's just merge these companies together" and that integration process usually takes a year or two. It's not simple, even if

you do have overlapping assets and things like that.

Dennis Higgs: Well, it's very interesting and it's a good comment, a good question. You know, you see, this type of merger, acquisition activity and so on, going on at the top of markets and you see it going at the bottom of markets. Right now, I'd say we're closer at the bottom of the gold market and you're seeing everything scrambled. And Barrick for example spent years trying to fix their balance sheet after making a rather unfortunate acquisition, a multi-billion dollar acquisition and then end up writing off on a major portion of that.

So some of these companies have gone through a tough period and they're now fighting to get their balance sheet back in order, which they've done, and now scrambling to make themselves bigger and stronger.

From a personal bias, with Nevada Exploration, I don't like to see Barrick and... Well, let me say this, Barrick and Newmont, the biggest part of the battle is over their assets in Nevada. [crosstalk 00:41:13] Those are the best assets in both companies. And funny enough, we're in the middle of some of those projects. Three of our projects are all within, thirty miles say, in one case, 70 million ounces and another case 50 million ounces and both companies, Barrick and Newmont.

So, from a personal, Nevada Exploration bias, we prefer not to see Barrick and Newmont merge. Where, suddenly, we've lost some competition. If we have a discovery, we'd like to have one of those companies be fighting each other for control of our company, of course. That's the best result for any [crosstalk 00:41:49] a takeover bid for shareholders, but the reality is, if you've got a big Barrick-Newmont merger going on, that will create a very, very large gold company and the question comes whether that's good for the industry at all.

Barrick's completed its takeover brand goals. You've got Newmont that's made bid for Goldcorp, a friendly bid. How this is all going to play out, I don't know. But my personal bias is that I, of course, would prefer that this competition didn't disappear. But we'll see how that plays out.

Frank Curzio: See, I love that. I knew you were going to give an honest answer because most people would have been "that's great for the industry, and that's awesome." But you're like, "I'd rather have two guys over there bidding for us, compared to just one big one." But hey, if you have a major discovery, I'm sure it's going to be more much more than those two companies that may look to come in and make an offer for you guys.

But I guess we'll end with this, Dennis. When's the next plane ride and how many plane rides do I have to take before I can land your plane?

Dennis Higgs: You know what, Frank? You're welcome to go on a plane ride with me anytime. We had a lot of fun. And in fact, we got talking and like you said, we got talking about the company and so on and had a great time flying around.

You know what I might do is? Sometimes this summer, I might take a plane down to Nevada and if you want to fly over and meet us there, we'd love to show you the state from the air. It will be a lot of fun and you can see these giant open pits and deposits and so on. But anyway, whenever you're in Vancouver, you're free for a ride, and of course, if we can arrange to be in Nevada together, we'll fly around the big deposits in the Carlin area of Nevada.

Frank Curzio: That sounds like a plan. Good luck with everything. I know how hard you're working and I really appreciate you taking the time to come on my podcast. I'll talk to you soon, I know you'll update all the investors and my audience pretty soon. Really great stuff. I appreciate you coming on, buddy.

Dennis Higgs: Thanks ever so much.

Frank Curzio: Take care, Dennis. Bye.

Alright guys, great stuff from Dennis. When Dennis approached me about the situation, he was straight up about it. He told me to... He says "Frank, look, this technology is amazing. It's a tiny company. We're going to need to raise cash, which they already did, which is how I got into private placement. And he truly believes in this technology. So much that he's one of the largest shareholders in the company. I think he... Pretty sure he participated, I know in the last two, every capital raise round. So he goes "Look, Frank, if I'm right, you're looking at 100 x gains, because it's not just one discovery. It could be many discoveries. As you saw. If I'm wrong, then the stock's going to fall. So, you know, put a little money in it that you can afford to lose." That's exactly how he pitched it.

But I love that pitch compared to so many other pitches that you get in this industry. "We're right next to Barrick's largest mine, we're great, we're awesome, we're gonna..." You heard him explain both the positives and the negatives, right? The reward, the potential reward, and also the risks. I have to tell you guys, in this industry, where I see so many people drive these beautiful cars, it's a depressed market, it's coming down. It's been horrible for a while. And these beautiful dinners and how much money these guys make and flaunt it.

When Dennis picked me up, he picked me up in an old Jeep, with mud all over it. We get in a plane. It's a nice plane, it's like 20 years old. It's a four seater like I said, I was joking around it's like a two seater with me in it because I'm kind of like a wide guy. And just a regular guy who doesn't need to do this. And that says a lot for me, right? That's more than the fundamentals, that's more than the technology, but it's... Why is this guy doing it?

Because so many people when they have brilliant ideas, they're like, "Man I want to do this, and I want to be rich." I'm not building Curzio Research because I want to be rich. I want to build it because it's the right thing to do. I think my shareholders are going to do very, very well, if we're successful. Again, it would be very successful for me and my partners and things like that.

But I didn't create this company, say "Oh, let's do this, this way we can make so much money." And when I see people like this, when they look at things and just say "this is something that works and this could be massive," I think he's doing it more... It's just his whole soul is involved in this, which is something that I really like. And that matters. It might sound funny to you, but that matters to me.

When I meet managers, when I meet kids, when I meet people who are starting their own companies, you want the passion behind it. But with Dennis, he's just a regular guy, he's very, very successful. You'd ever know how successful he was if you met him off the street. And he's very upfront, he's very honest. And that says a lot to me, but for this, when I look at this stock, and I'm looking at your investors, I would tell you, put little money in this stock. Money that you wouldn't even know if you lost. That could be a few hundred dollars if you're a millennial, and you're just starting to build your retirement nest egg, whatever, or maybe a few thousand dollars, whatever it is. But try to get exposure to this stock, because they just came out with great drilling results. Great news. And the stock is probably about 17% off its highs and trading below 30 cents.

The reason why wasn't because people dissected the news, it's because that's what happens in terrible, bare, depressed markets. When you [inaudible 00:46:51] good news, it creates liquidity event where more investors are like "Oh, wow, let's get in!" And then you have these

people dumping it because they've gotten killed in so many of their other positions in this industry. Again, this is symbols NGE trades in Canada, so this market has been horrible. But we've seen that time and time again, where I've had people that I know, with good projects, that have drilled that say "Frank, did you see these results?" And I can almost guarantee they'll tell me the night, you know, the press release went after the close, they'll tell me that night, "hey did you see the press release?" And then I know that that stock is actually going to go down, and it will go down 10, 15 percent because it creates liquidity event for so many people to get out. There's still a lot of redemptions going on, but the fact that they're reporting good results, you can get 17% less than what it was just a few days ago. It's a pretty good buying opportunity, I think.

But I gotta tell you, out of the thousands or so companies that I researched in the resource industry, all the [inaudible 00:47:42] I know, I put in front of you in this podcast, all the CEOs, management teams, again I had the pleasure to meet, I spent time with. If you held a gun to my head and asked me, "based on risk reward, what is the one resource stock that you would buy right now, Frank," if somebody asked me that, with a chance to make an absolute fortune, it would be Nevada Exploration.

It's a company that, hey, just remember, money that you can afford to lost. But, and don't go crazy, don't take a massive position in the industry because you're excited, its risky stock that Dennis, again, he told you about, and there are risks. But if they're right, this is going to go up higher than any single junior miner stock that you've ever invested in. And I like that risk reward. That's why you're in junior miners. You're in for the big score. You're not in "hey let me make 20%, let me make 40%." No. That's not what you're in there for. If it works out, you're going to quadruple your money or more. 5 x, 10 x, returns, and some junior miners that I see aren't going to offer those returns, even if things go good for them.

So I'm risking a lot, which two years ago, you could say I'm risking 75%, which is how much some of these things are down. So you want to make sure always that that reward is worth the risk that you're taking. With this, I think it's worth by miles. So that's why I'm invested. I'm not selling it any time soon. I'm a believer. But it's something that I want to put in front of you. That's my motivation, guys. To make you money. Because seeing this process of raising money through Curzio Equity Owners and our token and seeing how small our list is compared to everybody else, and the fact that we could raise three million dollars in eight trading days just shows that we're doing something right, that a lot of people trust us. And when you do the right thing for people, it always comes back tenfold.

It really does. And I'm going to give you a quick example. Just really quick because this is worth it. After Stansberry went to [Weis 00:49:29] and Weis didn't work out. And I created this product for Weis that was \$5000 where you get access to all my service. And let's just say that they didn't do the right thing. And it pissed me off. So I wound up leaving. Now, we had about 20 people, because that's when I realized they weren't going to do the right things and that's when I cut it off, like 20 people that subscribed to that, around, I think it was more like 30. And got all my services. So when I started, right after that, I started Curzio research. And those people came back to me and said "Well Frank, I just paid all this money for your research", and I discussed it with my partner and said "You know what, guys? Even though that money didn't go to me, and it went to Weis, I said, we have to do the right thing, and we have to comp these guys and give them a free subscription to all of our products when we start.

And I did that, right? And those are guys that would have paid even more money, but we figured, do the right thing, and we had two people call that turned out to be two of... I know one of them is. I think one of them invested a good

amount. The other one turned out to be one of the biggest investors. I spoke to him on the phone, and he actually told me that story. Because he said, when you do the right thing... He said, "Yeah, because you did the right thing with me."

I'm just trying to tell you. It comes back tenfold with someone who has been doing this for a long time. I mean, you help people out, ask them anything in return, you never know where it's going to go. Those people tend to be there for you at all times. For me, when I'm recommending a stock like this, for people who are skeptics out there. "Frank, you own it, what are you trying..." No. It's that if this thing makes you money, you're going to be part of my brand for life. And that's the reason why when I see companies like this, it's worth it.

Is it risky? Absolutely. If the mining industry keeps going crazy... That's why I said, just put a couple thousand dollars in it. Because that \$1000 could be \$50000, \$100000. That's the opportunity that this stock has, and I can't say that for a lot of other junior miners, and I really like Dennis and he's going to do everything to see this through. And the fact that he's just about the biggest shareholder, [inaudible 00:51:14] 35%, you know he's not just talking out of his you-know-what. So I wanted to present that company in front of you.

But let me know what you thought. This podcast is about you, not about me. Frank@curzioresearch.com. Email me at Frank@curzioresearch.com.

Now. Let's get to my educational segment. I like to tell you it's awesome. I'll let you decide.

So I got an interesting email last month, and it's from John, a subscriber. He goes "Frank, I have to admit, I did read your recent CVO, because I scrolled down and saw a very old name: Five Prime. That's Five Prime therapeutics.

It's a brilliant marketing company who acts like they don't need Big Pharma because they think they can develop their own hits. GSK, like Plaxo, blew a ton of money with nothing to show for it. Look at GSK over 20 years and tell me why you would reference that? They're a waste of talent and opportunity time and time again. Good luck on this one. If it doubles, cut full exposure. They're a chain name only, no chance of real growth. Because I've enjoyed your podcast, and I wish I could buy a token, but, he basically says I'm not a credit investor right now. Good luck, keep up the good work. John."

John's a very good guy. I love emails like this as you explain it to me. When I look at a company like this, okay, guys, I got to take stab here. I'm pretty sure John owned this in the past. He lost money on it, if I had to guess for that. I could be totally wrong. If I had to guess. But for you to be that emotional, you saying "you better take province on this," I'm pretty sure that John probably owned this and unfortunately lost money in it. And that's fine. Because we've all been there.

But when you look at a stock, and you lost money on it, it's very difficult, right, because you're going to be biased, right? You're going to hate everything about it. But at the end, it's a stock, it's an investment, it's not personal. But I always say, "look, don't hate the company. Hate the stock price or where it's trading." Because when you look at a company like this, and I answered question, and I'm going to bring this up, even though, again, I hate bringing it up, but you guys know how much conviction I had in GE, and I thought it would be very good. And then somebody asked me a question the other day, when it was around 7.50, I believe, or 7.58, maybe three or four weeks ago on the Frankly Speaking podcast. And I say, "maybe the last guy you should be listening to about GE. Because I was wrong, and I had conviction. If I said right now, man, it just makes sense. With the assets, you have a guy in there, I covered the whole sectors and said every single sector

of their business. And said look, when you're bringing somebody new, it's 10 times better than having someone who is part of your business and your culture. Because they watched their families go up, they go to company picnics, they do all this stuff.

When you have a new guy, he's just look... You got numbers, right, the new CO and he's saying "this has got to go, this is gone, this is gone." It's not personal. And you're seeing it already. And GE went up. Because for me, I made that mistake before, where I would have been like "I'm not coming on [inaudible 00:54:05]" But when I looked at it from that price, I tried to take a fresh perspective, and I tried to give you that advice. And GE is up since then. It's up pretty nice since I did that segment.

My point here is when I look at Five Prime, and I'll give this example even with John, when you look at Five Prime, it's a company that was \$45 a share in 2015. It had a promising pipeline, it still does. Immunotherapy drugs, that's a new way to help cure cancer, which basically strengthens your immune system to fight off cancer. And has a great management team, decades of experience in oncology and immunotherapy. Right now I'm looking at [Leerink 00:54:40]. If you never heard of Leerink, guys, they're the best biotech [inaudible 00:54:43] firm by a mile. They were saying the same thing about Five Prime, as one of the most compelling early stage pipelines in their coverage universe for five clinical candidates, they were saying, that are in either in first class, only in class, or possible best in class. So that's how good their pipeline is, right?

The biggest immunotherapy players, Rosch, Bristol-Myers, Glaxo, partnered with Five Prime to help them develop their amazing pipeline of drugs. In fact, these companies are actually testing Five Prime's drugs alongside their own FDA approved immunotherapy drugs, which is really cool. Not only that, these drugs are targeting the biggest

cancer markets, the ones that we need the most help with, the massive markets that people... you know that just... There's small cancer markets and there's big, in terms of, you know... Talking about from a company point of view in terms of revenue generating. Pancreatic, gastric, ovarian, breast, bladder, melanoma. That's what they're targeting.

Now, this is basically been the story for Five Prime. At \$45, at \$35, at \$25, \$45 probably at 2017, a little over 18 months ago. Over this time, the CFO left, which I think was a great thing. He left a while ago, think early 2018, because he was replaced by a super star named David Smith. 20 years of experience, CO of InterGen X, which got acquired by ThermoFisher. He also worked at numerous leadership roles at Genentech. This guy is a big shot. They brought him in.

Again I'm looking at his company from fresh eyes. The company also reported a week of expected results on its signature immunotherapy drug. This is why the stock came down a lot. But here is the key, for me, when I saw the stock come down and looked at it, again, from a fresh perspective. I started looking at the data, and the data was actually much better than the market was suggesting. I'm not going to get too technical here, but when I looked at their treatment, it worked for four of the 31 patients, and they were expecting more.

But 87% of the patients were already heavily treated with other forms of medicine. So that's going to skew the results. You always compare your trials to other companies that have trials of similar drugs. And then their trial, which was a similar drug, only 33% were heavily treated with other drugs. So one of their competitors study looked like it better than theirs.

So if you look at the data as a whole, and guys, I'm not reaching here. This isn't something that like "Oh, Frank,

that's a little bit thin." No. My thesis was validated because they're going to continue to test this, Bristol-Myers is putting up most of the money for these trials, they're partnered with, and they are ramping up spending to advance these trials. That's confirmation that says "hey, you know what? This is real. We're believing in this, don't worry about that data."

So the stock fell from 45, probably like 20, 50, whatever. So we have a company that completely crashed for a reason I think was totally overblown, and now it's down to 75% from its highs, which doesn't mean anything. It could keep falling. 95%. When a stock is crashing, you don't want to try and catch a falling knife. How do you avoid that? You start looking at the fundamentals. Especially fundamentals that are going to kick in. When you have the ICO market, there's no fundamentals. You're not getting equity stakes, so those things are going to keep falling and eventually go to zero. That's not the case when you have equity stakes and things like that, and you have companies that have good balance sheets.

And when you look at Five Prime, they're sitting on 320 million of that cash on its balance sheet. And guys, with CVO, I'm giving this away because we're up on this stock now, even though, recommended this a couple months ago, are both 15% on it. They have 320 million dollars of net cash on its balance sheet. That's over nine dollars a share in cash. The stock fell to \$10. So we're able to get in just above \$10.

So John, I hear what you're saying, "all these risks and everything," but this... When I'm looking from a perspective, the price makes sense right now. So I have a company with little downside in my opinion, because if it fell 15% from the price I recommended it. It's closer to \$12 now. It would trade below the net cash on its balance sheet. That would assume every one of its drugs in the pipeline are worthless. And again, that money is going to

continue to go down because they're pushing this through trials. But if they want to say "hey, no more trials, no more nothing," their net cash is worth more than the market cap of the company, and basically you're getting the pipeline for free.

The upside for this stock right now could be \$35, \$45. That's what it was trading when people thought "they have a great pipeline." This particular drug, when it had just bad news, that's when it really came down, from \$45... So I saw when it was \$35, \$45, this company could get to that level. Or, you know, over billion dollar market cap again. If this happens to be okay. And I see this happen time and time again in the biotech industry. People leave immediately without looking at the data. But sometimes that data just like "hey it wasn't that good," and we just want to see it be a little more safer or let's see results. And they'll push... And the stock is going to completely crash and then they're going to come to the market and that data meets that estimates that the market is expecting, that thing is going to roar higher and go up tremendously.

So again, what I'm saying: "don't hate the company, hate where it's trading." Because if it falls 50%, a lot of the reasons why you hate it are probably priced into the stock, right? And maybe become a [inaudible 00:59:52] because your emotions are so involved in this and "man I just hate it, these guys are terrible." Yeah, and you brought up a point and said why would I reference Glaxo? I mean you look at Glaxo and look what they did and whatever. I mean, because they have a massive cash hoard to supply this. And maybe they haven't made good investments in the past, but the fact that they're backing this, and they have a strong balance sheet, and they have billions, and they can support this thing. I mean, you're looking at a market cap company of a \$100 billion, compared to this, which is a few hundred million dollars. That's very important. That's significant. I don't care what Glaxo

made in the past, I know that they're going to put money behind this and maybe this is the one they hit on. Maybe not. But having them is much better than not having them, right? I think you would agree with.

But you have to be careful here, and here's the lesson guys. For example, if you have a company like Tesla, there are people out there man, just go on Twitter, they hate Tesla. They hate Elon Musk. And to be honest with you, I get it. The whole SEC thing, I get it. I understand it. But if the government came out with, say some crazy thing, for example I'm going out there with this, and they mandated that everyone in America, if they're going to buy an electric car, their first electric car, it has to be a Tesla. Say if the government came out and said that, right, which is amazing. They'll never ever happen, I'm just saying. I'm using an example of an extreme, here. I know analysts that hate that stock so much, that would even after that news came out, they'll still tell you to short the stock because their emotions are involved. And then they become very stubborn.

Similar to what you see with the end of the world guys. Dollars are going to crash, riots in the street. America's dead. The market's going to come down 60%. Go back for the last 10 years as a joke. Gold's going to raise, it's going to be... It's going to rule the world. Buy as much gold as possible. It's been the worst investment by far in the past 10 years. And basically I've been hearing this argument for 35 years. 35 years. And in the meantime, [inaudible 01:01:46] is up like, what? Whatever. 10000%? Whatever it's up over the past 35 years.

The lesson here is don't be stubborn. I mean, if you don't like the company or whatever, just don't like where the stock is trading or if you hate it that much, come up with a price where you think you may buy it. That's a good idea. Because I can tell you, if I asked [inaudible 01:02:11] who hate Tesla, and I said "hey, what price would you buy the

stock?” I know a lot of them are going to say, even if it was 60% lower, they’re like “never, no price.” And if they say that, without being willing to look at any of the facts or anything that changed in the macro, in the company, in the markets, you better find a new analyst to listen to. Because that guy is going to destroy you.

And that is what we see in this market. When people have a thesis, where after the credit crisis, they’re like “oh, this is terrible, look at how much money you’re bailing out taxpayer whatever” that’s why I always bring up David Tepper. He came back, took a step back, and say you know what? They’re back stopping everything, the government. Put your motions aside. You know what’s going to go up? Everything is going to go up. Because they’re giving basically money to... Free money if you buy a house. Free money for you to buy a car. And are backstopping everything. But then you still have analysts not looking at anything. Not looking at we’re going to have the lowest rate environment in the history of our country. That’s going to stimulate growth somehow. Maybe it comes from other places, maybe it doesn’t. Maybe it wasn’t as strong. However, you have like, it’s like a billion about to fall over, and all of a sudden you got all these people pushing it up, and they’re pushing it... But no one is looking at that. Everyone is just looking at the past and saying “wow this is terrible, and I hate Tesla and Tesla’s not gonna...”

I’m using it as an example. But if you hate a company so much, there should be a price or level that you should buy it. Don’t be stubborn where, when we hear from the [inaudible 01:03:33] out there, guys, we hear them “oh the market’s going to crash, 70%.” If it crashes 70%, you know what they’re going to say? It’s going to crash another 70–80%. Those are guys you don’t want to listen to because it’s like a religion to them. They’re not looking at things that change, and the markets change every day. They change every week, they change every month. The conditions change. We’re analyzing data, whether

it's housing, whether its economic data to see when the recession's coming up. All this data, everything that comes in, when you see a tax reform that changes the landscape of things, that pushes out anyone who thought it was going to be a bad market? It should have been pushed out further. Because you're looking at earnings growth that was supposed to be 10, 11% that went to 22, 23%.

And if you're not looking at that and paying attention and saying "oh, it doesn't matter, the stock is still going to crash," if people are telling you that, find new analysts to listen to, because that guy is going to destroy your portfolio. Trust me. I've seen it happen time and time again. Be willing to change with the markets and if you do not like a stock, it should be the reason because of the price it's trading at doesn't make sense. Okay? Not because "Oh, if Glaxo... I hate Glaxo or Five Prime Therapeutics, it's terrible, it's horrible." Your \$45, \$35, \$25, at \$10 or over \$9 a share in cash, and a lot of callous, maybe I'm wrong on this one. Maybe I'm wrong. For me, it's worth buying that stock, having a 30, 35% stop on it, because if it hits that, it's going to be trading below cash. But I know if things go right, that thing's going 35, 45. That's a good risk reward for me. I like Five Prime because of the price it's trading at. Don't hate the stock, don't hate everything else. They do have a new management team. That's the reason why.

But I see that mistake made a lot, and I've made a lot in the past, over my past 25 years. Not a lot, but I've made it a few times. I've finally learned from it. Saying "Oh, I hate this stock, this is terrible." And I didn't really take a step back and look at it. When it did come down it turned out to be a great buying opportunity, and the reason that I hated it didn't even exist anymore. I totally ignored it because I was just stubborn. So don't be stubborn. It's just a stock. It's an investment. They don't care about you. The stocks aren't looking at you and looking at you saying "wow, you're an ugly person, or you're a pretty person."

No. It's emotion. Try to take the emotions out as much as you can even though that's difficult.

Man, got through that pretty quick. Okay guys, once again: Private sale [inaudible 01:05:46] equity owners it's going to end on Thursday. That means they're going to open it up to our entire network. I'm meeting a lot of people and hedge funds, investment funds, crypto-funds, family offices, but after Thursday it's going to go out to everybody. So if you are thinking about coming in, just try to do it, just send me an email. If not, it's perfectly fine. I understand. You have to be a credit investor, and the minimum is \$25000. But we're really excited. We're on our way. We're launching this thing and if you all learn anything about [inaudible 01:06:11] anything more, just go to www.curzioequityowners.com. And if you read everything, the white paper and stuff like that and you still have questions and you're serious about investing, send us over an email. I talk to so many people personally. I have no problem doing that. Again, you're investing in my company. It's the least I can do is get on the phone with you.

But again, that's curzioequityowners.com, and the private sale ends on Thursday. So guys. Thanks so much for listening. Really, truly appreciate all of your support. Looking forward to building this company with you guys, where we all share in the success and I'll see you guys in seven days. Take care.

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