

**OTC** Markets

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# Small-Cap CEO/CFO Survey Results

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# SURVEY METHODOLOGY

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- Polled CEO's and CFO's of OTCQX and OTCQB companies
- Market Cap under \$2 billion dollars
- Survey conducted between March and May 2017
- 117 Total Respondents

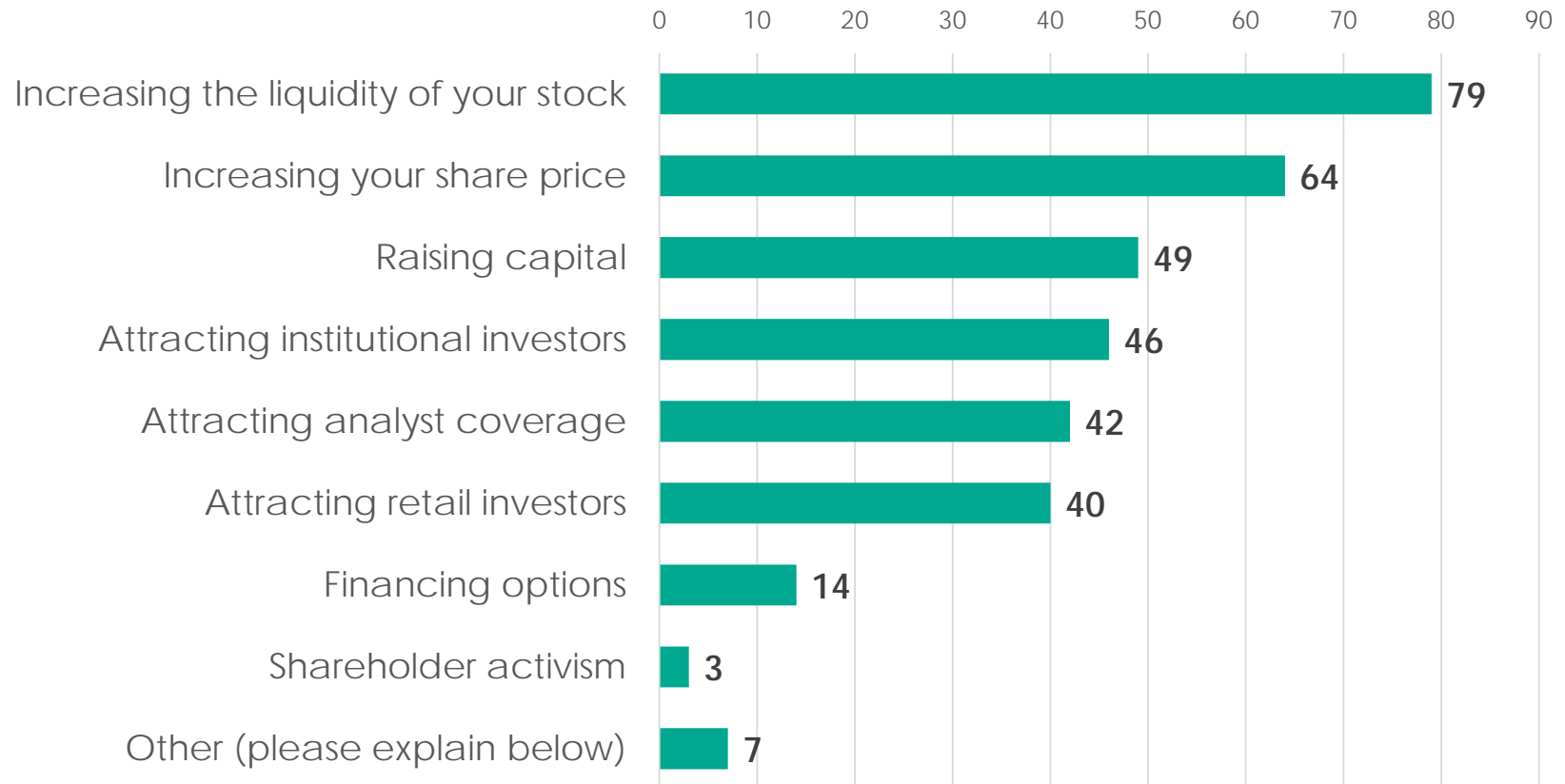
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# KEY FINDINGS

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- Top 3 Capital Market Challenges Small Cap Companies face are:
  - Increasing liquidity of their stock
  - Increasing share price
  - Raising capital
- Small companies lack diverse financing options
  - 92.2% using Private Placement and PIPES deals to raise money in 2016
  - 83.3% plan to use these offering types in 2017
- Modest growth in the number of companies that plan to use Reg. A in 2017
  - 6.5% in 2017 vs. 1.6% in 2016
- Access to research continues to be a challenge for Small Cap Companies
  - 68.1% do not have analyst coverage
- Investor Relations is a key challenge for Small Cap Companies
  - 73.3% of companies site that their CEO/CFO heads up investor relations but only 11% of their time is spent on investor outreach

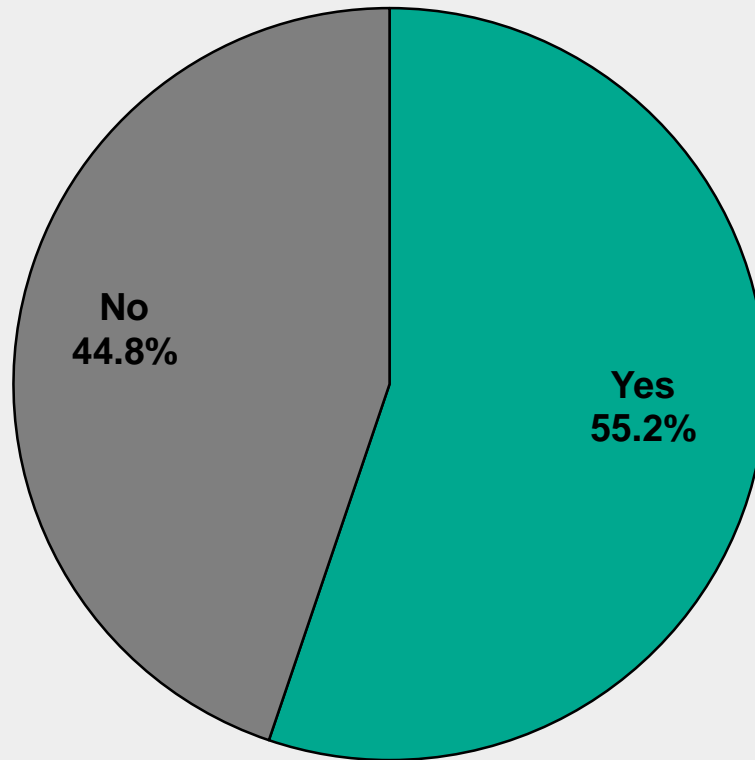
# BIGGEST CAPITAL MARKET CHALLENGES? (RANK THE TOP 3)



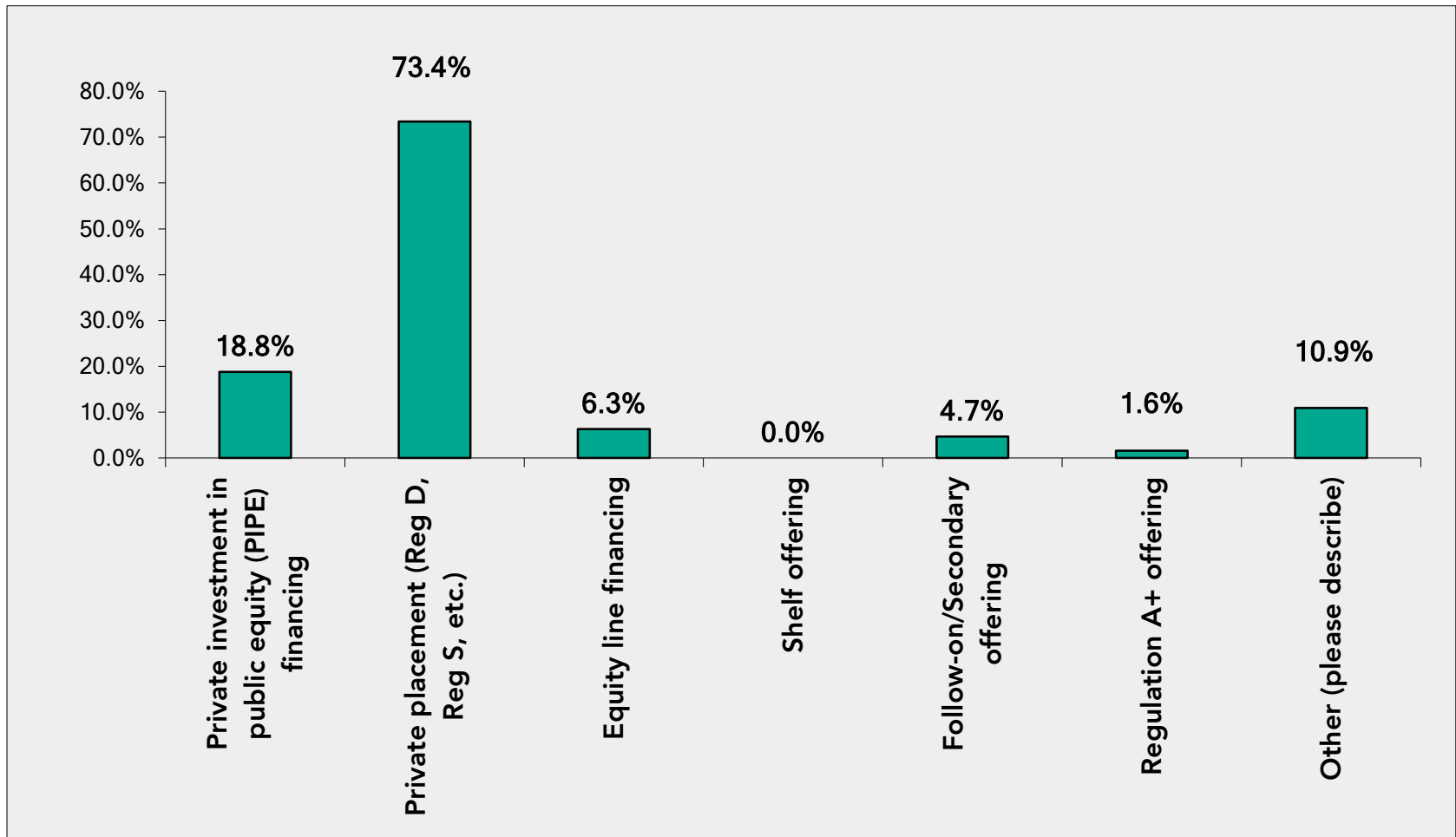
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# DID YOU RAISE CAPITAL LAST YEAR?

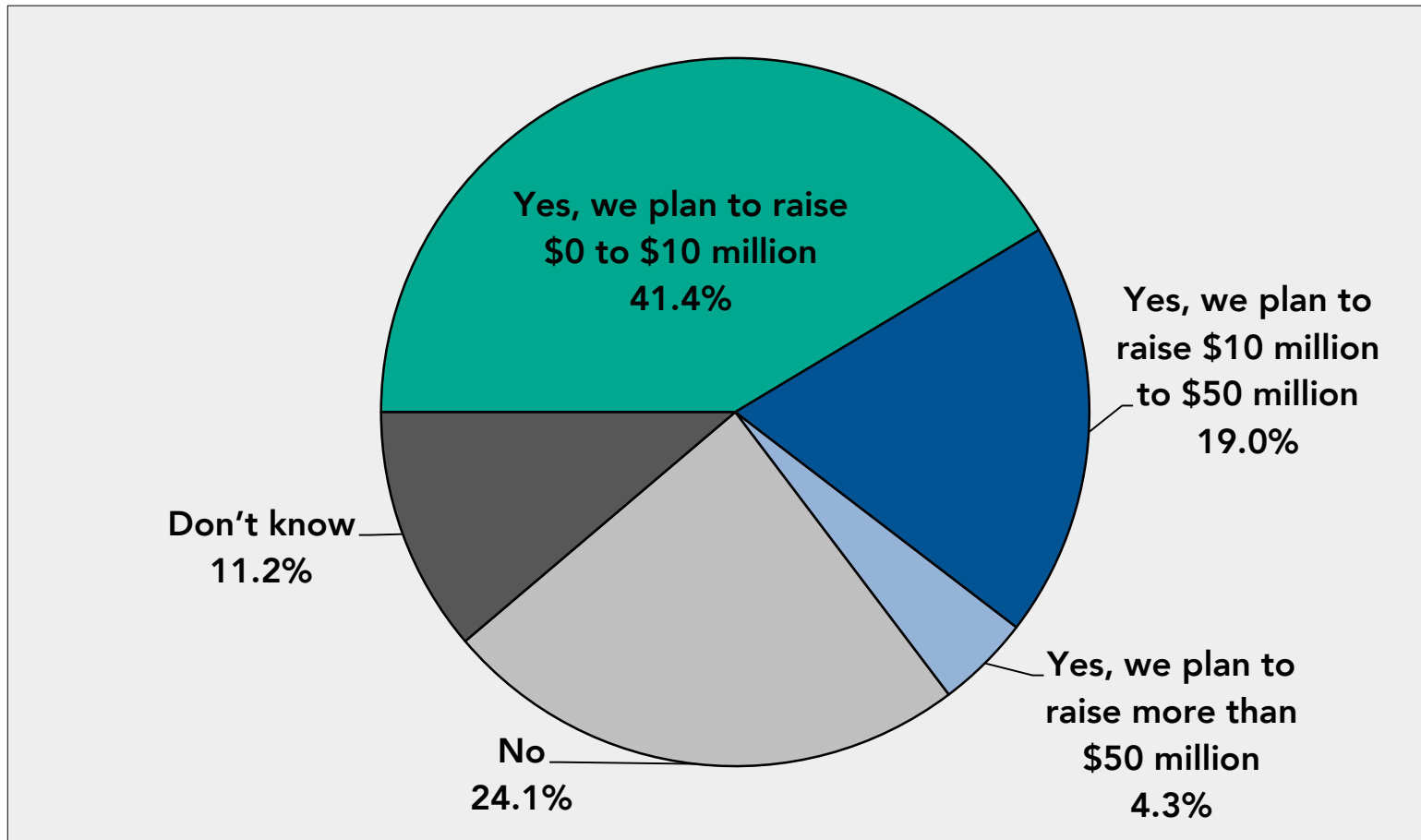
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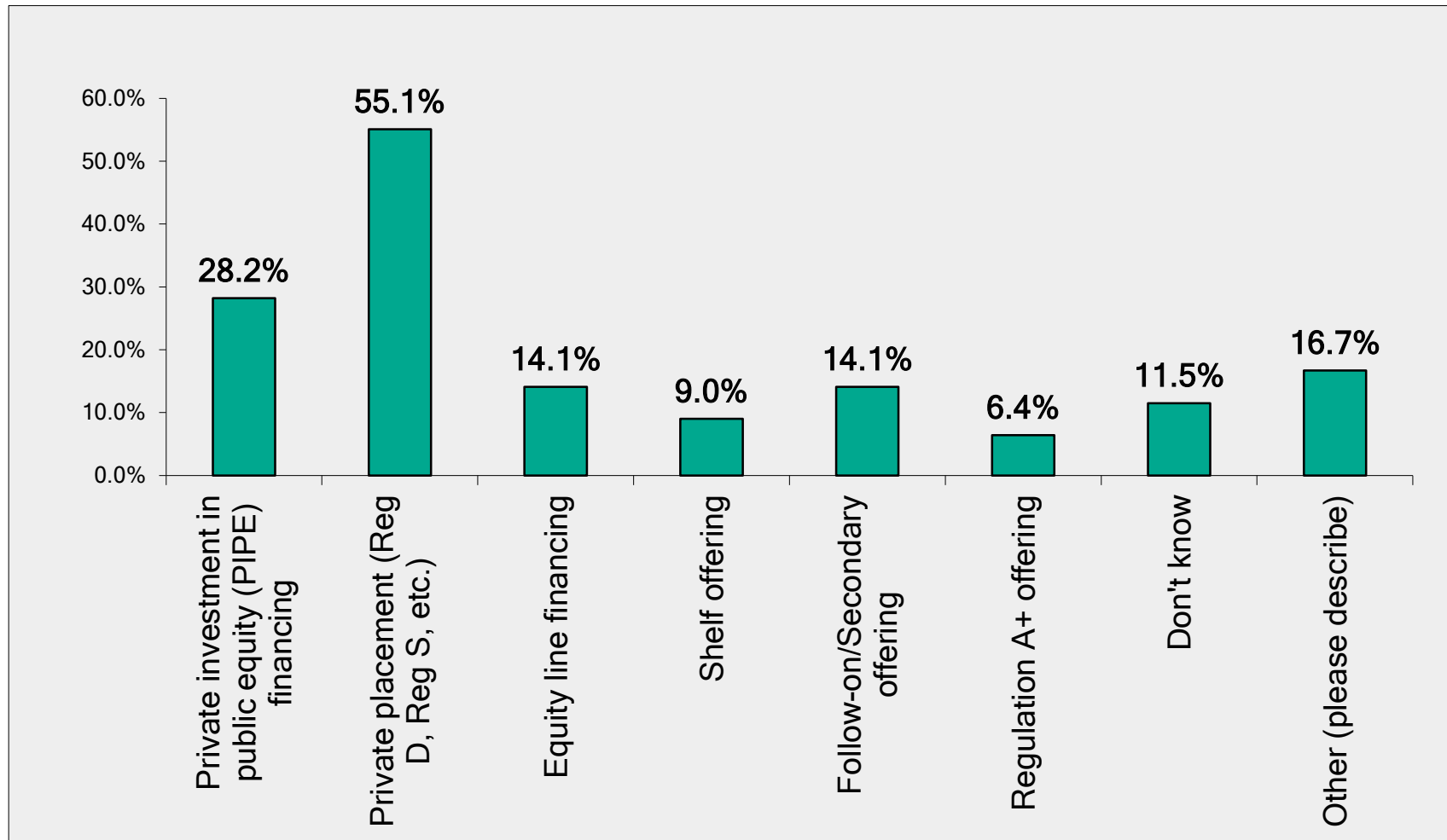
# HOW DID YOU RAISE CAPITAL LAST YEAR? (SELECT ALL THAT APPLY)



# DO YOU PLAN TO RAISE CAPITAL THIS YEAR?

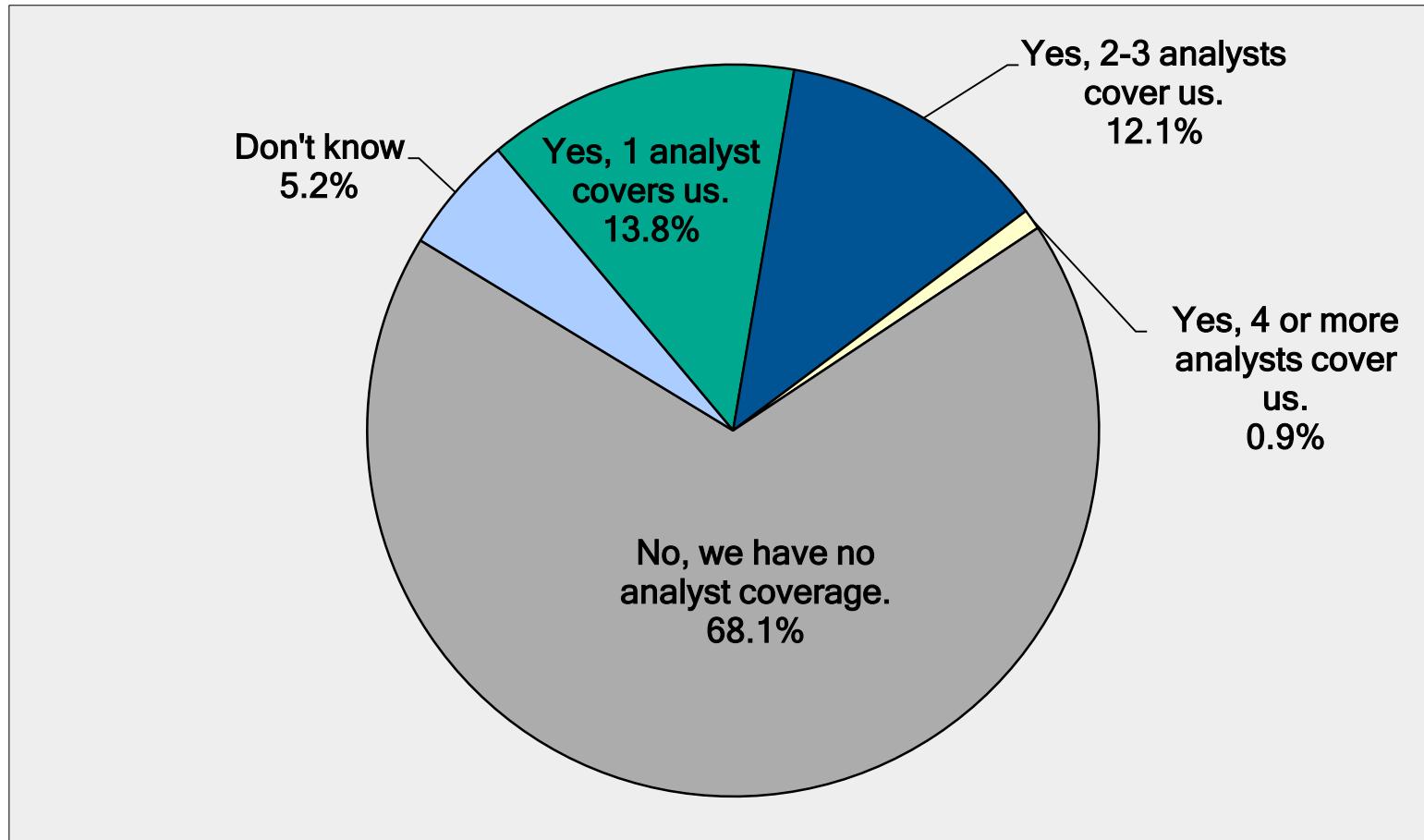


# IF YES, HOW DO YOU PLAN TO RAISE CAPITAL THIS YEAR? (SELECT ALL THAT APPLY)

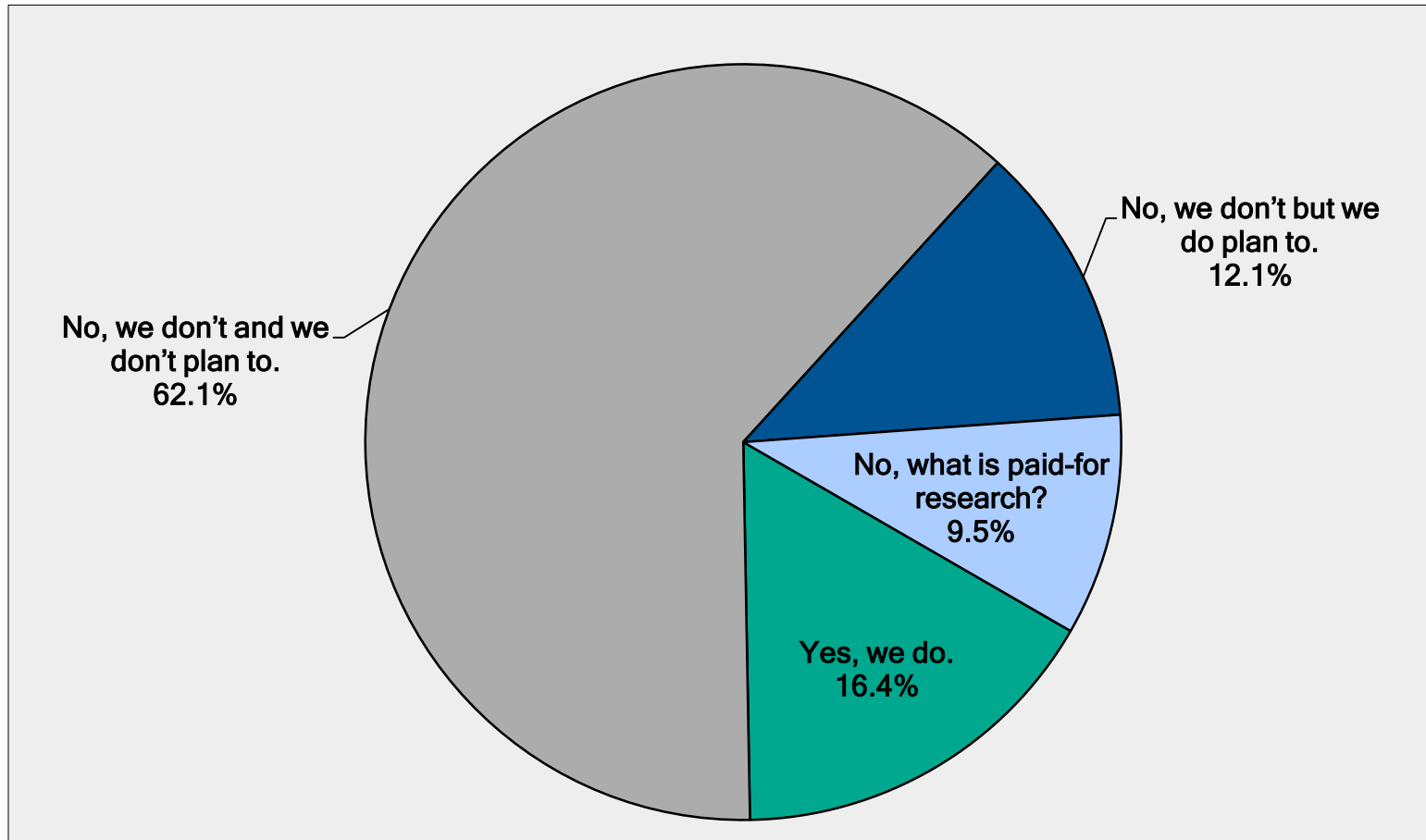




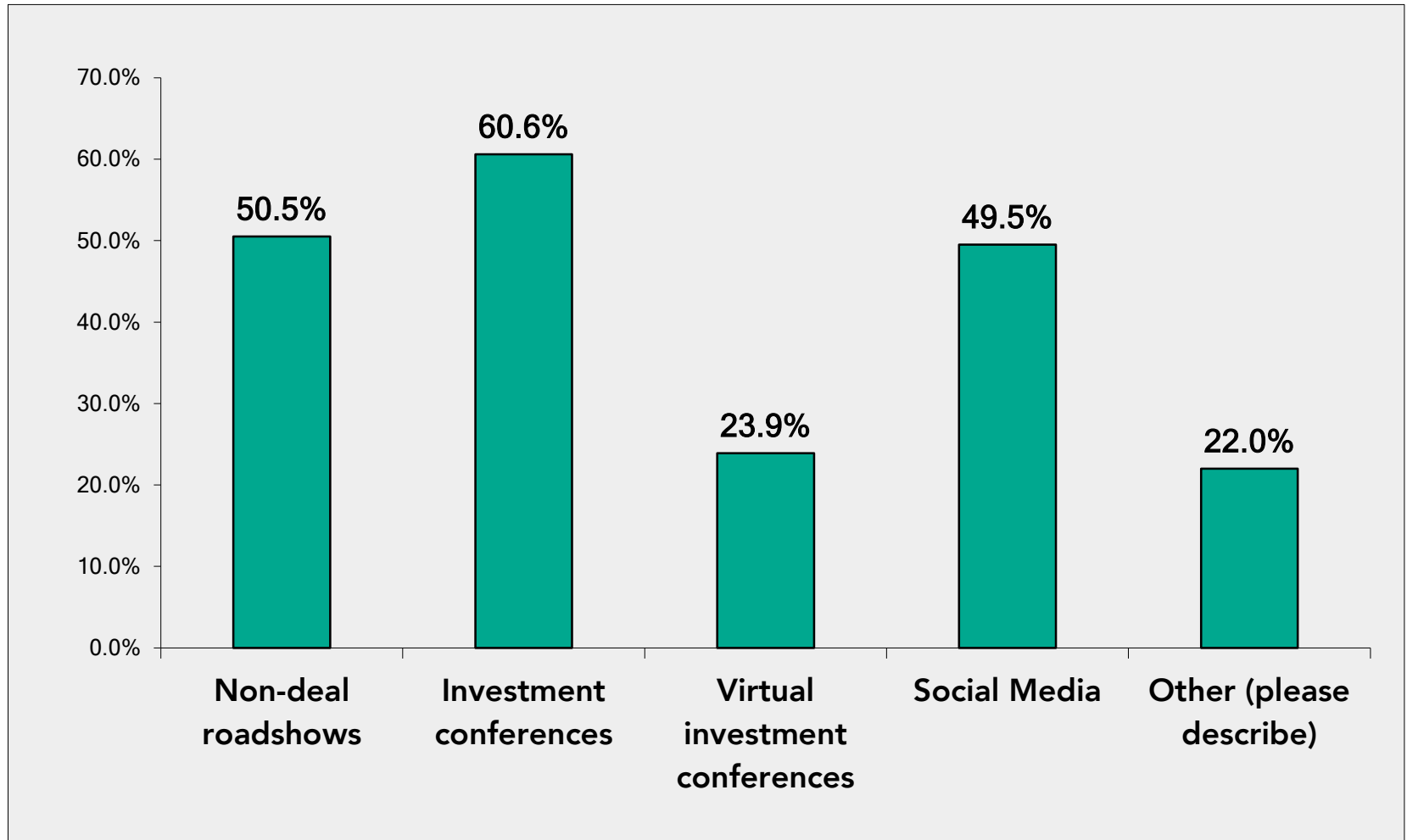
# DOES YOUR COMPANY CURRENTLY HAVE ANALYST COVERAGE?



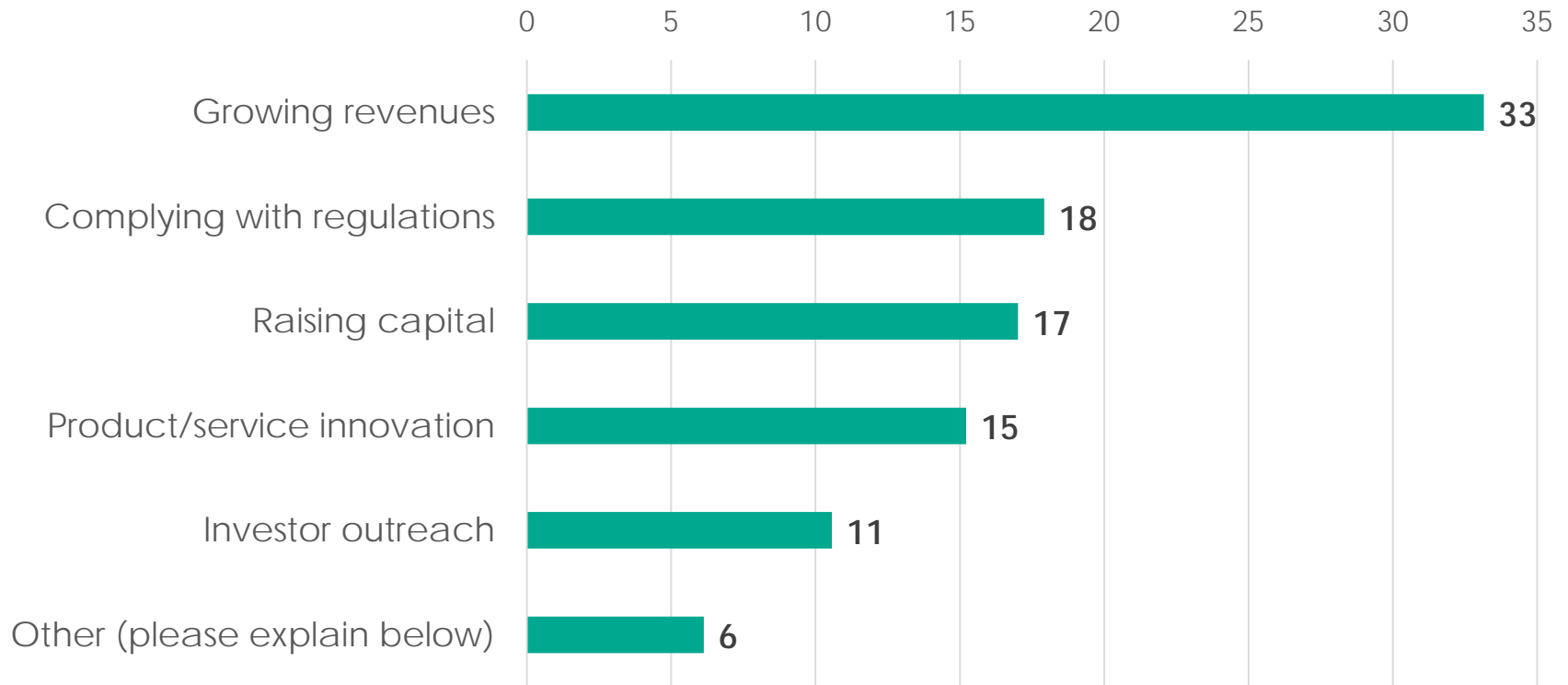
# DO YOU USE PAID-FOR ANALYST RESEARCH?



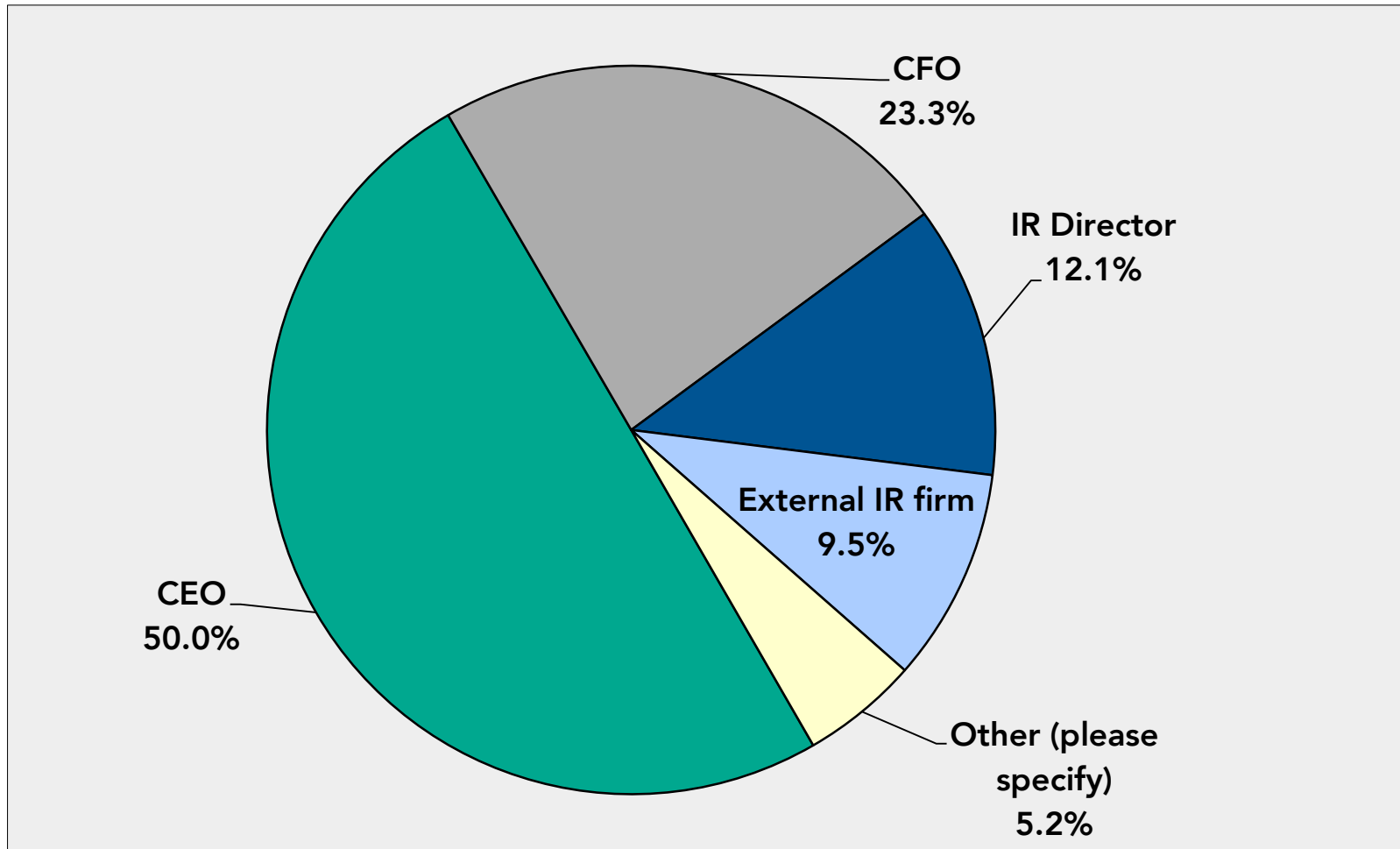
# WHAT TOOLS DO YOU USE TO REACH NEW INVESTORS? (SELECT ALL THAT APPLY)



# % OF MANAGEMENT'S TIME SPENT? (TOTAL MUST EQUAL 100)



# WHO IS THE PRIMARY PERSON RESPONSIBLE FOR IR AT YOUR COMPANY?



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