

Week 19 Deep Research Portfolio Review

Restated Rules

- **Budget Discipline:** We cannot add new capital beyond the current cash (\$2.00) and must account for every dollar. The portfolio's cash balance and position sizes are tracked precisely.
- **Allowed Instruments:** Long **U.S. micro-cap stocks only** (market cap under \$300M at purchase) ¹. No options, shorting, leverage, margin, or derivatives are permitted. Full shares only (no fractional trades).
- **Universe & Liquidity:** Focus on U.S. micro-caps (<\$300M). All current and prospective holdings must be confirmed under this cap threshold at their last closing price ². We also consider liquidity (average volume, spreads) to ensure our trades won't significantly impact the market.
- **Risk Controls:** Every position must have a **stop-loss** in place as specified. We must respect those stop levels and adjust if needed to control downside. Any breaches of stop-loss triggers are to be immediately flagged and acted upon (exit position). We avoid over-concentration unless justified and monitor position sizes relative to portfolio value.
- **Trading Cadence:** This weekly deep-research window (Sunday) is our chance to rebalance. We can add new names, trim, exit, or increase positions as needed to optimize risk-adjusted returns. Orders will be prepared for execution on the next trading session (typically Monday) with limit orders (or market if explicitly justified).
- **Execution Policy:** Unless otherwise noted, orders are standard **limit DAY** orders for the next trading day's session. We assume executions occur at or better than our limit prices at the market's open or during the day if the limit is reached. No extended hours trading. If unspecified, we default to prudent limit orders near current prices to manage entry/exit without excessive slippage.

Research Scope

This week's research encompassed a thorough review of each current holding's performance, news, and any catalyst updates, as well as a scan for new opportunities in the micro-cap space:

- **Current Holdings Check:** We verified each stock's latest price action and news releases. All three holdings remain within the micro-cap threshold (market caps ~\$22–166M ³ ²). We checked for any fundamental changes: e.g., Milestone Pharmaceuticals (MIST) still awaits its FDA decision with no delays announced ⁴, Aytu BioPharma (AYTU) is proceeding with the Q4 launch of its antidepressant, and Microbot Medical (MBOT) continues preparing for its device commercialization in Q4 ⁵. We confirmed that each stock's average daily volume is sufficient relative to our position (for liquidity) – e.g. MBOT trades ~4.3M shares on average per day ⁶, which is ample for our small holdings.
- **Catalyst Scan:** We searched for other micro-cap stocks with imminent Q4 2025 catalysts (such as FDA approval decisions or major trial readouts) that could offer high return potential. This included reviewing FDA calendars and biotech news for upcoming PDUFA dates and late-stage trial results. Notably, we identified a few candidates (detailed below) like PepGen and Sellas that have binary

events in Q4. We evaluated their market caps, liquidity, and risk/reward profiles in comparison to our current positions.

- **Risk & Macro Check:** We also reviewed broader market conditions for biotech/micro-cap stocks. The small-cap biotech index sentiment and any sector-wide news (e.g., FDA regulatory stance or funding environment) were considered to ensure no external red flags. We found that biotech sentiment remains mixed, with volatility in small caps continuing, which reinforces the importance of our stop-loss discipline. No broad market issue was identified that would force an immediate defensive move, but we remain vigilant.
- **Data Sources:** Our analysis used up-to-date market data and news. Key data points (prices, volumes, market caps) were cross-verified via Yahoo Finance and stock news aggregators. For example, we confirmed current prices as of the Oct 24 close (MIST ~\$1.88 ⁷, AYTU ~\$2.30 ⁸, MBOT ~\$2.42 ⁹) and that all three remain under \$300M in capitalization ². We also reviewed press releases and company updates for any changes in catalyst timelines or corporate developments (e.g., MIST's PDUFA date reconfirmed ⁴, AYTU's conference presentations ¹⁰, MBOT's financing and launch plans ¹¹ ¹²). These sources are cited throughout our assessment.

Current Portfolio Assessment

Ticker	Role in Portfolio	Entry Date	Avg. Cost	Current Stop	Conviction Level	Status (PnL)
MIST	FDA approval binary play (PSVT drug)	2025-09-15 ¹	\$2.03	\$1.70	High – Transformational upside if approved; strong thesis intact.	-7% (slight loss, holding)
AYTU	New product launch (antidepressant)	2025-10-20	\$2.26	\$1.80	High – Deep value with huge market; launch execution is key.	+1.8% (near breakeven, holding)
MBOT	Medtech breakthrough (robotic device)	2025-10-20	\$2.85	\$2.30	Moderate-High – Innovative tech; expecting Q4 momentum.	-13% (in loss, monitoring closely)

¹ MIST's initial position was established mid-September 2025 (and retained through the latest rebalance). AYTU and MBOT were initiated last week (Oct 20, 2025) after rotating out of other holdings.

Discussion: Our portfolio remains concentrated in three catalyst-driven micro-caps:

- **Milestone Pharmaceuticals (MIST):** Largest position (~45% of portfolio) centered on the upcoming FDA decision for its PSVT nasal spray. Conviction is high given the favorable setup (resubmission addressed prior issues) and multi-bagger potential on approval. The position is currently slightly down (~7% under cost) as the stock trades around \$1.88 ⁷. No material changes in thesis this week – the PDUFA date of Dec 13, 2025 remains on schedule ⁴, and the company's funding deal with RTW ensures they can launch if approved ¹³ ¹⁴. Stop-loss at \$1.70 is in place to protect against a severe drop (e.g., if FDA outcome is negative).

- **Aytu BioPharma (AYTU):** A newly added ~30% allocation, focused on the Q4 launch of EXXUA (gepirone ER) for depression. The stock is roughly at our entry (~\$2.30 ⁸), reflecting a market in “wait-and-see” mode. Our conviction remains high that as launch news emerges (formulary acceptance, initial prescription data), the market will rerate AYTU’s tiny ~\$22M market cap ³. This week, the company presented at investor conferences (Maxim, Planet MicroCap) to increase awareness ¹⁰ – no negative developments were noted. We have a stop at \$1.80 (about 20% below cost) to guard against any unforeseen setbacks (e.g. launch delays or financing needs), though AYTU’s June capital raise leaves it with ~\$31M cash for the rollout ¹⁵ ¹⁶. We’re patiently holding as the EXXUA launch catalyst approaches.
- **Microbot Medical (MBOT):** ~25% of the portfolio in this medtech name, which has pulled back to ~\$2.47/share from our \$2.85 entry ⁹. The conviction is still moderate-to-high: MBOT’s LIBERTY device (first ever fully disposable surgical robot) is cleared and expected to commercialize in Q4 ⁵. The recent dip seems to be profit-taking and dilution-related (the company did secure ~\$29M in new funding through exercised warrants in Sept/Oct ¹⁷ ¹⁸). Importantly, that cash infusion supports the upcoming launch and reduces near-term financing risk. We’re down ~13%, but there is no change to our thesis that any concrete commercialization progress (hospital adoption, sales, or a partnership) could send the stock higher. The stop-loss at \$2.30 (just below recent lows) remains appropriate – if the stock breaks that support without positive news, it signals the catalyst momentum might be fading and we would cut the position. As of now, MBOT is a **hold** – we’re giving the story time into Q4 as planned.

Overall, each holding’s **status** is aligned with our “catalyst acceleration” strategy. No stop-losses were hit this week, and no new fundamental red flags emerged. Our conviction levels remain unchanged: we purposely **overweight MIST** due to its binary event and high reward potential, while AYTU and MBOT provide additional shots on goal in Q4. The portfolio is high-risk/high-reward by design, and we are managing that risk via position sizing and stops rather than by diversifying into non-catalyst names.

Candidate Set

In our search for any new opportunities, we identified a few micro-cap stocks with impending catalysts. We benchmarked them against our current positions but **decided none offered a clearly superior risk/reward profile** given our mandate and limited capital. Here are the key candidates considered:

- **PEPG – PepGen Inc.:** Early-stage biotech expecting **Phase 1b data in Q4 2025** for its PGN-EDO51 program in myotonic dystrophy (DM1). This readout (safety and splicing efficacy in a high-dose cohort) is anticipated “in early Q4 2025” ¹⁹. The upside could be significant if the data show the first proof-of-concept for PepGen’s RNA delivery platform. Liquidity is moderate (avg ~0.45M shares/day) and market cap is around ~\$50M. **Note:** As an early clinical-stage company, a positive Phase 1 result might pop the stock, but further trials would be needed – and a miss could tank it. Given our short experiment timeframe, we elected to monitor PEPG but not reallocate funds to it this week.
- **SLS – Sellas Life Sciences:** Immunotherapy micro-cap (~\$20M cap) nearing the **final analysis of its Phase 3 REGAL trial** in acute myeloid leukemia (GPS vaccine) by end of 2025. An interim analysis in Aug 2025 suggested a **positive trend** (the trial continued on) ²⁰ ²¹. If the final readout (triggered by a number of survival events) hits statistical significance, SLS could dramatically rerate upwards (it would be a rare success in cancer vaccines). However, timing is uncertain (data depend on event

accumulation) and outcome risk is extremely high. Liquidity is on the low side (shares trade in the low six figures volume). We view SLS as a speculative binary bet – while intriguing, adding another binary event like this (on top of MIST) could over-concentrate risk. We opted to **watch from the sidelines** for now, given our already aggressive portfolio.

- **FBIO – Fortress Biotech:** A diversified micro-cap biotech holding company (~\$70M cap) that had an upcoming **PDUFA (Dec 28, 2025)** for CUTX-101 (Menkes disease copper therapy) via its partner company. However, the FDA **issued a CRL in early October** citing manufacturing deficiencies ²² ²³. The decision date was postponed and contingent on addressing those issues. Fortress's stock hasn't reacted strongly (likely due to its complex portfolio of assets). While a quick resolution of manufacturing problems could, in theory, lead to approval by late December, the uncertainty is high. Liquidity is decent (~300k avg vol). We determined that **Fortress's risk/reward is not favorable** for our purposes: the best-case approval might not move the needle as much for a holding-company stock, and the worst-case is the event gets delayed past our timeframe. We prefer to stick with more direct, pure-play catalyst stocks.

(Other names reviewed included a few micro-cap biotech “runners” from recent news, such as Cycleron (CYCN) which spiked on a strategic shift ²⁴ but lacks near-term clinical catalysts, and some gene-therapy small caps with 2025 FDA decisions like REGENXBIO (RGNX) – though above our cap cutoff. None offered a clearly better catalyst within our deadline than the ones we hold.)

Conclusion: After evaluating these candidates, we are **not adding any new ticker** this week. Our capital is fully deployed in our existing high-conviction plays. We will, however, keep these candidates on our radar should circumstances change (e.g., if we free up cash due to an exit or if a candidate's risk/reward dramatically improves).

Portfolio Actions

Keep: We are **maintaining all three current positions (MIST, AYTU, MBOT)** as the theses are intact and catalysts are approaching. Each is discussed above; in summary, all remain poised for potential significant upside with acceptable risk controls in place. No position hits our criteria for trimming or exit at this time.

- **Keep MIST** – Confidence remains high in Milestone's FDA event. No new negatives; holding through anticipated run-up into PDUFA. Stop-loss \$1.70 unchanged (protects ~10% downside).
- **Keep AYTU** – Still early in EXXUA's launch cycle. Stock is stable; we expect news flow to start in coming weeks. Retaining the position to capture launch-driven appreciation. Stop \$1.80 reaffirmed.
- **Keep MBOT** – Despite recent dip, we believe the Q4 commercialization of LIBERTY will bring renewed interest. Holding the position into the launch milestone. Stop \$2.30 remains in effect (we'll honor it if weakness continues).

Trim: *None.* No position is above our target size or overweight beyond comfort. Given our small total capital, we prefer to let each catalyst play attempt to realize its full value. Trimming would only be considered if a stock ran up far ahead of its catalyst (locking some profits) or if our conviction dropped. Neither is the case this week.

Exit: *None.* No thesis has broken to justify an exit. All stops are unbreached. We did not encounter any fundamental development that negates our reason for holding any stock. An exit would be triggered if, for

example, MBOT fell below \$2.30 (stop) or if news came out nullifying a catalyst. We have no such conditions met now.

Initiate/Add: We are not initiating any **new** stock positions. However, we will **deploy our small cash reserve** into our highest-conviction existing position (MIST). This is effectively a top-up: using the idle \$2 to buy 1 additional share of MIST. The rationale is to marginally increase our exposure to the upcoming FDA decision, as every bit of potential upside counts given our underperformance. This does not materially change our risk (stop loss on MIST will apply to the new share as well), but it puts our cash to work. (Details in Orders below.)

(No other new positions are initiated due to lack of free capital. Should a stop-loss get hit or we take profits next week, we will revisit the candidate list then.)

Exact Orders

Below are the exact trade orders we plan to execute at the start of Week 19's trading, **Monday, 2025-10-27**. All orders are **limit orders (DAY)** unless otherwise specified, to ensure we control execution price given these micro-cap stocks' volatility.

- **Buy MIST** – Shares: 1; Order: **Limit \$1.90**, TIF: DAY (execute by end of 2025-10-27); Stop-Loss: \$1.70 after fill.
Rationale: Invest remaining cash into our highest-conviction idea. \$1.90 limit is just above last closing price (\$1.88) ⁷, to ensure we get filled without overpaying. This minor add-on increases our stake ahead of the Dec 13 FDA decision. No special execution instructions needed (MIST is liquid enough for a 1-share order).

(No other orders – we are not selling or trimming any holdings this week, and no completely new positions are being opened.)

Risk and Liquidity Checks

After these actions, we performed a thorough risk and liquidity assessment:

- **Portfolio Concentration:** The portfolio will remain concentrated in three names. Post-trade allocation (approx): MIST ~45%, AYTU ~29%, MBOT ~26%. This concentration is intentional (we need outsized winners to catch up) but is recognized as high risk. We are managing this via stop-losses. No single position addition violates any explicit constraint (no rule against concentration, but we note MIST is nearly half the portfolio – we deem this acceptable given its asymmetric payoff potential and the short remaining timeframe). We will monitor correlation/risk – notably, our three bets are in unrelated domains (cardiology, psychiatry, medtech), providing **event diversification** despite concentration.
- **Cash after Trades:** ~\$0.10 will remain in cash, effectively fully invested. This essentially uses 100% of our budget (aside from a negligible leftover). We retain a near-zero cash buffer, which means we rely on stop executions to raise cash if needed for new opportunities. This is in line with our aggressive

stance; however, it leaves little room for error or quick opportunistic buys. We accept this trade-off given the limited time left.

- **Stop-Loss Review:** All stop-loss orders are in place as previously set: MIST at \$1.70, AYTU at \$1.80, MBOT at \$2.30. We reviewed each in context of current prices and volatility. All stops are below key support levels and aligned with logical **exit points** where the thesis would be in doubt. For example, MBOT's \$2.30 stop is just below its recent consolidation range – a breach would signal potential loss of confidence ahead of launch. No stop adjustments are made this week, but we are aware MIST and MBOT are not far above their stops (~10% and ~7% respectively). We are prepared to act swiftly if any stop is hit to prevent further downside.
- **Liquidity of Holdings:** We confirmed that each stock trades with sufficient volume relative to our position size. MIST's average volume is ~1.16M shares ²⁵, AYTU's ~0.2M ²⁶, and MBOT's ~4.3M ⁶ per day. Our share counts (18 MIST, 10 AYTU, 8 MBOT post-trade) are trivially small by comparison – well under 1% of daily volume (in fact <0.01%). This means we should be able to exit or adjust positions without slippage in normal market conditions. AYTU's volume is lowest, but even 10 shares is insignificant (0.005% of 200k). We do note that micro-caps can have days of volatile order flow, so we will avoid market orders and use limits for any exit to ensure orderly execution.
- **Order Liquidity Check:** The one new order (buying 1 share of MIST at \$1.90) is **extremely small**. It represents <0.0001% of MIST's daily volume ²⁷. There is effectively no execution risk; any modest uptick in price could fill it. We chose a limit order to avoid paying above our intended price, but we expect it to execute at the market open given MIST's typical liquidity (the bid/ask spread is only a few cents). No large orders or illiquid securities are involved in our plan.
- **Risk Metrics Update:** After trades, we anticipate only minor changes to risk metrics. Our portfolio beta vs S&P may remain high (~1.1) given these volatile stocks, and VAR is significant due to binary events. The max drawdown is currently -43.7%; we aim to not widen that, and the stops are crucial in that regard. We will recalc performance ratios after any big moves or next week, but for now the focus is on controlling downside until catalysts hopefully yield upside.

In summary, **risk is elevated but deliberate**. We have doubled down on three positions where we see outsized payoff potential. Each position's size is matched to our confidence and protected by stops. Liquidity is sufficient for us to maneuver if needed. The biggest risk remains event risk (e.g., an FDA rejection or a launch flop). We accept this, as incremental, low-risk tweaks won't close the performance gap we have; only a big win can. We have structured the portfolio such that one or two successes could markedly improve our outcome, while failures are cushioned by stop-loss exits.

Monitoring Plan

We will keep a very close watch on all positions during the coming week (and beyond), with specific focus on catalyst-related developments and technical price levels:

- **Milestone (MIST):** Monitor any news or rumors regarding the FDA review. In particular, watch for FDA meeting minutes or pre-approval inspections news (since manufacturing issues were highlighted in the past CRL) – any indication that those are resolved could boost confidence. We

expect increasing speculation in late November, but even now any movement on unusually high volume will be noted. We will also watch price action as it approaches the mid-\$2s (if it does); a strong move could indicate traders positioning early. Our plan is to **hold into the decision**, but if the stock spiked significantly pre-event (e.g., >50% without news), we might consider trimming some to reduce binary risk. For now, stop-loss at \$1.70 is our backstop; if MIST starts drifting dangerously close to that level on no news, we'll reassess whether the market knows something or if it's general volatility. In absence of news, we mainly just **ride this position** and ensure the stop is maintained.

- **Aytu BioPharma (AYTU):** Keep an ear out for any **commercial launch updates for EXXUA**. This could include press releases about shipping the product, any early prescription or sales metrics (perhaps in a corporate presentation or at a conference), partnerships (e.g., distribution or co-promotion deals), or even anecdotal feedback from prescribers. Since AYTU's value is heavily dependent on execution, we will scrutinize any signals of how the launch is going. On the stock technical side, AYTU has been range-bound in the mid-\$2s. We'll watch for a break above ~\$2.50 (which might indicate bullish sentiment building) or any fade toward \$2.00. Should it break below \$2.00 on high volume (without an obvious reason), that would be a warning and we'd approach our stop. We're prepared to hold through some volatility, but if the market reacts very negatively to something (e.g., a launch delay or weak initial uptake), we would exit at or before \$1.80. We expect, however, that **no news = steady or slowly upward stock** as anticipation grows.
- **Microbot Medical (MBOT):** Focus on **news from the company**: they have been active with updates, and we anticipate something like an announcement of the first commercial **sale or installation of a LIBERTY system**, or perhaps a partnership with a distributor/hospital network as the launch kicks off. Any such development could be a catalyst for a rebound. On November 14-17, there's the AHA conference (for cardiology) – not directly MBOT's field, but we note MBOT's CEO presented at an investor conference in September; we'll see if any similar events are scheduled in Q4 to drum up interest. We'll monitor MBOT's stock around the \$2.30 **stop-loss level** closely. It has tested low-\$2.40s in the past few days ⁹; a slip below \$2.30 would trigger our exit, so we might set an alert for if it hits \$2.35 intraday. Essentially, MBOT requires careful **daily watch** now: if it stabilizes and forms an uptrend, great – if it keeps weakening toward our stop without news, we won't stubbornly hold beyond the predefined risk point. Also, if volume dries up or any concerning SEC filings (like insider sales or a surprise secondary offering, though they just raised cash) appear, we'll reassess.
- **General Market/Other:** Because our picks are event-driven, broad market moves aren't our primary driver; however, a severe market downturn could pressure all stocks. We'll watch indices and especially any biotech ETF (e.g., XBI) moves. If small-cap biotechs sell off indiscriminately, it might push our names down to stops – we'd then decide whether to stick to stops or give a bit of leeway if it's clearly market-driven and not stock-specific. Additionally, we keep an eye on competitor or peer news: e.g., if another PSVT drug or depression treatment has news, it could sympathy-move MIST or AYTU. Same for any medtech robotics news impacting MBOT's sentiment.

Contingency Plans: Should any position hit its stop-loss, we will execute the sale (to preserve capital) and then reassess where to reallocate. We have our watchlist (PepGen, Sellas, etc.) ready if we suddenly have cash and see a timely catalyst to redeploy into. Also, if one of our stocks skyrockets on a catalyst earlier than expected (say MBOT signs a big partnership and jumps 50% overnight), we will consider taking partial profits or at least trailing up a stop to lock in gains. We'll address those scenarios if they come, but our baseline is to stick with the plan through the known catalyst dates.

For next week's deep research window, key questions we'll answer: Did AYTU announce initial EXXUA sales or guidance? Is MBOT still holding above support ahead of launch? Is MIST starting to show any speculative bid as we get into November? We will update our theses and make any needed adjustments accordingly.

Thesis Review Summary

Milestone Pharmaceuticals (MIST): Thesis: Milestone is our swing for a home run – an FDA approval of **etripamil (Brand: "CARDAMYST")** could be transformative. The FDA's acceptance of the resubmission and assignment of a Dec 13 PDUFA gives us a clear catalyst ⁴. We believe the issues in the prior CRL (impurities and inspection) have been adequately addressed ²⁸ ²⁹. If approved, MIST's self-administered PSVT therapy would fill an unmet need (potentially first-line for episodes of rapid heart rate), which could make the stock dramatically rerate. Analysts see upside as well – e.g., Wells Fargo's initiation at Overweight with a \$4.00 target underscores the multi-bagger potential ³⁰. *This week:* MIST stock held around the high-\$1.80s on no news. We added a tiny bit to our position with leftover cash, reflecting our conviction. **Risks:** Binary FDA risk is huge; a rejection could send shares < \$1 (hence our stop at \$1.70 to limit damage). But the reward-risk still skews positive in our view, especially as the date nears. We remain bullish and patient.

Aytu BioPharma (AYTU): Thesis: Ayту is on the cusp of launching **EXXUA™, a novel antidepressant**. This is the first new mechanism antidepressant approved in years and crucially lacks the sexual side effects of SSRIs ³¹ ³². The depression market is enormous (\$22B U.S. market) and even a tiny penetration by EXXUA could multiply Ayту's current ~\$22M market cap ³. We see AYТУ as *deep value* with a catalyst: it has an existing commercial infrastructure (from its ADHD products) and backing from healthcare-focused funds ³³. As the Q4 launch unfolds, we expect news (insurance coverage, prescribing trends) that could drive the stock upward. *This week:* AYТУ's share price is steady ~ \$2.30, with the company actively presenting to investors (in NYC and Toronto conferences) to build awareness ¹⁰. No negative news on the launch timeline was noted – they appear on track to have EXXUA in the market by year-end. We maintained our position. **Risks:** Execution is key – if the launch disappoints or gets delayed, the stock could fall (hence our stop at \$1.80). Dilution is less a concern near-term post the June financing (which was done at \$1.50/share, now behind us ³⁴). We like the risk/reward here: limited downside (cash on hand and other products give some valuation floor) versus possibly major upside if EXXUA gains traction. We'll continue to monitor launch progress but remain optimistic that by the experiment's end, AYТУ will be higher.

Microbot Medical (MBOT): Thesis: Microbot is our play on a cutting-edge medical device about to hit the market. Their **LIBERTY robotic system** – the first ever single-use endovascular robot – received FDA clearance in August ³⁵. This device can allow remote catheter procedures with reduced radiation and improved precision ³⁶. MBOT's plan is to commercialize LIBERTY in Q4 2025, targeting an initial market of 2.5 million procedures/year ¹². We expect a "hype cycle" as the launch gets underway: even the **story** of the first robotic tool of its kind could attract investors, not to mention actual sales or partnerships which would validate the technology. *This week:* MBOT's stock drifted lower to ~\$2.42 ⁹, but we attribute this to normal post-news cooling and perhaps some warrant-related selling pressure (the company raised ~\$29M cash via warrant exercises around \$1.50-\$2.13 ¹⁷, which is ultimately good for fundamentals). The thesis is unchanged – the cash infusion means MBOT is funded to execute the launch, and management has been aggressively promoting the device at conferences. We're holding through the upcoming commercialization milestone. **Risks:** As a pre-revenue company, if the launch falls flat or gets delayed, the stock could continue to slide (stop-loss at \$2.30 to prevent free-fall). Also, being a small tech/medtech, it's sensitive to market sentiment – we've seen volatility unrelated to news. But the upside on any concrete positive development (first hospital adoption, etc.) is significant. We've sized this position smaller than MIST/AYТУ due to the

volatility, but still meaningful. We're ready to cut if needed, but for now we see a favorable setup going into Q4.

Cash & Orders: After deploying almost all cash, we're essentially fully invested. We chose to put that last \$2 to work by incrementally adding to MIST – a reflection of our confidence in that position's risk-reward. It's a minor move, but symbolic that we want every dollar riding on our best ideas rather than sitting idle. No other changes were made, as we believe our current trio is the right mix for our bold year-end push.

In summary, our portfolio is positioned for a **make-or-break final quarter** of the experiment. We have three independent shots at significant gains: an FDA approval (MIST), a product launch (AYTU), and a tech commercialization (MBOT). Each carries high risk, but collectively they give us multiple chances to catch a big break. We have set tight risk controls (stops) to guard against disaster if any single bet goes wrong. The coming weeks will be critical – we will stay alert and ready to adjust, but we are entering this phase with a clear plan and strong conviction in each holding's thesis.

Confirm Cash and Constraints

- **Cash Balance (Post-Trades): \$0.10** remaining. We started with \$2.00 and are spending ~\$1.90 on 1 MIST share (at limit \$1.90). This leaves just 10 cents idle, effectively deploying all our available funds. No new capital was added beyond the initial portfolio; we are strictly within our budget.
- **No Margin or Leverage:** All positions are fully paid for with cash. We are not using any borrowing or derivative instruments. The portfolio is 100% long equities, in line with the rules. No short positions or options/futures of any kind are in use.
- **Micro-Cap Universe Compliance:** Every stock we hold was verified to have a market cap under \$300 million at purchase (and they still do as of now). For instance, MIST's cap is about \$165–180M ², MBOT's is ~\$166M ², and AYTU's is roughly \$20–23M ³ – all well below our \$300M ceiling. Any future addition will undergo the same check. We acknowledge that if any holding grows beyond \$300M (which would be a nice problem to have), we can continue to hold but not add more; we will monitor this (currently not an issue, as even our bullish cases wouldn't likely exceed \$300M by December, except maybe MIST on a buyout or something unexpected).
- **Stop-Loss Orders in Place:** We have **stop-loss orders** set as follows – MIST @ \$1.70, AYTU @ \$1.80, MBOT @ \$2.30. These were determined based on support levels and risk tolerance, and have not been moved this week. They represent the maximum risk we're willing to take on each position (~16% downside on MIST, ~20% on AYTU, ~19% on MBOT from current prices). Hitting those would trigger an automatic sell to prevent further loss. We confirm these stops are active GTC orders as per prior setup.
- **Compliance with All Constraints:** We have adhered to all given rules: using only available cash, trading only listed micro-cap stocks, no fractional share or odd practices, and all trades are standard day-limit orders for the next session (no extended hours or anything unusual). Our position sizes are aggressive but deliberate; there's no hidden rule violation in concentration since the rules did not forbid it (and we've made the risk known). Liquidity has been considered for each trade – our trades are so small relative to volume that they pose no execution issues. We will continue to respect every constraint (especially risk controls and no leverage) in the coming weeks.

Finally, we acknowledge the portfolio's performance gap versus the S&P 500 and the consequent need for strong gains. Our strategy is within the experimental rules and is focused on maximizing the chance of a

dramatic rebound while still obeying risk management mandates. We have confirmed no changes in the rule set and remain in compliance across all metrics. All systems go for Week 19's plan.

1 28 29 30 Wells Fargo initiates Milestone Pharmaceuticals stock with Overweight rating By Investing.com

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3 Aytu BioPharma, Inc. (AYTU) Stock Price, News, Quote & History

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4 Q4 2025 FDA Preview: 10 Decisions to Watch | HCPLive

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6 Microbot Medical Inc. (MBOT) Valuation Measures ... - Yahoo Finance

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7 Milestone Pharmaceuticals Inc. (MIST) Stock Historical Prices & Data

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8 Aytu BioPharma, Inc. (AYTU) Stock Historical Prices & Data

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10 Aytu BioPharma to Present at Upcoming October 2025 Conferences

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