Quarterly Report

October 31, 2018

Roumell Asset Management, LLC

Third Quarter Summary

Performance Summary

	3Q 2018	YTD	Annualized as of 9/30/18: 1 Year	3 Year	5 Year	10 Year	Since Inception*	Cumulative Return Since Inception*
Roumell Opportunistic Value (Net)	**2.27%**	**2.30%**	**3.66%**	**8.61%**	**0.09%**	**4.58%**	**7.69%**	**331.91%**
60% Russell 2000 Value / 40% Barclays US Govt Credit	0.99%	3.52%	5.00%	10.29%	7.03%	7.79%	7.91%	350.13%
S&P 500	7.71%	10.56%	17.90%	17.31%	13.95%	11.97%	6.47%	245.20%
Russell 2000 Value	1.60%	7.13%	9.32%	16.12%	9.92%	9.52%	9.48%	497.99%
Roumell Balanced (Net)	**1.94%**	**1.42%**	**2.51%**	**7.66%**	**1.24%**	**4.68%**	**6.11%**	**222.84%**
Thomson US Balanced Index	3.06%	2.93%	6.54%	8.49%	6.47%	7.13%	4.70%	147.72%

**Inception of Roumell Opportunistic Value and Roumell Balanced is 1/1/99.*

Roumell Asset Management, LLC claims compliance with the Global Investment Performance Standards (GIPS®). Our independent verifier completed its examination of the composite performance returns for the period of 1999 (inception) through December 31, 2017. All returns include reinvested dividends and interest. Please refer to the annual disclosure presentations at the end of this letter.

Still Bottom-Up After All These Years

During the past several years, our cash level has been very high, and it still is, by most objective standards. However, cash has significantly dropped from the beginning of the year from around 35% to now just under 20%. Business Development Company (BDC) bonds continue to comprise about 20% of assets under management and are generating roughly 6% in annual income.

Many perceived our cash level as a market call, while we maintained it was something a bit more nuanced—we simply couldn't find much to buy. In recent months, our confidence in core positions has grown, and thus, these securities' weightings have increased. Additionally, we have found some new, deeply out-of-favor, overlooked and misunderstood situations that perfectly fit our style of investing in well-capitalized companies with varying levels of turnaround dynamics in play. Three of them are discussed later in this letter.

Yes, we still believe that market levels, in aggregate, are very overvalued. Look at the Shiller CAPE ratio, Tobin Q ratio (estimated replacement cost), forward P/E, and Price to Book Value and the conclusion is the same—stocks in general are very expensive. However, to paraphrase singer-songwriter Paul Simon, we're still bottom-up after all these years. We've long argued that when we find a compelling risk-reward situation, as measured by affirmatively answering the question "Would we take this company private in a heartbeat?", we buy.

We own a very unique and focused portfolio; not one with high market correlation. Our top ten positions now account for roughly 45% of assets as opposed to under 40% at the beginning of this year. Our portfolio is comprised of strongly financed companies, sold-off share prices, significant inside

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ownership stakes, and prices that, in our opinion, dramatically misprice the value embedded in each security. Moreover, as is typically the case, our portfolio is *highly event-driven* and we believe the "events" are likely to occur within a reasonable amount of time. The "market" does not detract us from investing in these special situations. We take comfort in being exposed to company-specific investment narratives, while eschewing overall stock market exposure.

We feel confident we're well-positioned going forward. We look forward to the fourth quarter and reporting back on the year's final results in January.

Top Three Purchases

Enzo Biochem Inc., ENZ. ENZ was founded by Dr. Elazar Rabbani in 1976. Dr. Rabbani, a pioneer in labeling and detection of the molecular diagnostics products, is the company's CEO and Chairman. He is joined by co-founder and President, Barry Weiner. ENZ came to our attention one year ago when the stock was trading at about $12/share. We patiently kept updating our research on the company and when the stock hit the $4 level in the 3rd quarter, we ramped up our efforts.

ENZ owns one of the largest independent non-hospital-based clinical labs on the East Coast of the United States, in an industry dominated by non-hospital-based giants Lab Corp (LH) and Quest Diagnostics (DGX). ENZ's footprint lies in the attractive tri-state New York area. The company recently expanded into the Mid-Atlantic and New England regions. ENZ operates a full-service clinical laboratory based in Farmingdale, NY, a network of over 30 patient service centers in NY, NJ and CT and a rapid response laboratory in New York City. ENZ has one of the largest clinical lab footprints (inclusive of LH and DGX) in the tri-state New York area. There are roughly 7,500 labs in the United States, excluding those found in hospitals.

In addition to its core lab business, ENZ is a diagnostic bioscience company that develops and sells its proprietary technology solutions and platforms to other clinical laboratories, researchers and physicians. These solutions are primarily in molecular diagnostics, which allow clients to analyze biological markers. Additionally, ENZ operates a therapeutics business that has had two drugs successfully complete Phase 2 studies. Lastly, given its 300-plus patent portfolio, ENZ is actively defending its intellectual property assets. In the past several years, the company has won over $100 million in settlements. ENZ has several active suits in progress with the prospect of capturing additional settlement or judgement wins.

ENZ is a classic RAM investment: a cash-rich unlevered company with five shots on goal, i.e., multiple ways to win. To wit, the company's current market capitalization is roughly $200 million and its balance sheets boasts $60 million in cash. ENZ operates at roughly operating cash flow breakeven.

Clinical Lab business. As noted above, the clinical lab business is dominated by Lab Corp and Quest. It should be thought of as being, more or less, an outsourced servicing business. Differentiation lies in servicing capabilities, not in the quality of specimen analysis. The dominant players are active consolidators in the space and regularly pay 2x to 3x revenue to acquire smaller labs, e.g., Lab Corp bought Sequenom for 2.9x revenue in 2016 (the latest available transaction with a publicly-disclosed acquisition price). Moreover, ENZ's geographic footprint lies in a highly dense and desirable area. Thus, it's take-out value would likely be at a premium to comparables in less dense locations.

The company's net cash plus 2.5x lab clinic revenue equates to roughly $210 million versus today's market cap of about $190 million based on a $4/share stock price. In other words, at the least, investors get everything else for free, and more likely are even getting ENZ's clinical lab business at a discount. Here's what's free: Diagnostic Products, Therapeutics, IP Litigation and the optionality on investing in a Disruptive (vertically-integrated) Diagnostic/Clinical Solutions platform.

Diagnostic Products. ENZ generates roughly $30 million annually from the sale of its proprietary testing kits. As stated in the company's most recent 10Q, "In the course of our research and development activities, we have built a substantial portfolio of intellectual property assets, comprised of 336 issued patents worldwide, and over 151 pending patent applications, along with extensive enabling technologies and platforms." Recent product revenue declines (now stabilized and expected to grow) were primarily driven by the company's decision to reduce the number of products it sells. Neither LH or DGX make any mention of possessing patents in their SEC filings.

However, we believe the real value of ENZ's product diagnostics capabilities lies in its ability to monetize a vertically-integrated platform that can deliver significantly more cost-effective lab testing services in an environment where reimbursement payments are continually under pressure. AmpiProbe is the brand name of the company's newer molecular diagnostics platform. It's estimated that about 2% of healthcare spend goes toward diagnostics. In July 2018 the company announced the validation of three high quality, low cost biomarkers for detecting cancers and their progression, especially in women's health. In the announcement, ENZ stated, "The global cancer biomarkers market is projected to reach more than $20 billion by 2022, up from $11.5 billion in 2017." The company went on to say, "These cost effective, high quality primary antibodies function with our full open system workflow and complement Enzo's strategy of introducing lower cost testing solutions for the clinical laboratory market." In October 2017, New York state Department of Health approved ENZ's new women's health infectious disease panel, which can test for up to 13 different infections from one single swab sample.

Nonetheless, on a standalone basis, product businesses like ENZ's (based on real internally built IP) would typically fetch somewhere over 2x revenue. For example, Fluidigm Inc. (FLDM), Harvard Bioscience (HBIO), and Nanostring Tech (NSTG) are all currently valued between 2x and 4x EV/Revenue. All three companies have high SG&A and R&D costs and, as a result, have poor operating margins and cash flow.

Therapeutics. ENZ Therapeutics focuses on the creation and development of commercial drugs. It currently has eight drugs in its pipeline that are in various stages of development from Discovery to Phase II. These products are intended to treat gastrointestinal, infectious, ophthalmic, and other diseases. This unit does not currently generate revenue. We believe ENZ will look to monetize this unit in the near-future. Management has indicated that it has no intention to pour money into financing Phase III studies. Our research indicates the value of this business unit is roughly $30 to $40 million.

IP Litigation. During fiscal years 2011 to 2016, ENZ netted (after legal costs) $67 million from legal settlements and licensing revenue. In May 2016, the company announced that it had settled with Thermo Fisher Scientific on two patent infringement lawsuits for $35 million. In January of 2016, the company announced a $9 million settlement with Agilent. A $21 million settlement with Illumnia, a $10 million settlement with Affymetrix and a $9.5 million settlement with Siemans were awarded in 2015.

ENZ continues to pursue an active campaign to defend its legitimate IP asset base with cases now pending against Hologic, Becton Dickenson, Abbott and Roche. Moreover, this potential value-creating option is more than a pie-in-the-sky pipe dream given its track record and the nature of the outstanding lawsuits. ENZ has six patent infringement cases outstanding on contingency basis in Delaware overseen by John Desmarais, the same attorney who won prior cases for the company. Mr. Desmarais is a highly successful plaintiff attorney who can carefully pick and choose the cases he wants to pursue.

Mr. Desmarais was formerly an Assistant U.S. Attorney for the Southern District of New York. He was ranked in Best Lawyers in America 2017 and as New York Patent Lawyer of the Year. Mr. Desmarais's $1.5 billion win for Alcatel-Lucent against Microsoft resulted in one of the largest plaintiff's jury verdicts in a patent infringement action. We believe his on-going involvement with ENZ, spread amongst six cases, creates favorable odds that meaningful settlements are on the horizon for the company.

However, ENZ's "big" litigation cases involve Roche Diagnostics and Hologic. ENZ recently had a major victory when the judge denied Roche's move to dismiss the case and set a trial date of April 1, 2019. Pre-trial motions are set for this month. What makes this case particularly noteworthy is that it involves both patent and contract breaches. Unlike its six Delaware cases, ENZ is financing the Roche litigation and consequently will be entitled to 100% of any settlement proceeds. The potential litigation settlement awards could well be in the hundreds of millions of dollars. However, such figures are highly speculative and thus we place a present value of a modest $50 million in total net IP litigation awards.

Disruptive, vertically integrated, Diagnostics/Clinical Services platform. The real long-term optionality for ENZ's lies in its vertically-integrated platform of cutting-edge diagnostic kits with an open-architecture for analyzing specimens that delivers a significantly more cost-effective solution to the marketplace. In fact, ENZ believes that its emerging platform provides 30% – 50% savings to the current molecular diagnostics industry. ENZ offers solutions across the entire diagnostic workflow: patient sample, sample collection, sample processing, analytical detection to clinical results. The company believes that it can leverage its own platform to provide outsourced diagnostic processing for those labs in the country that are less cost-efficient. ENZ is unique in combining diagnostic product development capabilities with a service platform. We agree with the company that this structure will enable them to be a low-cost provider.

There is nascent, but growing, evidence that ENZ is well-positioned to be a potential disrupter. It is signing up big insurers and recently announced being named an In-Network Provider to the fourth largest national insurer in the country. Further, the company is beginning to win clients from customers as far away as AZ and CA who are saving money even after shipping specimens overnight to ENZ's primary lab in Farmingdale, NY. The company believes that even after further reimbursement erosion it will maintain healthy gross margins, estimated widely to be 35%–55% versus the industry average of 30%. To wit, per the company, "Enzo's integrated structure overcomes cost of goods layering thereby producing affordable products and services needed to combat increasing reimbursement pressures." For instance, Mr. Weiner walked us through an example wherein their Hep-C diagnostic test/service can be done at a significantly lower cost than Roche.

Finally, we believe ENZ's team is energized and excited about its future. We recently sat down with management and believe they possess a clear vision and are on the cusp of leveraging ENZ's significant IP assets while also being committed to controlling costs along the way. SG&A expenses have dropped from 47% of sales in 2013 to 41% in 2017. Messrs. Rabbani and Weiner have been together for nearly 40 years and own roughly 7% of the company. To be clear, ENZ as a potential industry disrupter is a very interesting option, but by no means guaranteed. What we find so attractive in our investment is that we don't believe we're paying a dime for that option or the other ones described above. One way or another, we believe ENZ's moment is about to arrive.

SUM OF THE PARTS (SOTP)

Clinical Lab Business at 2.5x ’19 Revenue	$150 million
Products Business at 2.5x ’19 Revenue	75 million
IP Litigation	50 million
Therapeutics Business	35 million
Cash	60 million
SUM	**$370 million**

On a per share basis, our ENZ SOTP’s number is $7.90 and that’s before ascribing any potential value to the optionality on the company’s emerging, low-cost, diagnostics/clinical services platform. ENZ current trades at roughly $4/share. To be clear, we’re well aware of the Medicare/health insurance reimbursement issues facing the company’s core lab business. Ultimately, industry pricing pressure should play into the company’s lower-cost model. ENZ anticipates growing its outsourced provider business for smaller labs. The company’s recent announcement to expand its Farmingdale commercial facility space by 36,000 square feet adjacent to its existing operations is certainly a vote of confidence by management. On its recent 4th quarter conference call, when referencing the company’s initiatives and how these actions will position ENZ for long-term success, Mr. Weiner stated, “Next year will be a year of extreme accomplishment.” We’ll see. With so many investment “shots on goal,” we like our ENZ odds very much. ENZ easily meets our “take it private in a heartbeat” mantra at its current price.

Sandstorm Gold Ltd., SAND. We’ve written about SAND several times in previous letters because it’s one we seem to continually come back to at the right price. We consider ourselves to be SAND’s buyers of last resort when its stock, in our opinion, sells off disproportionately to the alleged underlying reasons of the sell-off. Earlier this year, we exited SAND at a price materially above our 2017 purchase price. A recent modest drop in gold prices and concerns about Turkey’s economic and political stability, where SAND has a significant asset, resulted in the stock selling off roughly 30%. We stepped in and purchased shares as we have done several times in the past five years.

To recap, SAND owns a portfolio of streams and royalties that generate significant amounts of cash flow primarily tied to gold, and to a lesser extent silver, copper and diamonds. Current SAND investors benefit from years of royalty/stream acquisitions that are in various stages of development. There is on-going exploration upside with SAND. For instance, more ounces were discovered on SAND properties than mined in 2016 and 2017. In 2018, SAND will procure roughly 60K ounces of gold production. In 2022, the company estimates that annual gold production will approach 140K ounces.

Importantly, SAND’s counter-party strength has increased materially over the past several years. In 2010, 100% of SAND’s partners were junior miners compared to today where 85% of its partners are mid-tier and majors. This is important as it effectively leaves SAND in a low-risk situation in terms of being exposed to cost over-runs at the mine level. SAND simply collects payments from reliable partners and operates with a low corporate overhead of roughly $7 million per year.

As we’ve long articulated, we buy SAND when it’s free cash flow (FCF) yield exceeds 10% and look to sell when that yield approaches the 6% level. At the price we paid, SAND’s market cap was roughly $700 million. After conservatively backing out $300 million in core non-incoming producing asset value (streams/royalties not expected to cash flow for at least three years and publicly-traded mining stocks carried at 50% of current market value) we arrive at an adjusted enterprise value of $400 million. The company expects to generate about $50 million in free cash flow in 2018, resulting in an effective FCF yield of 12.5%. We believe FCF grows over time as the "on-deck" streams are added to the income generating streams of the current portfolio.

As mentioned, a likely contributor to the sell-off in SAND's share price is no doubt related to news coming out of Turkey. It was, in fact, news out of Turkey that contributed to our decision to sell SAND earlier this year (at a much higher price) when we were concerned this risk was not being appropriately priced. We believe that the price we paid for SAND in the 3rd quarter more than compensates us for any Turkish risk related to its Hot Maden asset, which was acquired two years ago. Hot Maden is a high grade, low cost and low capex asset in Turkey with, what SAND calls, "Huge exploration upside." Indeed, it is a super low-cost mine with an estimated all-in sustaining cash cost of $374/oz. SAND owns 30% of Hot Maden. It's 70% Turkish partner, Lidya Madencilik, is controlled by Calik Holdings, which used to be run by Prime Minister Erdogan's son-in-law, Berat Albayrak. Mr. Albayrak is now Turkey's Minister of Finance. Turkey has long attracted mining investment from North America and Europe due to its favorable regulatory and tax policies for the industry. The recent drop in the country's currency has lowered the cost of developing Hot Maden as workers are paid in Turkish lira.

Eventually, we believe SAND is likely to be purchased by one of the "big boys", i.e., Franco-Nevada, Royal Gold, etc. SAND currently trades at roughly 10x EV/EBITDA, while Franco-Nevada trades at over 20x. RAM clients know how much we respect Nolan Watson, SAND's CEO, and we're very happy to be partnered with him once again.

General Motors Co., GM. As our investors know, we episodically purchase large caps at what we believe are particularly prescient moments. In our 4th quarter 2016 letter we wrote: "When RAM gets involved in mispriced large caps, it's the result of behavioral instincts given that we certainly possess no information edge and our analytical edge is likely small if any. Both our willingness to think and act independently of the herd and our interest in exploiting the tendency of others to reflexively capitulate is strong. In the past two years, RAM has purchased only two large capitalization stocks, Apple and Samsung. Each security was purchased during periods of headlineworries accompanied by wide sell-side skepticism, which provided attractive pricing entry points while exercising behavioral edge." We believe we have another such opportunity with GM.

The auto industry in general, and GM in particular, is facing many challenges and one could argue is experiencing bear market pricing. The consensus views animating this environment are:

- There is significant uncertainty regarding world trade issues such as tariffs and potential for continued increases in commodity costs.
- Annual auto sales have been at 17mm units for several years. We now may be at the point in the cycle when it cracks. Can auto sales at least stabilize, particularly in light of the fact that millennials seem content with not owning a vehicle and consumers owning their vehicles for longer periods of time?
- At some point, we could see increasing wages which could squeeze margins.
- At GM, revenue, EBIT, EPS, operating income, operating cash flow and free cash flow have all declined during the first six months of 2018 compared to the prior year period. Management's explanation for the reduced results was "pricing and trim mix" and increased commodity costs. Guidance was cut and the share price continued to drop into the mid-30s from nearly $47 in October 2017, a decline over 25%. Another reason for its weakness is the result of questions surrounding the sustainability of its lucrative China operations.

RAM is betting against the consensus view for the following reasons:

- First and foremost, valuation. At our entry price of $34, GM appears to be very cheap: EV/Revenue of 0.4x, free cash flow yield of nearly 7% and P/E under 6x. To boot, we are getting paid a dividend of 4.5%.
- GM's balance sheet is solid with the auto segment in a net cash position (excluding unfunded pensions and OPEB). The finance segment debt is substantially offset with assets (consumer auto loans). We believe GM generates sufficient cash flow to more than cover its current debt, including its unfunded pensions and OPEB.
- GM is becoming less of an auto manufacturer and more a truck manufacturer. Pickups, SUVs (on truck bodies) and commercial vans comprise about 45% of total revenue and 60% of profits. A July 2018 article in the *Detroit Free Press* noted, "For all of last year, GM sold a record 948,909 pickups in the U.S., more than any other automaker for the fourth year in a row. That includes full- and mid-size trucks." GM has about a 34% market share of the North American truck market. The U.S. pickup truck market is 100% supplied by final assembly lines in North America. There are no pickup truck imports from Asia, Europe, Africa, or South America. It should be noted that if oil prices increase over $100/barrel, it would crimp pick-up sales due to excessively higher fuel costs.
- GM is positioning itself for the future. GM has several investments that we believe offer significant upside. GM owns roughly 9% of Lyft, a ride-sharing service, where it invested $500 million in January 2016 at a valuation of $5.5 billion. It also acquired the San Francisco-based startup Cruise, autonomous vehicles, in March 2016 for a reported $1 billion. In May 2018, Softbank said it would buy a stake in Cruise totaling nearly 20% for $2.25 billion, implying a valuation of $11.5 billion. Then, on October 3, 2018, GM announced that Honda will make a $2.75 billion investment in Cruise to jointly develop autonomous vehicles and take a 5.7% stake, which implies an updated valuation of $14.6 billion.
- According to industry supplier contacts in Michigan, GM's management team is highly thought of and has one of the stronger reputations in the automotive business.

In short, there is very little optimism embedded in GM's share price… just the way we like it when we are buyers. It has been about a year-and-a-half since we last held a large cap stock in our portfolio. We will be patient and look to average down if the opportunity presents itself as we watch this story unfold. As our long-term investors know, as sentiment changes and investors flock to the auto sector, we intend to exit our position for a reasonable investment gain.

Disclosure: The specific securities identified and described do not represent all of the securities purchased, sold, or recommended for advisory clients, and the reader should not assume that investments in the securities identified and discussed were or will be profitable. The top three securities purchased in the quarter are based on the largest absolute dollar purchases made in the quarter.

Roumell Asset Management, LLC
Balanced Composite
Annual Disclosure Presentation

		Composite Assets		Annual Performance Results			3-YR Annualized Standard Deviation	
Year End	Total Firm Assets (Millions)	USD (Millions)	Number of Accounts	Composite Net	Thomson US Balanced Mutual Fund	Composite Dispersion	Composite Net Standard Deviation	Thomson US BL MF Standard Deviation
2017	105	8	21	10.35%	13.16%	6.00%	7.28%	5.92%
2016	91	9	24	14.25%	7.00%	6.48%	7.49%	6.51%
2015	94	12	37	-11.35%	-1.71%	4.41%	7.32%	6.56%
2014	170	49	93	-7.71%	6.00%	4.25%	6.23%	6.08%
2013	288	82	140	11.85%	15.73%	5.69%	6.62%	8.06%
2012	286	82	156	10.50%	11.71%	3.02%	6.50%	9.79%
2011	306	79	173	-5.19%	0.53%	4.28%		
2010	311	83	167	12.25%	11.75%	2.59%		
2009	249	55	124	33.19%	23.19%	5.79%		
2008	166	40	121	-22.82%	-26.97%	5.01%		
2007	270	75	154	-7.58%	5.76%	3.71%		
2006	280	87	158	14.00%	10.47%	3.69%		
2005	199	73	142	8.56%	4.22%	2.67%		
2004	123	66	119	16.48%	7.79%	3.82%		
2003	66	42	100	28.26%	18.60%	3.94%		
2002	41	27	79	-9.70%	-11.36%	3.77%		
2001	31	17	39	21.18%	-4.19%	4.75%		
2000	19	10	23	8.47%	1.95%	4.53%		
1999	16	9	22	12.53%	8.35%	2.63%		

Balanced Composite contains fully discretionary accounts. Roumell Asset Management, LLC (Roumell) is an opportunistic capital allocator with a deep value bias. On average, Balanced accounts have a target of 65% equity (provided an appropriate number of securities are found that meet Roumell's deep value investment criteria), with the remaining 35% in fixed income and cash. The equity allocation is all cap with a focus on smaller companies. In selecting bond investments, Roumell exercises its value discipline and buys only fixed income securities that it believes represent value on a risk-adjusted basis. It may buy individual government agency, investment grade and high-yield corporate, municipal, and foreign bonds and closed-end bond funds. When fully invested, accounts will hold about 25 to 30 positions. Roumell will hold cash in the absence of sufficient investment opportunities. For comparison purposes, the Balanced Composite is measured against the Thomson US Balanced Mutual Fund Index. In presentations shown prior to March 31, 2006, the composite was also compared against the Lipper Balanced Index. Additionally, in presentations prior to December 2006, the composite was measured against the Vanguard Balanced Index Fund. The Thomson US Balanced Mutual Fund Index is a blend of more than 500 balanced mutual funds and is therefore deemed to more accurately reflect the strategy of the composite. The Balanced Composite was created January 1, 1999.

Roumell Asset Management, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Roumell Asset Management, LLC has been independently verified for the periods January 1, 1999 through December 31, 2017. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation. The Balanced Composite has been examined for the periods January 1, 1999 through December 31, 2017. The verification and performance examination reports are available upon request.

Roumell Asset Management, LLC is an independent registered investment adviser. The firm maintains a complete list and description of composites, which is available upon request. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Past performance is not indicative of future results.

The U.S. dollar is the currency used to express performance. Returns are presented net of management fees and include the reinvestment of all income. Net of fee performance was calculated using actual management fees. From 2010 to 2013, for certain of these accounts, net returns have been reduced by a performance-based fee of 20% of profits, paid annually in the first quarter. Net returns are reduced by all fees and transaction costs incurred. Wrap fee accounts pay a fee based on a percentage of assets under management. Other than brokerage commissions, this fee includes investment management, portfolio monitoring, consulting services, and in some cases, custodial services. Prior to and post 2006, there were no wrap fee accounts in the composite. For the year ended December 31, 2006, wrap fee accounts made up less than 1% of the composite. Wrap fee schedules are provided by independent wrap sponsors and are available upon request from the respective wrap sponsor. Returns include the effect of foreign currency exchange rates. Exchange rate source utilized by the portfolios within the composite may vary. Composite performance is presented net of foreign withholding taxes. Withholding taxes may vary according to the investor's domicile.

The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite for the entire year. Dispersion calculations are greater as a result of managing accounts on a client relationship basis. Securities are bought based on the combined value of all portfolios of a client relationship and then allocated to one account within a client relationship. Therefore, accounts within a client relationship will hold different securities. The result is greater dispersion amongst accounts. The 3-year annualized ex-post standard deviation of the composite and/or benchmark is not presented for the period prior to December 31, 2012, because 36 monthly returns are not available. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

The investment management fee schedule for the composite is as follows: for Direct Portfolio Management Services: 1.30% on the first $1,000,000, and 1.00% on assets over $1,000,000; for Sub-Adviser Services: determined by adviser; for Wrap Fee Services: determined by sponsor. Actual investment advisory fees incurred by clients may vary.

Roumell Asset Management, LLC
Opportunistic Value Composite
Annual Disclosure Presentation

	COMPOSITE ASSETS		ANNUAL PERFORMANCE RESULTS					3-YR ANNUALIZED STANDARD DEVIATION			
YEAR END	TOTAL FIRM ASSETS (MILLIONS)	USD (MILLIONS)	NUMBER OF ACCOUNTS	COMPOSITE NET	60% RUSSELL 2000 VALUE/ 40% BARCLAYS US GOVT CREDIT	S&P 500	RUSSELL 2000 VALUE	COMPOSITE DISPERSION	COMPOSITE NET STD DEV	60% RUSSELL 2000 VALUE/ 40% BARCLAYS US GOVT CREDIT STD DEV	S&P 500 STD DEV	RUSSELL 2000 VALUE STD DEV
2017	105	14	40	12.67%	6.42%	21.84%	7.84%	1.19%	8.83%	7.94%	9.92%	13.97%
2016	91	17	50	15.00%	19.99%	11.97%	31.74%	2.34%	9.09%	9.10%	10.59%	15.50%
2015	94	23	77	-15.27%	-4.26%	1.38%	-7.46%	2.80%	9.23%	8.12%	10.47%	13.46%
2014	170	61	163	-10.74%	5.18%	13.70%	4.22%	3.41%	7.97%	7.71%	8.97%	12.79%
2013	288	130	281	12.83%	18.61%	32.38%	34.51%	3.12%	8.90%	9.16%	11.94%	15.82%
2012	286	157	367	13.92%	12.82%	16.00%	18.05%	1.86%	8.63%	11.36%	15.09%	19.89%
2011	306	175	466	-9.51%	0.59%	2.11%	-5.49%	2.17%				
2010	311	189	479	14.71%	17.97%	15.06%	24.49%	2.17%				
2009	249	153	414	42.19%	15.13%	26.47%	20.57%	5.57%				
2008	166	104	413	-27.35%	-15.77%	-36.99%	-28.93%	3.40%				
2007	270	178	549	-7.67%	-3.05%	5.49%	-9.78%	2.68%				
2006	280	176	458	16.89%	15.40%	15.79%	23.48%	2.18%				
2005	199	111	312	12.38%	4.00%	4.91%	4.71%	2.59%				
2004	123	47	125	20.18%	14.92%	10.88%	22.25%	2.69%				
2003	66	15	46	32.13%	28.38%	28.69%	46.03%	4.04%				
2002	41	8	44	-10.15%	-2.31%	-22.10%	-11.43%	4.33%				
2001	31	5	30	32.76%	12.26%	-11.89%	14.02%	6.33%				
2000	19	2	12	7.97%	18.50%	-9.10%	22.83%	4.05%				
1999	16	2	9	26.02%	-1.54%	21.04%	-1.49%	3.92%				

Opportunistic Value Composite contains fully discretionary accounts. Roumell Asset Management, LLC (Roumell) is an opportunistic capital allocator with a deep value bias. Opportunistic Value accounts can have up to 100% of their assets invested in stocks in the ideal situation where an appropriate number of securities are found that meet Roumell's deep value investment criteria. Historically, these accounts have emphasized common stocks (all cap with a focus on smaller companies). However, Roumell will also selectively purchase a mixture of high yield bonds and discounted closed-end bond funds if it is believed that these offer a favorable risk/reward profile. When fully invested, accounts will hold about 25 to 30 positions. Roumell will hold cash in the absence of sufficient investment opportunities. For comparison purposes, the Opportunistic Value Composite is measured against the S&P 500, a blend of 60% Russell 2000 Value and 40% Barclays U.S. Government Credit (calculated on a monthly basis), and Russell 2000 Value Indices. Presentations provided prior to January 1, 2014, showed the Russell 2000 in place of the blended index. The change was made to better reflect the opportunistic strategy of the composite. As noted before, the composite's allocation to equity, fixed income, and cash will vary depending on Roumell's investment decisions. The S&P 500 Index is used for comparative purposes only and is not meant to be indicative of the Opportunistic Value Composite's performance. In presentations shown prior to March 31, 2005, the composite was also compared against the Nasdaq Index. The benchmark was eliminated since it did not represent the strategy of the composite. The Opportunistic Value Composite was created January 1, 1999. Prior to January 1, 2014, this composite was known as the Total Return Composite.

Roumell Asset Management, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Roumell Asset Management, LLC has been independently verified for the periods January 1, 1999 through December 31, 2017. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation. The Opportunistic Value Composite has been examined for the periods January 1, 1999 through December 31, 2017. The verification and performance examination reports are available upon request.

Roumell Asset Management, LLC is an independent registered investment adviser. The firm maintains a complete list and description of composites, which is available upon request. Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Past performance is not indicative of future results.

The U.S. dollar is the currency used to express performance. Returns are presented net of management fees and include the reinvestment of all income. Net of fee performance was calculated using actual management fees. Net returns are reduced by all fees and transaction costs incurred. Wrap fee accounts pay a fee based on a percentage of assets under management. Other than brokerage commissions, this fee includes investment management, portfolio monitoring, consulting services, and in some cases, custodial services. Wrap accounts are included in the composite. As of December 31 of each year 2006 through 2017, wrap fee accounts made up 33%, 36%, 31%, 33%, 41%, 40%, 41%, 43%, 31%, 13%, 9% and 6% of the composite, respectively. Wrap fee schedules are provided by independent wrap sponsors and are available upon request from the respective wrap sponsor. Returns include the effect of foreign currency exchange rates. Exchange rate source utilized by the portfolios within the composite may vary. Composite performance is presented net of foreign withholding taxes. Withholding taxes may vary according to the investor's domicile.

The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite for the entire year. Dispersion calculations are greater as a result of managing accounts on a client relationship basis. Securities are bought based on the combined value of all portfolios of a client relationship and then allocated to one account within a client relationship. Therefore, accounts within a client relationship will hold different securities. The result is greater dispersion amongst accounts. The 3-year annualized ex-post standard deviation of the composite and/or benchmark is not presented for the period prior to December 31, 2012, because 36 monthly returns are not available. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

The investment management fee schedule for the composite is as follows: for Direct Portfolio Management Services: 1.30% on the first $1,000,000, and 1.00% on assets over $1,000,000; for Sub-Adviser Services: determined by adviser; for Wrap Fee Services: determined by sponsor. Actual investment advisory fees incurred by clients may vary.