



TELECONFERENCE BRIEFING BY CEO RIGGS ECKELBERRY

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(Transcript from recording)

SAFE HARBOR STATEMENT

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Riggs: Okay, everyone. Well, it's a pleasure being here again. We're in the monthly conference now, which gives us a chance to take a look back at the month just passed and what's going on. And as I was discussing this morning in the CEO update, we really had a lot of action with the PWT [\[Progressive Water Treatment\]](#) performance in January.

Which was, frankly, shocking, because PWT has a certain run rate, which is about four million dollars a year. All of a sudden, that run rate jumped; and it looks like their credibility of maintaining that is good, so that was a huge win.

The second thing that happened was that [Bill Charneski's](#) efforts to recruit manufacturing sales reps was just astonishing, and we find that there was a lot of interest from these manufacturer's reps.

The question is, why haven't we done this in the past? How come we haven't gone after manufacturers reps in the past? Well, we have. But you have to have interesting stuff, right? You can't just go, "Hey, we've got some great stuff here."

You have to have something that interests and excites them, and that thing is [Modular Water Systems](#). It's really proven to be something unique and different that is also lower priced. So you have the combination of something that's faster and more durable, less expensive, and really designed for this new crop of onsite, localized water treatment.

That's something different enough that the manufacturer's reps are going to go, "Hey,



A leading provider of water treatment solutions.

that's eye candy. I like that.” And so, they're interested in covering it. Bill's been going in there using that as eye candy. And then, he gets Progressive Water lined up; because normally, Progressive Water is more of a service organization but not differentiated except in the quality of their work.

But once you get Modular Water in on the basis of how sexy it is, then you can bring in Progressive on the basis of the quality of work that they do. And that kind of vendor is always needed.

But there are so many of them that you kind of want to have something to lead with. And that's what's been working well, so Bill Charneski has been doing a great job. Also, today, [on MoneyTV](#), we got into what's been happening on the technology side.

As you know, we haven't really talked about that in recent weeks; but [JL Kindler](#), the President of the Technology Division, went to India recently and had just a fantastic set of meetings working with our partner there from [Permionics](#), which has designed a new kind of membrane that does not get fouled by oil in the water.

This is ideally designed for the oil and gas industry. So, we use [Electro Water Separation™](#) up front to clarify the water, and then the membrane behind it to polish it and you end up with a very high grade of water.

So that's really exciting. And here's what was interesting about it is that he found himself in a room with dozens of executives from oil companies. And here is what we have found to be the issue with our breakthrough technology, which is sort of a catch 22.

“It's so new that we don't know what to do, because it's so new and where's the track record?” And so, new new things in water tend to be resisted, because they don't have a track record. It's kind of like how are you going to get a track record if you don't have a track record?

So that's always been the issue and he managed to overcome it. We have a very good partner in India. The other thing that JL has been doing, which has been driven by a top down strategy of the company, is moving from core technology development into applications, patents being filed and applications by our partners.

One of them being from Permionics, which is in the oil and gas space, and the other one being our work in manure effluents. And so, we're going to end up with joint patents with these particular partners and that's also going to create actual products that we can sell.



That's really where I feel the rubber is starting to meet the road with our technology. So that's been a great development on the technology side. And you'll see that in this [MoneyTV interview](#) that occurred.

Now, we have another cool thing that's going on and I'm pulling it up right now. This was shown on MoneyTV, so you can see it. But basically, Modular Water Systems has a product called [EVERUS™ Military and Disaster Relief](#) wastewater treatment.

And it is a system in what is called a Tricon package. Tricon is basically a small container format that can be airlifted easily. And this unit is designed to be a standard forward operating base or disaster relief unit with a capacity of 3,000 gallons per day.

Literally, it can process a thousand gallons per day of latrine black water and 2,000 gallons per day of gray water. And as I said, it's a Tricon container, which is 8X8 X6.5. And it can go all the way up, capacities all the way up to 150,000 gallons per day in 40-foot containers. Now, here's what's cool about it. This is being presented under the brand name of [Aspen Water Inc., AWI, aspenwater.com](#), in a series of trade shows they're doing in the Middle East.

One with, what was it, Abu Dhabi. They're just wrapping up and then, they're going on to Baghdad all the way into March. Aspen is a fantastic partner for us because they have this amazing worldwide network of military and government customers.

And these are high priced units, because why? They are very, very smart and versatile. They're designed to work with, for example, any kind of power, any possible kind of power. Also, they have state-of-the-art treatment, so you could literally stick it into a crappy green or gunky pond; and out of it, comes the clean water.

So this package is really, really desired by the military because they no longer dig latrines and then, just cover them over once they're done. That's not done anymore. You actually treat the water into a pure state leaving a sludge you can recover later.

So this is the famous unit that an 18-year-old can operate, right? Because general infantry starts at 18 years old and they have to be able to operate these units. And they sure can. Very, very smart units.

You can go to [modularwater.com](#) and we'll have these there. And as I say, we're also showing them on this MoneyTV episode. So now, what's cool about AWI is that they're



working with Modular Water for a couple of years now and they're also working with Progressive Water, which has developed a 100,000 gallon per day desalination unit for a Middle Eastern government. There's government contracts endlessly being reviewed in the usual governmental fashion.

But AWI has decided to also start offering this as a product, again, under the AWI brand. We're perfectly happy for Aspen Water to have these key brands under their name, because it gets past the whole issue of governmental certification and who are you and all that. It can just go ahead and be marketed that way. That it is our technology and we get not just the licensing percentage, we actually get a huge piece of the total, because we are manufacturing these units. AWI is merely reselling them.

So that's a fantastic development that you'll be hearing more about, I'm sure. Also, what's going on, on Monday, I'm going to Texas to tour our various facilities to a regional group that's extremely high placed that has the ability to, not only roll out multi-million dollar commitments for the region but also, to do manufacturing. I believe we'll have some updates on that very quickly. But again, we have to wait until I can say more.

Similarly, the acquisition game is going well. I think, we're pretty much done with due diligence, but all the glue still has to be put in so we can do what's called a definitive agreement and only once we have that definitive agreement will we be able to publicly disclose the deal. But that is a very significant milestone, because it will mean that the financing's in place, we're very happy with the due diligence, and the target company we're buying is happy with the deal. At that point, it only remains to close the deal, which can take two weeks, a month, month and a half, whatever it is. But if everything is in order as it seems to be, it can happen very quickly.

And here's what's cool, we have another one right behind it. So, there's this immediate one, we have another one right behind it. So there again, we believe we can have the finance lined up for that. And then, yet another behind that and then, another behind that. So, we have this whole lineup, a slate as I've called it, that is sort of a choo choo train.

And of course, we want to get a ton, but here's what's important: We don't need the acquisitions to make some serious improvements by the end of this year. I don't want to be, you know, a company can get into big-deal-itis, where it goes, "Oh, if we only get this big deal, then everything will be fine." And guess what? It takes all the air out of the room and it creates this obsession. And the regular business is neglected. So really, the acquisition game is in my hands and Bill Charneski's. And the rest of the organization is just getting on with it.



Because we know that we have accelerating business in Progressive Water that is going to hopefully double or triple this year, which is huge all by itself. And then, we have this developing business in Modular Water Systems and it is so busy over there that poor [Dan Early](#) is working 15 hour days. We're recruiting top project engineers and project managers, and so forth, and chief engineers to work with him to take the load off of him as fast as we can because he has too much going on. This is a good problem to have, but you don't want to end up with a bottleneck. And then, bids aren't going out and solutions aren't being developed. All kinds of things start happening.

So as fast as possible, we are adding personnel to the MWS team to relieve the burden on Dan. This is a good problem, because he's got a huge pipeline for this year that, after all these months, is starting to happen.

Water projects take time. There's a bidding process. There's a selection process. The engineers are involved. Nobody wants to screw up. Everybody wants to get it just right. And so, there's a lot of deliberateness about it and a lot of questioning. There's regulatory issues, and so forth and so on. That's just how it is. However, the process does have a beginning, a middle, and an end. If you have enough of these going on, then you start seeing stuff coming up at the other end of the pipeline.

So in 2018, MWS did two or three deals, maybe four. I forget exactly, but it was not that many. But now, it's starting to really kick in. And that is the exciting part that is going on. And all we need to do is reinforce it. The point I'm making is that I know, right now, that organically OriginClear and its operative divisions can make some serious traction in revenue and potentially get to profit in the foreseeable future, because we have that acceleration going on.

And any type of acquisition news is going to be great news, but it's not needed for us to succeed. And I think this is a perfect situation to be in is to be able to handle the big news while at the same time, continuing to grow predictably and with a lot of competence. So that's super, super important.

Now, I wanted to talk a little bit about the current offering, because it's been going really, really well. And your support has been key, as you've invested in this current offering, it has been key to our making these things happen.

You have to think about it. We took on Modular Water Systems. It was at a dead standstill. They had all these potential customers. They had all this technology, but they



had no facilities. All the bids had to be gotten going. They were just sitting there, potentially, and we literally had to cash flow it in the middle of 2018. And we went for it. It was expensive. It was at least a seven-figure project that we got into and it was because of your support that we were able to make it happen.

So, the investors have come in on this offering have been critical. Now, it is a very generous offering. It is extremely generous. As a result, we are going to come to the end of it. This is not going to go on much longer, and here's why.

This offering promises to return to you the entirety of your investment in two years with an 8% cash dividend paid quarterly. And there's a huge stock grant. Now, that's nice; it's fantastic, but it's not sustainable.

At the end of the day, we're going to have to pay it back. And we are quite sure we can. From our projections, we definitely will be able to. But we don't want to go on forever just accumulating debt.

So, it's a really good offering for anybody wanting to have a good solid investment that is much less risk than the normal penny stock investment. The penny stock part is strictly a bonus. You don't pay for it, so it's all good. [Please refer to the offering information at <https://www.originclear.com/subscription/ppm>.]

In a sense, you're being the bank for OriginClear. And a very special bank, because you're a supporter. You're not just professional money. And the part that typically is so unpredictable about penny stocks, which is the stock, you're not paying for.

So, it's a really great piece of your portfolio and I strongly recommend it, if you are accredited, that you go ahead and pick up some of this. Because, as I say, it's not going to last long.

The next offering is going to be more in the nature of standard stock, warrants, the usual stuff. I'm quite sure we'll be able to get that going, because this news in the company is going very well.

Take this opportunity, because we did this for a specific purpose, which was to launch Modular Water and also, to get this new acquisition game going. We are succeeding and as I say, it's not going to go on for very much longer just because that's how it is.



Okay. So, having said that, I'm going to tell you once more, which is please talk to Ken at extension 201 or Devin at extension 116. The phone number, of course, is 323-939-6645, 323-939-6645. Extension 201 for Ken; extension 116 for Devin.

They'll be happy to talk to you and I'll be happy to talk to you and answer your specific questions to the extent that I can. Remember, that I cannot favor you with more data, material data, that other investors don't have.

I can definitely answer questions and try to flesh things out, but I have a limit. So be aware of that we can only say so much that is not publicly, let's just say, material non-public information, we can't give that out.

And we certainly can't favor you as an investor, but it's always a pleasure talking to you. I look forward to it. And I also look forward to welcoming you into this private placement. Or if you have invested in it, for you to add to it, I have been amazed by the response and the support.

You guys are clearly making OriginClear happen and making OriginClear turn into the next disruptive water company on the planet. I love what we're doing and I appreciate your help. Thank you so much. Have a good evening.

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