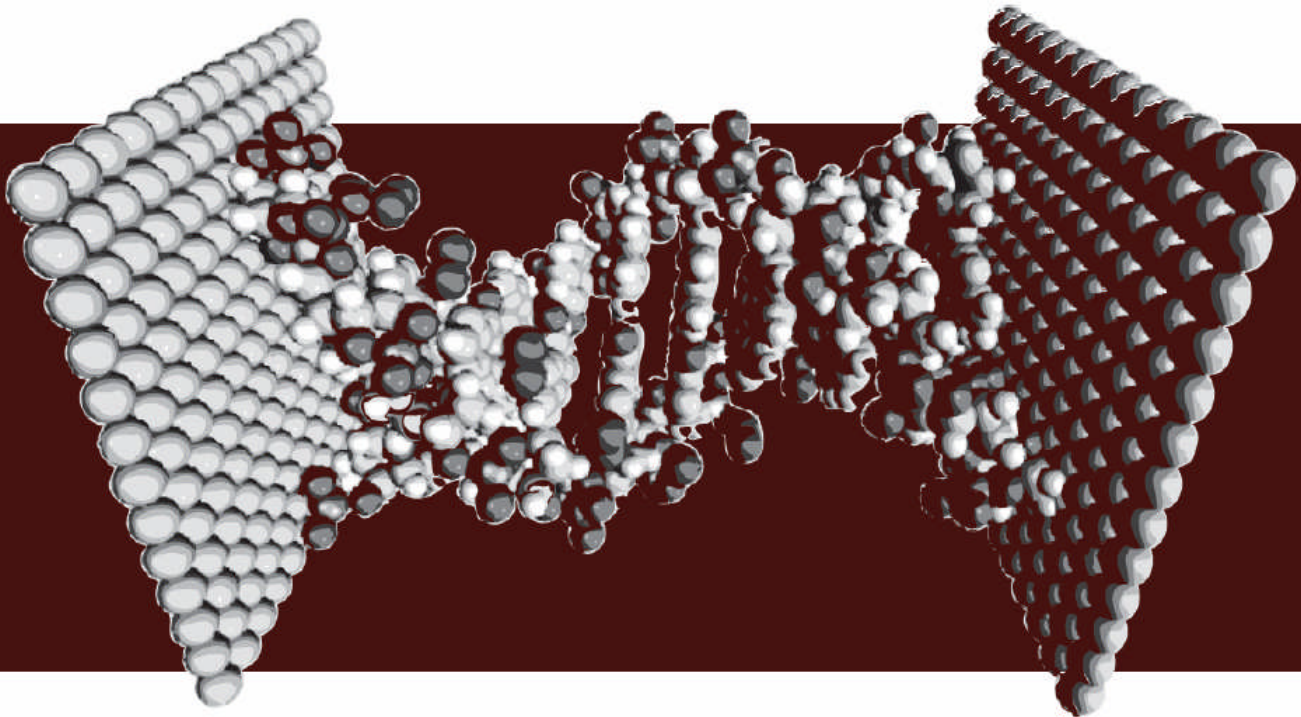




CRONUS CAPITAL MARKETS
BRIDGING MARKETS WITH INVESTORS

ISE-CCM NANOTECHNOLOGY INDEX
TICKER SYMBOL: TNY

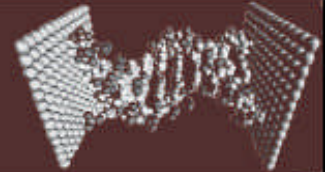
OCTOBER 2006 REPORT



PREPARED FOR



INTERNATIONAL SECURITIES EXCHANGE,



INTRODUCTION

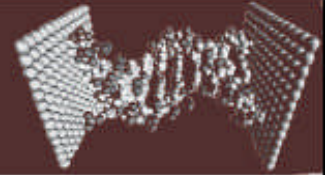
The field of nanotechnology represents one of the most diverse and compelling fields in terms of its potential to revolutionize the way in which atoms and molecules are understood and used as the fundamental building blocks of matter. Research and development opportunities are quite literally unlimited in terms of the number of potential scientific applications that can employ nanotechnology. For instance, the fields of biotechnology, chemistry, physics, information technology, engineering, and manufacturing are all actively studying nanotechnology. Nanotechnology is also expected to lead to a wave of profound innovation in industries such as energy, aerospace, healthcare, agriculture, just to name a few.

In January 2000, then President Bill Clinton offered a glimpse into the sector's potential in a speech introducing the National Nanotechnology Initiative (NNI): "Imagine the possibilities - materials ten times the strength of steel, shrinking all of the information housed at the Library of Congress into the size of a sugar cube – detecting cancerous tumors when they are only a few cells in size." Clearly the potential of nanotechnology is significant.

Nanotechnology involves the science and technology of building electronic circuits and devices from single atoms and molecules. It specifically covers matter size of 1 to 100 nanometers (a nanometer is a billionth of a meter). Applications involve the intended ability to manipulate materials to fundamentally improve processes, materials, and devices on an 'atomic' scale.

Nanotechnology research and development is receiving significant funding from the federal government (estimated funding stood at \$0.98 billion for fiscal year 2004 – nearly 2x the amount of funding committed to researching and mapping the human genome). Projected funding for fiscal year 2005 stands at approximately \$1.08 billion (source: National Science Foundation). In 2001 the NNI was federally established, securing nanotechnology as one of the most important areas of focus for federal research and funding. The NNI estimates its budget has more than doubled since its creation and that approximately 20 federal agencies are currently studying and working with nanotechnology. It also estimates that \$4 billion in taxpayer funds have been committed to the sector.

Foreign governments have also announced major commitments to the technology: the EU is estimated to be just behind the U.S. in terms of funding (\$0.95 billion) followed by Japan (\$0.90 billion) and the rest of the world combined (\$0.90 billion). In aggregate, fiscal year 2004 global government R&D was estimated at just under \$4 billion. The NNI estimates that private sector spending is similar in size to global public spend. Growth going forward is only expected to accelerate from these initial levels.



DESCRIPTION

The ISE-CCM NANOTECHNOLOGY INDEX is a sampled, fixed-number constituent, equal-weighted index that is adjusted for free-float shares. It is a "RIC" (Regulated Investment Company) compliant index of 17 select, small, mid, and large capitalization US listed companies. These Nanotechnology companies are some of the largest, most liquid, and most mature, and most diverse of the entire sector.

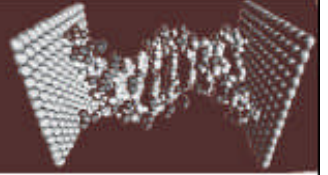
Due to the non-uniform weight distribution across the sector, a "modified" market capitalization-weighted methodology is used to limit individual component weightings to 25%. This modification prevents a few large component stocks from dominating the index and distorting an index return that is representative of an industry sector. The modified approach promotes portfolio diversification by retaining the economic attributes of capitalization ranking.

The ISE-CCM NANOTECHNOLOGY INDEX has been constructed specifically to isolate "Nanotechnology Companies" in order to present an accurate and pure representation of the Nanotechnology Sector. The ISE-CCM NANOTECHNOLOGY INDEX is calculated on a price and total return basis. The price Index is calculated in real-time and disseminated via the Options Price Reporting Authority (OPRA) and market data vendors every day the U.S. equity markets are open. The total return Index is calculated on an end-of-day basis. Both sets of values are freely available on ISE's website, www.iseoptions.com.

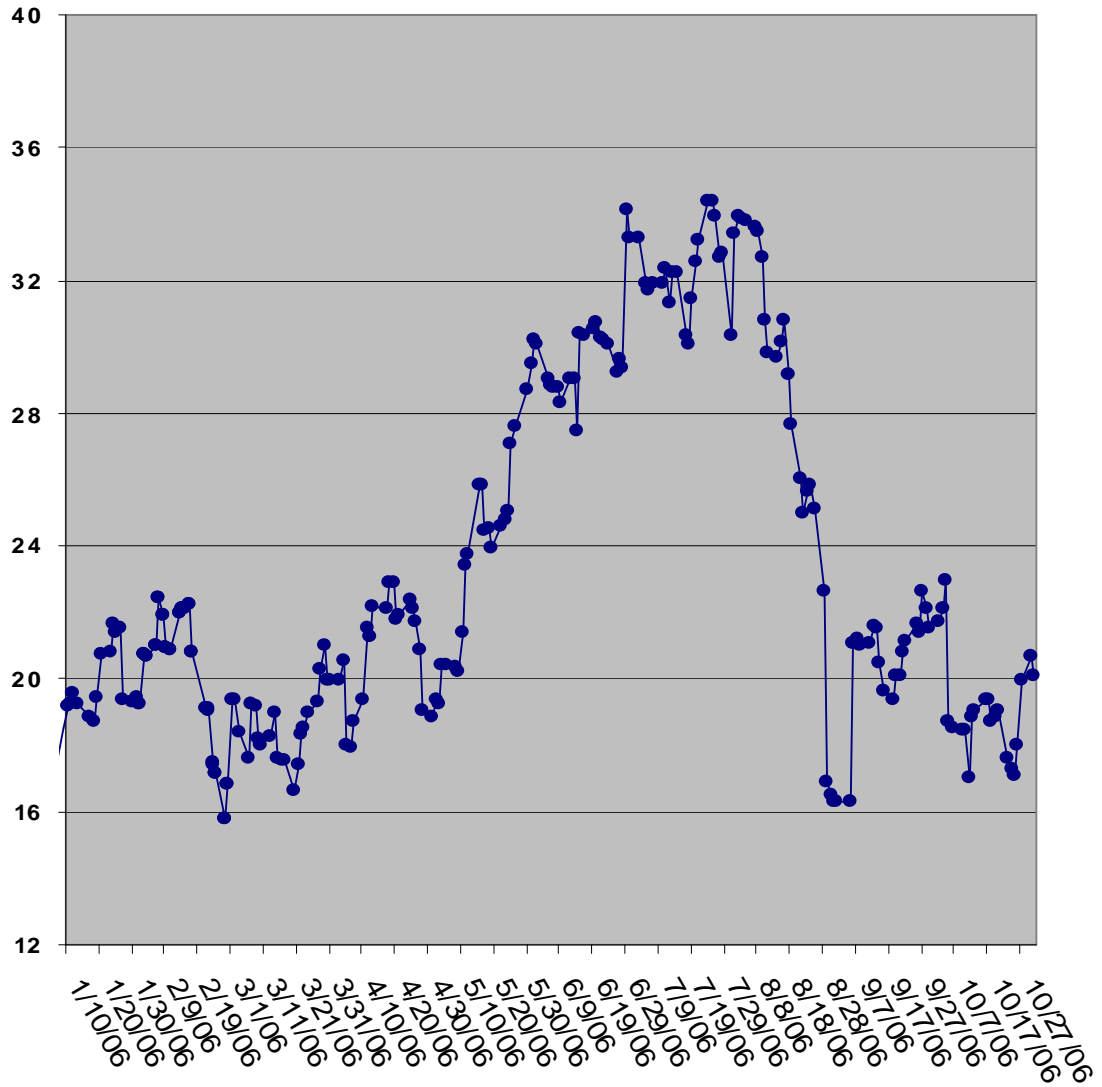
The Index always contains 17 different component stocks at all times. New companies are added to the Index only when there is a vacancy. Companies may not apply, and may not be nominated, for inclusion in the Index. Companies are added or removed by the ISE and CCM based on the methodology described herein. Whenever possible, ISE will publicly announce changes to the index on its website at least five trading days in advance of the actual change.

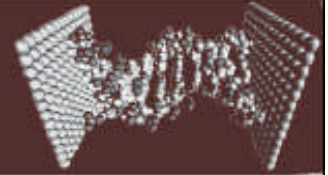
OBJECTIVE

The objective of the ISE-CCM NANOTECHNOLOGY INDEX is to provide investors with the ability to track the Nanotechnology Sector. This is accomplished through ongoing analysis of the benchmark companies included in the Index which are directly involved with research and development of Nanotechnology, and related products/services.

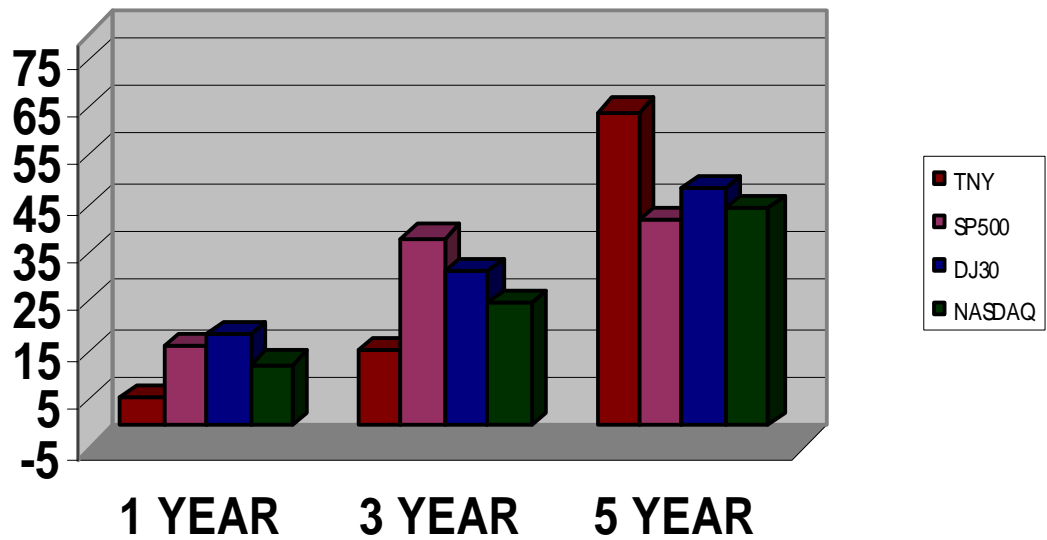
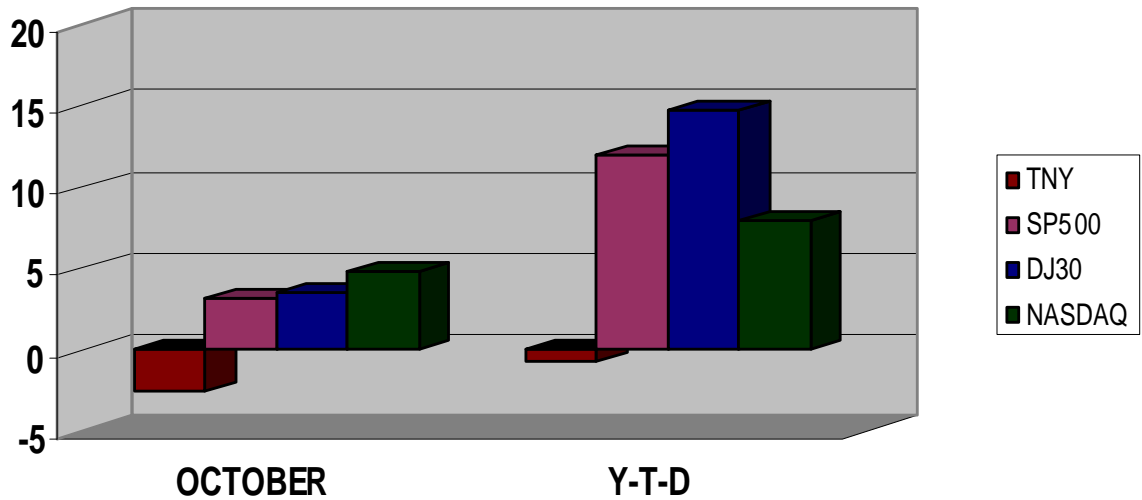


TNY ANNUALIZED VOLATILITY





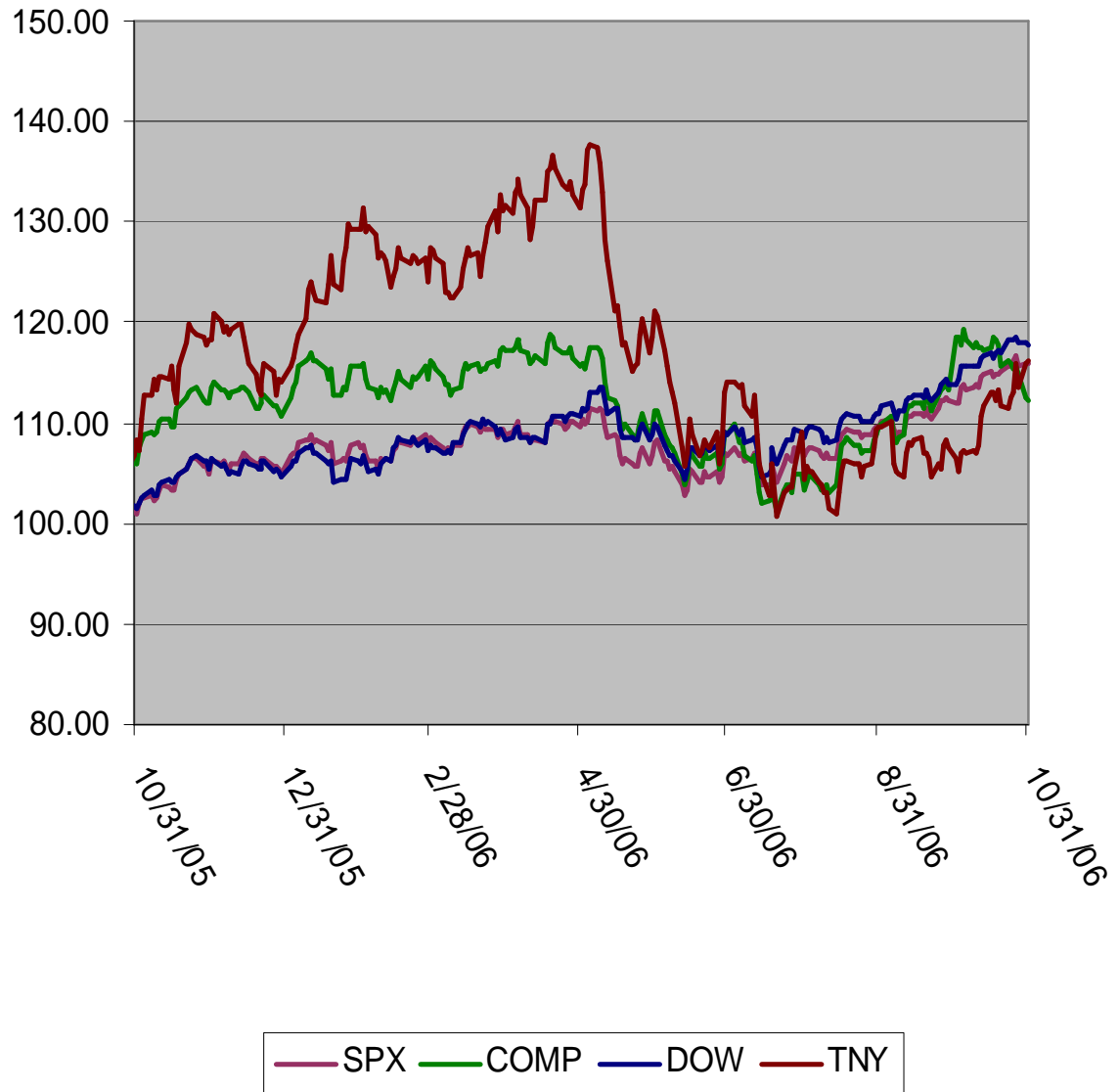
TNY RETURNS VIS A VIS BENCHMARKS

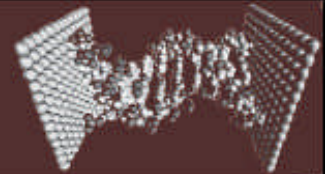


INDEX	OCTOBER	Y-T-D	1 YEAR	3 YEAR	5 YEAR
TNY	-2.46	-0.67	5.61	15.44	64.32
SP500	3.26	12.05	16.33	38.36	41.89
DOW	3.57	14.80	18.45	31.69	48.58
NASDAQ	4.82	7.98	12.48	24.90	44.09



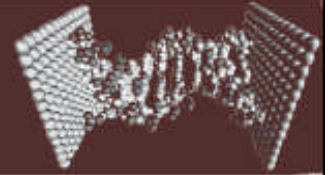
TNY NORMALIZED RETURNS VIS A VIS BENCHMARKS





TNY COMPONENTS & WEIGHTINGS

TICKER	NAME	ASSIGNED SHARES	PRICE	WEIGHT
ACQL	Accelrys Inc	366,300,366	6.42	6.61 %
ALTI	Altair Nanotechnologies Inc	595,238,095	3.11	5.20 %
ARWR	ARROWHEAD RESH CORP COM	423,728,814	5.26	6.26 %
CBT	Cabot Corp.	56,306,306	38.55	6.10 %
FEIC	FEI Company	95,556,617	22.15	5.95 %
FLML	Flamel Technologies	110,926,234	25.24	7.87 %
HW	Headwaters Inc.	85,579,803	24.45	5.88 %
KOPN	Kopin Corp	533,333,333	3.33	4.99 %
MTSC	MTS Systems Corp.	62,500,000	33.09	5.81 %
NANO	Nanometrics Inc	207,900,208	9.61	5.62 %
NANX	Nanophase Technologies Corp	310,077,519	6.85	5.97 %
NGEN	Nanogen Inc	1,069,518,717	2.04	6.13 %
PANL	Universal Display Corp	192,307,692	11.28	6.10 %
SMMX	Symyx Technologies Inc	85,910,653	24.52	5.92 %
TINY	Harris & Harris Group Inc	161,943,320	13.47	6.13 %
UTEK	Ultratech Inc.	131,578,947	13.78	5.10 %
VECO	Veeco Instruments	84,853,627	18.25	4.35 %



PRODUCT SPECIFICATION – INDEX OPTIONS SYMBOL – TNY

Index Description

The ISE-CCM Nanotechnology Index includes companies involved in the science and technology of building electronic circuits and devices from single atoms and molecules. Applications involve the intended ability to manipulate materials to fundamentally improve processes, materials, and devices on an 'atomic' scale.

Index Multiplier

100. The index multiplier means that the options premiums are multiplied by 100 to obtain the actual premium amount.

Strike Price Interval-- Strike price intervals are at least \$2.50.

Minimum Trading Increments

The minimum trading increment for an options contract trading at less than \$3.00 is \$0.05. The minimum trading increment for an options contract trading at \$3.00 or higher is \$0.10.

Expiration Date-- Saturday following the third Friday of the expiration month.

Expiration Months

Up to three near-term months followed by three additional months from the March quarterly cycle (March, June, September and December).

Exercise Style

European. Options generally may be exercised only on the last business day before expiration.

Last Trading Day

Trading will ordinarily cease on the business day (usually a Thursday) preceding the day on which the exercise-settlement value is calculated.

Settlement Type-- A.M., cash settlement

Settlement Value Symbol-- EKA

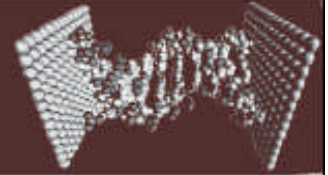
Settlement Value

The exercise-settlement value is calculated using the opening (first) reported sales price in the primary market of each component stock on the last business day (usually a Friday) before the expiration date. If a stock in the index does not open on the day in which the exercise-settlement value is determined, the last reported sales price will be used in calculating the exercise-settlement value. The exercise-settlement amount is equal to the difference between the exercise-settlement value and the exercise price of the option, multiplied by \$100. Exercise will result in delivery of cash on the business day following expiration.

Position and Exercise Limits

The position and exercise limits are 24,000 contracts on the same side of the market. Position and Exercise limits are subject to change.

Trading Hours-- 9:30 A.M. - 4:15 P.M. Eastern Time (New York time).



TNY COMPONENT PROFILES AND NEWS LINK

Accelrys Inc.

Accelrys, Inc. engages in the design, development, marketing, and support of software and related services that facilitate the discovery and development of new and improved products and processes in the pharmaceutical, biotechnology, chemical, petrochemical, and material industries. Accelrys provides software for computation, simulation, and the management and mining of scientific data used by biologists, chemists, and materials scientists, including nanotechnology researchers. The company sells its products worldwide through its direct sales force and third-party distributors. Its customers include commercial, government, and academic organizations.

[Accelrys Reports World Class Customer Satisfaction for Its Scientific Operating Platform](#)

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Arrowhead Research Corp.

Arrowhead Research Corporation, a development stage company, operates as a nanotechnology company. The company, through its subsidiary, Aonex Technologies, Inc., commercializes a method for manufacturing semiconductor nonmaterial. It develops CycloSert, a proprietary drug delivery platform technology based on a nano-engineered class of linear cyclodextrin-containing polymers, which are nontoxic and nonimmunogenic, through its subsidiary, Insert Therapeutics, Inc.

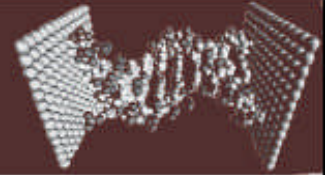
[Arrowhead Subsidiary, Insert Therapeutics, Inc., Raises \\$10 Million in Private Equity Financing](#)

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Cabot Corp.

Cabot Corporation operates as a specialty chemicals and performance materials company. It operates in four segments: the Carbon Black Business, the Metal Oxides Business, the Supermetals Business, and the Specialty Fluids Business. The Carbon Black Business segment offers rubber blacks, performance products, and inkjet colorants. It serves various markets, including the automotive, building materials, agricultural, coatings, toners, inkjet printing, and electronics markets.

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Fei Company

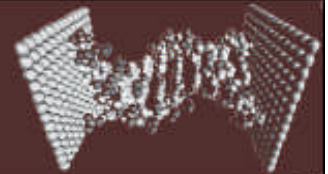
FEI Company engages in the design, manufacture, marketing, and service of products and systems that are used in research, development, and manufacturing of very small objects to customers working in the fields of nanotechnology. The company's products are based on focused charged particle beam technology. They include transmission electron microscopes, scanning electron microscopes (SEMs), focused ion-beam systems (FIBs), DualBeam systems that combine a FIB column and a SEM column on a single platform, secondary ion mass spectrometers, stylus nanoprofilometers, and software systems for semiconductor yield improvement. It also designs, manufactures, and sells some of the components of electron microscopes and FIBs to other manufacturers.

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Flamel Technologies

Flamel Technologies S.A., a biopharmaceutical company, engages in the development and commercialization of controlled-release therapeutic products based on its proprietary polymer-based technologies. The company's technology, Micropump, is a multiparticulate technology for oral administration of small molecule drugs with applications in controlled-release, tastemasking, and bioavailability development. Micropump technology has various other features, including a high loading ratio of active ingredient to its polymer coating, thus enabling for conventional size tablets or capsules. Its primary products based on its Micropump technology comprise Genvir, a controlled-release acyclovir for the treatment of genital herpes; Metformin XL, a controlled-release form of Metformin for the treatment of type II diabetes; and Asacard, a controlled-release formulation of aspirin for the treatment of cardiovascular disease.

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Headwaters Inc.

Headwaters Incorporated, through its subsidiaries, provides products, technologies, and services to the energy and construction materials industries in the United States. It operates in three segments: Construction Materials, Coal Combustion Products, and Alternative Energy. Construction Materials segment designs, manufactures, and markets shutters, gable vents, mounting blocks and tools, and architectural manufactured stones. This segment also provides concrete blocks and other masonry units, as well as various mortars and stucco products. Coal Combustion Products segment markets coal combustion products, such as fly ash and bottom ash to the building products and ready mix concrete industries. Alternative Energy segment develops catalyst technologies to convert coal and heavy oil into liquid fuels, as well as nanocatalyst processes and applications.

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Kopin Corp.

Kopin Corporation engages in the design, development, and manufacture of semiconductor wafers, light emitting diodes, and electronic digital imaging devices for the consumer electronics, industrial, and military markets. It primarily offers CyberDisplay family of imaging devices for consumer and defense systems, including camcorders, digital cameras, personal video eyewear, and thermal weapon sights; and heterojunction bipolar transistors (HBT) to telecommunication providers for use in cellular phones, wireless fidelity, voice over Internet protocol, and high-speed Internet data transmission systems.

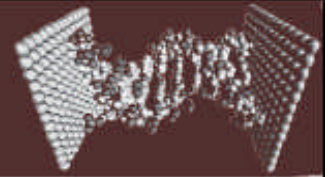
[Kopin's Microdisplay Incorporated into Wild Planet's Spy Video Car\(TM\)](#)

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MTS Systems Corp.

MTS Systems Corporation supplies test systems and industrial position sensors. The company operates in two business segments, Test and Industrial. The Test segment offers rolling road simulators, multiaxial test systems, and earthquake simulation systems. Its products, systems, software, and services are used for research, product development, and quality control to determine the mechanical properties and performance of materials, products, and structures in ground vehicles, aerospace, and infrastructure markets. It also offers on-site installation, training of customer personnel, and after-market support and maintenance services. The Industrial segment offers measurement and control instrumentation products to measure process variables and to automate production processes.

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Nanometrics Inc.

Nanometrics Incorporated engages in the design, manufacture, and marketing of process control metrology systems used in the manufacture of semiconductors, integrated circuits, and flat panel displays. The company offers metrology systems that measure various thin film properties, critical circuit dimensions and layer-to-layer circuit alignment, and inspect for surface defects during various steps of the manufacturing process. Its systems are also used to measure the overlay accuracy of successive layers of semiconductor patterns on wafers in the photolithography process. Nanometrics sells its systems to semiconductor and flat panel display manufacturers, and equipment suppliers, as well as to producers of silicon wafers and photomasks.

[Nanometrics Introduces VerteX Rapid Photoluminescence Mapping System for Compound Semiconductors: Financial News - Yahoo! Finance](#)
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Nanophase Technologies Corp.

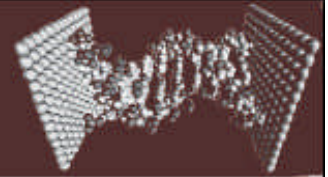
Nanophase Technologies Corporation engages in the development and manufacture of nanocrystalline materials. It produces engineered nanomaterials for use in various markets, such as personal care; sunscreens; abrasion-resistant applications; environmental catalysts; antimicrobial products; and a variety of polishing applications, including semiconductors, hard disk drives, and optics. Its manufacturing operations include the production of nanomaterials in the form of powders utilizing two different methods, physical-vapor-synthesis and NanoArc Synthesis. Nanophase also has a large quantity powder coating operation to support its sunscreen business, as well as a dispersion line in support of its chemical-mechanical-planarization, and polishing initiatives and other product and market areas

[Investment Opportunities in Nanotechnology the principle topic of Wall Street Transcript Nanotechnology Report](#)
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Nanogen Inc.

Nanogen, Inc. provides human molecular diagnostic products to research, clinical laboratory, and point-of-care markets in North America, Europe and Asia. Its products include instruments, consumables, electronic microarrays, analyte specific reagents, and point-of-care diagnostic tests. The company offers NanoChip Molecular Biology Workstation, an automated, multipurpose instrument primarily used for DNA-based analyses; and the NanoChip Cartridge, which provides a tool for the identification and analysis of biological test samples containing charged molecules

[Nanogen Gets 4 Patents for Biomarkers](#)
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Universal Display Corp.

Universal Display Corporation (UDC) engages in the research, development, and commercialization of organic light emitting diode (OLED) technologies for use in various flat panel display and other applications. OLEDs are thin and lightweight solid-state devices, suitable for use in portable, full-color display applications. The company's proprietary technology, Phosphorescent OLEDs, utilize various materials and device structures that allow OLEDs to emit light through a process known as phosphorescence. It develops and licenses its OLED technologies to display manufacturers for use in applications, such as mobile phones, digital cameras, laptop computers, televisions, and other consumer electronic devices.

[Universal Display Awarded U.S. Department of Defense SBIR Phase II Program](#)
[Universal Display Corporation Named New Jersey's 21st Fastest Growing Technology Company in Deloitte & Touche's Technology Fast 50 Program](#)

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Symyx Technologies Inc.

Symyx Technologies, Inc. engages in the development and application of high-throughput experimentation for the discovery of materials for chemical and petrochemical, pharmaceutical development, electronics, consumer goods, and automotive industries. The company operates in three segments: Collaborations, Discovery Tools, and Licensing. The Collaborations segment performs research for customers on a collaborative basis in various fields. The Discovery Tools segment provides automated instruments to pharmaceutical companies for use in pharmaceutical pre clinical testing, including preformulations, formulation, and process chemistry; and to chemical and petrochemical companies for use in catalyst discovery, optimization, and formulation. The Licensing segment consists of licensing of materials; and intellectual property, including sensors and methodology patents.

[Symyx Announces New Version of Symyx Software](#)

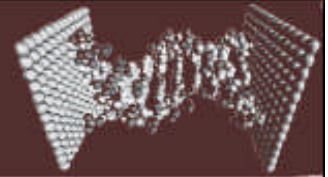
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Harris & Harris Group, Inc.

Harris & Harris Group, Inc. operates as a venture capital company that invests tiny-technology-enabled companies. It primarily invests in tiny technology, including nanotechnology, microsystems, and microelectromechanical systems technology. The company was incorporated in 1981 and is based in New York City.

[Harris & Harris Group Notes SEC Adopts New Rules for Business Development Companies and Reproposes New Category of Eligible Portfolio Company](#)

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Ultratek Inc.

Ultratech, Inc. engages in the development, manufacture, and marketing of photolithography and laser thermal processing equipment for manufacturers of semiconductor and nanotechnology components. It supplies step-and-repeat systems based on one-to-one (1X) technology to semiconductor device manufacturers for applications involving line geometries of 0.75 microns or greater, and to nanotechnology manufacturers.

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Veeco Instruments Inc.

Veeco Instruments, Inc. engages in the design, manufacture, marketing, and servicing of equipment used by manufacturers in the data storage, semiconductor, high brightness light emitting diode, and wireless telecommunications industries worldwide. Its process equipment products deposit or remove various materials in the manufacturing of thin film magnetic heads. The company operates through three segments: Ion Beam and Mechanical Process Equipment, Epitaxial Process Equipment, and Metrology. The Ion Beam and Mechanical Process Equipment segment combines etch, deposition, and dicing and slicing products for data storage customers. The Epitaxial Process Equipment segment provides the molecular beam epitaxy and metal organic chemical vapor deposition products to high brightness light emitting diode and wireless telecommunications customers. The Metrology segment offers equipment that is used to provide critical surface measurements on products, such as semiconductor devices and thin film magnetic heads.

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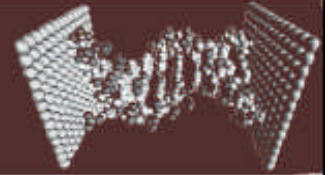
Altair Nanotechnologies Inc.

Altair Nanotechnologies, Inc. engages in developing and commercializing nanomaterial and titanium dioxide pigment technologies. It also provides contract research services on select projects to develop intellectual property and/or new products and technology. The company operates in two segments, Performance Materials and Life Sciences. The Performance Materials segment produces materials for paints, coatings, thermal spray powders, photocatalytic materials for air and water cleansing, sensors, power systems, materials for improving process technologies, and alternative energy devices, such as high performance batteries, fuel cells, and photovoltaics. The Life Sciences segment produces pharmaceutical products, including lanthanum-based active pharmaceutical ingredients; drug delivery products for the delivery of chemicals, drugs, and biocides; and biocompatible nanomaterials for use in dental implants, dental fillings, and dental products, as well as in biocompatible coatings on implants.

[Altairnano Exhibits Freeway-Ready, All-Electric Sport Utility Vehicle at Southern California Clean Vehicle Technology Expo](#)

[Altairnano Tests Confirm Extended Battery Cell Life](#)

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