

**FOR IMMEDIATE RELEASE**

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**PAULSON INVESTMENT'S 29<sup>TH</sup> ANNUAL WESTERGAARD SMALLCAP  
CONFERENCE TO SHOWCASE EMERGING INDUSTRY LEADERS**

*Hosted by Paulson Investment Company, Inc. and Dutton Associates,  
Event Scheduled for Monday, November 6, 2006 in New York City*

**NEW YORK, NY - October 11, 2006** - Paulson Investment Company, Inc., a wholly-owned subsidiary of Paulson Capital Corp. ("Paulson") (Nasdaq:PLCC), and Dutton Associates are pleased to announce that **Paulson Investment's 29<sup>th</sup> Annual Westergaard SmallCap Conference** will showcase small and emerging growth companies focused on establishing leadership in a broad range of industry sectors, including alternative energy, security, technology, pharmaceutical, biotechnology, environmental and consumer products. Founded in 1978 by noted small cap analyst John Westergaard, this conference provides a venue for select small cap companies to share detailed insight into their business operations, short and long term growth strategies and industry vision. Hundreds of investment professionals are expected to attend the one-day conference. For more information or to register for the event, please visit [www.westergaardsmallcap.com](http://www.westergaardsmallcap.com).

**EVENT AT A GLANCE:**

**WHEN:** Monday, November 6, 2006 from 8:00 AM to 5:00 P.M. ET

**WHERE:** Waldorf-Astoria Hotel  
301 Park Avenue (Between 49<sup>th</sup> and 50<sup>th</sup>)  
New York City

**KEYNOTE:** Lawrence Kudlow, host of the primetime CNBC show "*Kudlow & Company*", Economics Commentator for CNBC and Contributing Editor, Columnist and Economics Editor for *National Review*. A nationally syndicated columnist, he is the author of "*American Abundance: The New Economic and Moral Prosperity*."

This year's conference will play host to companies scheduled to give multiple presentations throughout the day to small, informal groups of investment professionals. Confirmed presenting companies will include:

American Mold Guard, Inc. (NASDAQ:AMGI)  
Ampex Corporation (NASDAQ:AMPX)

Ascent Solar Technologies, Inc. (NASDAQ:ASTI; BSX:AKC)  
AspenBio Pharma, Inc. (OTCBB:APNB)  
AVI BioPharma, Inc. (NASDAQ:AVII)  
Baldwin Technology Co., Inc. (AMEX:BLD)  
Charles & Colvard, Ltd. (NASDAQ:CTHR)  
Converted Organics, Inc. (Not publicly traded)  
DayStar Technologies, Inc. (NASDAQ:DSTI)  
DXP Enterprises, Inc. (NASDAQ:DXPE)  
Elron Electronics Industries Ltd. (NASDAQ:ELRN)  
GigaBeam Corporation (NASDAQ:GGBM)  
Green Plains Renewable Energy, Inc. (NASDAQ:GPRE)  
Harbin Electric, Inc. (OTCBB:HRBN)  
ICOP Digital, Inc. (NASDAQ:ICOP; NYSE Arca: ICOP)  
INX, Inc. (NASDAQ:INXI)  
Lumera Corporation (NASDAQ:LMRA)  
Memry Corporation (AMEX:MRY)  
Morphosys AG (Frankfurt Stock Exchange: MOR; Prime Standard Segment, TecDAX)  
Midway Gold Corp. (TSX:MDW)  
Nymox Pharmaceutical Corporation (NASDAQ:NYMX)  
QPC Lasers, Inc. (OTCBB:QPCI)  
Schumet Industries, Inc. (OTCBB:SHMT)  
Taser International, Inc. (NASDAQ:TASR)  
Universal Guardian Holdings, Inc. (OTCBB:UGHO)  
Vaughan Foods (Not publicly traded)

To date, supporting corporate sponsors include:

Gold Level

Elite Financial Communications Group, LLC  
RBC Dain Rauscher, Inc.

Silver Level

Capital IQ, Inc.  
LANE PR  
Research in Motion (BlackBerry)  
Thomson Financial  
ValueRich  
Vintage Filings, LLC

Investment professionals interested in attending the Conference must pre-register by visiting [www.westergaardsmallcap.com](http://www.westergaardsmallcap.com).

About Dutton Associates

Dutton Associates is one of the largest issuer-paid equity research firms in the United States and its investment performance is ranked comparable to that of the top Wall Street firms. Its analysts, primarily CFAs with over 20 years of experience at the major securities firms, are among the most experienced on Wall Street. The Company offers high-quality, independent, fundamental research on small cap public companies.

About Paulson Capital Corp.

Paulson Capital Corp. is the parent company to Paulson Investment Company, Inc. Located in Portland, Oregon, Paulson Investment Company, Inc. is the Northwest's largest independent brokerage firm and a national leader in public offerings of small and emerging growth companies with capital needs of \$5 million to \$45 million. Founded by Chet Paulson in 1970, it has managed or underwritten nearly 160 public and private offerings and has generated more than \$1 billion for client companies.

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