



MARKET STATISTICS

Exchange/Symbol	TSX: RVX
Price:	CAD\$1.70
Market Cap:	\$298.0M
Enterprise Value:	\$297.4M
Shares Outstanding:	175.3M
Float:	52.4%
Volume (3-month avg.):	41,800
52-week Range:	\$1.23-\$2.47
Industry:	Biotechnology

CONDENSED BALANCE SHEET

(USD, \$mm, except per sh data)

Balance Sheet Date:	1/31/2018
Cash & Cash Equivalent:	\$0.5
Cash/Share:	\$0.00
Debt:	\$0.00
Equity (Book Value):	(\$78.5)
Equity/Share:	(\$0.45)

CONDENSED INCOME STATEMENTS

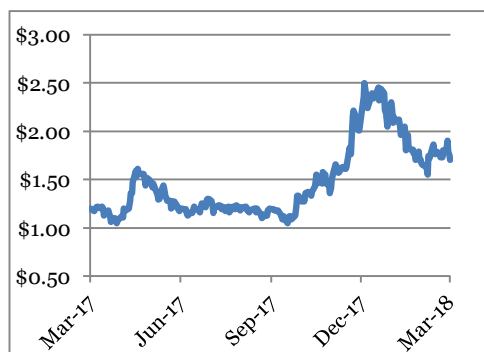
(USD, \$mm, except per sh data, with one-time items and gains/losses on financial instruments excluded for comparative purposes)

FY - 4/30	Revenue	Income	EBITDA	EPS
FY15	\$0.00	(\$10.81)	(\$8.29)	(\$0.13)
FY16	\$0.00	(\$25.24)	(\$19.41)	(\$0.25)
FY17	\$0.00	(\$38.30)	(\$33.66)	(\$0.36)
Fy18E	\$0.00	(\$42.53)	(\$36.63)	(\$0.29)

LARGEST SHAREHOLDERS

Shenzhen Hepalink Pharmaceutical Co.	75,020,000
Eastern Capital Ltd.	22,183,300
NGN Capital	8,000,100
Donald J. McCaffrey	4,634,400
Norman C.W. Wong	3,088,000

STOCK CHART



COMPANY DESCRIPTION

Resverlogix Corp., based in Calgary, Canada, and San Francisco, CA, is in the advanced clinical stages of developing its lead small molecule therapeutic apabetalone (RVX-208). This molecule is a first-in-class (and only) selective Bromodomain and ExtraTerminal domain ("BET") inhibitor being used in clinical trials; extensive research has shown that apabetalone can act via an epigenetic mechanism to regulate genes, thereby normalizing gene function, or in essence "hitting the reset button". Resverlogix began its BETonMACE Phase 3 clinical study in cardiovascular disease (CVD) patients with diabetes mellitus and low HDL in October 2015, and top line data is expected by the end of 2018. The Company is also investigating the molecule for the treatment of other diseases such as chronic kidney disease (BETonRENAL Phase 2a), and orphan diseases (Phase 2a for Fabry's Disease) based on the results of previous clinical studies.

SUMMARY

- The Company's lead molecule apabetalone, or RVX-208, began a Phase 3 study in October 2015 that has fully enrolled over 2400 patients at an estimated 177 sites globally for high risk type 2 diabetes patients with CVD (first patient randomized and dosing commenced November 2015); Resverlogix expects to report top line data this year in Q418
- Within the BETonMACE Phase 3 study, the primary endpoint is the time to first occurrence of MACE; additionally, the trial will test for renal function in a subset population of chronic kidney disease patients as well as assess neurological function with the Montreal Cognitive Assessment (MoCA) in patients over the age of 70
- RVX-208 has demonstrated a strong safety profile with over 1800 patients treated to date in over 19 countries around the world
- Apabetalone's clinical results are on top of current standard of care treatments, with many patients being treated already taking high levels of statins, beta blockers, glucose management drugs and ace inhibitors as a result of prior major adverse cardiovascular events (MACE); clinical trial participants have demonstrated reduced risk for future MACE of 57% ($p=.0181$) with apabetalone, and it is notable that Resverlogix's current target in its BETonMACE Phase 3 trial is a 30% relative risk reduction (previous results documented in *Nicholls et al. 2017: American Journal of Cardiovascular Drugs*)
- Recent third-party recognition for apabetalone includes 4 publications in 2017 and 5 already in progress for 2018; additionally, Hepalink, the world's largest supplier of heparin sodium API, has continued to invest, now with ~75M shares (over CAD\$122M in equity invested in the Company to date as well as a CAD\$8M licensing payment made for US right of first refusal)
- In addition to the BETonMACE trial, this lead compound has also demonstrated therapeutic effects towards the treatment of high-risk chronic kidney disease (CKD) patients; a Phase 2a study will commence early 2018
- Management recently announced plans to pursue orphan indications as well for RVX-208, with less costly and more rapid paths to commercialization; a Phase 2a is scheduled to launch patient enrollment for Fabry's disease Q218
- The markets for which RVX-208 shows therapeutic promise are significant; in the top 7 target markets alone, there are an estimated 10M patients
- Beyond its agreements already in place with Hepalink, management is also actively in discussions with additional potential partners and licensees, which should enable the Company to quickly go after subsequent approvals; most recently, the Company announced a license agreement with Medison Pharma Ltd. for distribution and marketing rights to apabetalone in Israel
- As of 1/31/18, the Company reported approximately USD \$0.5 million in cash on hand with a reported average monthly cash burn rate of approximately USD \$4.7M, which is expected to decrease significantly in the 4th quarter of FY18. During the quarter, Resverlogix paid off its debt and has noted that the Company is currently considering additional funding options to meet its operational needs
- Based on a DCF analysis of the initial target markets for RVX-208, it appears that given certain assumptions on commercialization, the Company's stock is currently undervalued and could trade in the range of CAD\$5.17 - \$10.73 per share, with a midpoint of \$7.20 (see page 6 for further details)

BUSINESS OVERVIEW

Since August 2000, Don McCaffrey and Dr. Norman Wong have been working together with the goal of developing better therapies to treat diseases significantly affecting the global population such as cardiovascular disease. The two were introduced at a national conference, and a collaboration was born following a discussion on the paradigm shift in the approach to treating atherosclerosis from the reduction of LDL cholesterol to raising HDL cholesterol. The two joined forces, the clinician and the businessman, in search of new therapeutic options.

RVX-208, the Company's lead drug compound (approved name "apabetalone") is the first molecule moving forward as a result of the Company's novel epigenetic drug development platform. Epigenetics is a mechanism for regulating gene activity to affect protein production, and the selective production of proteins encoded by human genes is what leads to differences between cells. Any alterations of protein levels can result in disease. The Company's study of epigenetics, an emerging field in biotechnology research and drug development, has revealed new mechanisms for regulating the production of proteins without altering the genetic code. Modifications to the chromatin affect how the code is read and determine whether a gene is on or off, or whether its activity is high or low, hence regulating gene expression. Essentially, without affecting healthy genes, research has shown that apabetalone is capable of "hitting the reset button" on the dysregulated genes, thereby returning protein levels back to the resting or basal state.

In June 2013, certain chemical scaffold and patents related to research and development under the epigenetic drug development platform were spun off to a newly created company, Zenith Epigenetics, including exploration of therapeutic options in the areas of cancer and autoimmune diseases. Resverlogix retained rights to development surrounding RVX-208 for the treatment of cardiovascular disease, neurodegenerative diseases, and diabetes mellitus clinical programs, in addition to approximately 1500 other compounds developed to date. As part of the arrangement, Zenith was issued royalty preferred shares that entitle Zenith to dividends in the amount of 6-12% of Resverlogix's net revenue (essentially includes any amounts brought in for licensing agreements, as well as royalties on sales of commercialized product by third parties, in addition to amounts for the sale of any intellectual property rights).

In July 2015, the Company closed a private placement and licensing deal with Shenzhen Hepalink Pharmaceutical, Co., Ltd. (world's biggest supplier of heparin sodium API). The licensing arrangement provides for both milestones on annual sales as well as royalties. Additional private placements were executed with Hepalink in June and December of 2017, and in October 2017, the Company entered into a right of first refusal agreement with Hepalink for the licensing of the right to develop, manufacture, and commercialize apabetalone products in the US until 4/15/19. For this right, Hepalink paid Resverlogix CAD\$8.0M. And management continues to entertain discussions with additional potential partners and licensees with the goal that RVX-208 may be further developed across a broader set of high-risk clinical conditions than permitted by the Company's current resources alone.

Exhibit 1: Initial Licensing Deal with Shenzhen Hepalink

Resverlogix's partnership with Shenzhen Hepalink represents the largest single molecule deal in the history of China

Resverlogix – Shenzhen Hepalink Exclusive Licensing Agreement	
Compound	• Apabetalone (RVX-208)
Licensors	• Resverlogix Corp.
Licensee	• Shenzhen Hepalink Pharmaceutical Co., Ltd.
Territories	• China, Hong Kong, Taiwan, and Macau
Indications	• Any approved indication
Deal Structure	<ul style="list-style-type: none"> • US\$35M in equity investments in Resverlogix • >US\$400M in projected future China sales milestones and licensing royalties
Developmental Costs	<ul style="list-style-type: none"> • Shenzhen Hepalink is responsible for all developmental costs for the licensed territories • This includes the cost of additional clinical trials in the licensed territories, regulatory applications, etc.

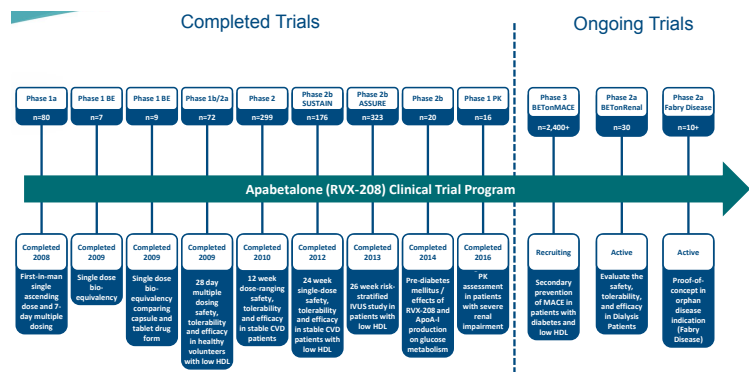
Source: Company Reports

Most notably, the Resverlogix team has progressed its lead product candidate RVX-208 to a Phase 3 trial (BETonMACE) for high-risk type 2 diabetes patients with CAD, with top line data expected this year (likely December 2018 with over 2400 patients enrolled to date, surpassing its target number). This first-in-class (and only) small molecule compound has demonstrated a strong safety profile with over 1800 patients treated to date in 19 countries around the world. The Company is also investigating the molecule for the treatment of other diseases such as chronic kidney disease, and Resverlogix is also actively pursuing an orphan indication for Fabry's disease, with less expensive and extensive paths to commercialization.

ONGOING CLINICAL TRIALS

Below is a summary of Resverlogix's clinical activity to date.

Exhibit 2: Clinical Trials Summary



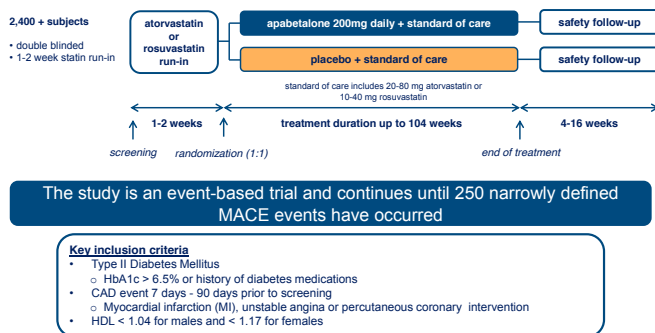
Source: Company Reports

As a result of the clinical trials detailed above, Resverlogix now has a robust database steering it towards the optimum dosing levels, timing and efficacy given a variety of conditions/circumstances surrounding patient treatment with RVX-208. While not all individual trials met preset endpoints with statistical significance, researchers have been able to study pooled results (combining data from separate trials) to refocus the path towards commercialization with very promising subsets uncovered within the vast amount of data now within the Company's possession.

BETonMACE

Its Phase 3 trial for the secondary prevention of major adverse cardiovascular events in patients with diabetes and low HDL began enrolling patients October 2015 (with first patient randomized with dosing in November 2015), and details are outlined below.

Exhibit 3: BETonMACE CV Outcomes Study Design



Source: Company Reports

The trial recently surpassed 2,400 enrolled patients, and top line data is expected this year in Q418. Within the BETonMACE Phase 3, the primary endpoint is the time to first occurrence of MACE; additionally, the trial will test for renal function in a subset population of chronic kidney disease patients as well as assess neurological function with the Montreal Cognitive Assessment (MoCA) in patients over the age of 70. We note that apabetalone's clinical results are on top of current standard of care treatments, with many patients being treated already taking high levels of statins, beta blockers, glucose management drugs and ace inhibitors as a result of prior major adverse cardiovascular events; clinical trial participants have demonstrated reduced risk for future MACE of 57% ($p=.0181$) with apabetalone, and it is notable that RVX's current target in its BETonMACE Phase 3 trial is a 30% relative risk reduction (previous results documented in *Nicholls et al. 2017: American Journal of Cardiovascular Drugs*).

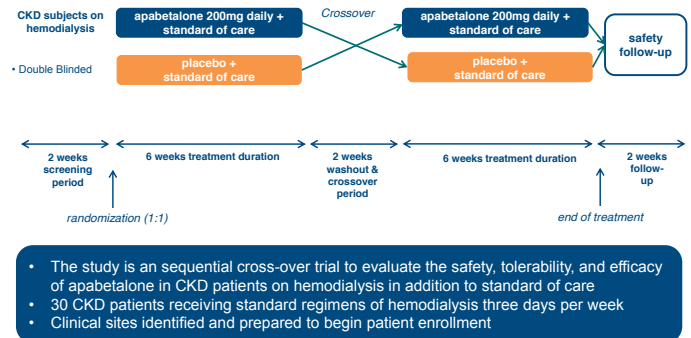
BETonRENAL

As a result of previous clinical results, the Company believes that apabetalone holds the potential to improve kidney function for patients suffering from various stages of kidney disease. To date, a Phase 1 study in subjects with severe renal impairment demonstrated that RVX-208 was highly impactful at reducing a variety of plasma proteins and downregulating pathways activated in the CKD cohort; after a 100mg dose of apabetalone and 12 hours, 152 of 288 identified differentially expressed

proteins were downregulated, including biomarkers of inflammation, cell adhesion, matrix remodeling calcification, and thrombosis.

From this data, the BETonRENAL dialysis study has been designed, with Phase 2 trials beginning early 2018 (first patient expected to be randomized Q218).

Exhibit 4: BETonRENAL Dialysis Study Design



Source: Company Reports

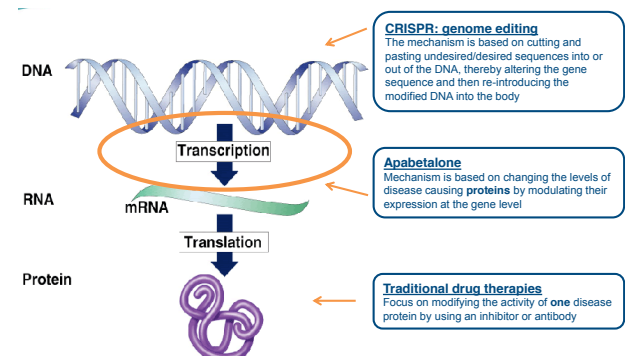
Fabry's Disease Phase 2a

Fabry's disease is a rare genetic disease that can present with a wide range of symptoms typically affecting the extremities, kidneys, heart and skin. It is inherited in an X-linked manner and involves the dysfunctional metabolism of sphingolipids, which can have a significant impact on signal transmission and cell recognition, particularly in neural tissue. The disease can be difficult to diagnose and is costly to treat. Stroke, heart disease and kidney complications are the top causes of mortality in these patients. Following approval in May 2017, the Company has been preparing for a Phase 2a open-label exploratory clinical study to assess safety, tolerability, and effect of apabetalone in patients with Fabry's disease for up to 16 weeks. The study population will be made up of 2 cohorts, and patient enrollment is expected to begin in Q218.

COMPETITIVE ADVANTAGES

There are currently several therapeutic approaches under investigation that could compete with RVX's apabetalone.

Exhibit 7: Advanced Mechanism of Action

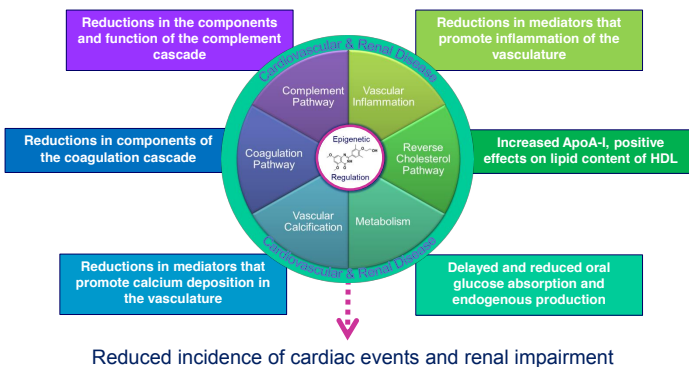


Source: Company Reports

However, after years of study in proteomics, genomics and pathway analysis in this area, the Company has gained in-depth knowledge of BET activities. And while other BET programs aim at multiple targets, RVX's expertise has enabled its apabetalone product candidate to specifically target bromodomain 2 of the BET proteins. By inhibiting this bromodomain, specifically in BRD4, apabetalone can regulate the expression of genes and restore the normal function of pathways underlying the pathogenesis of CVD and kidney disease, among other diseased states.

Apabetalone mediated BET inhibition affects multiple processes important for CVD and renal risk. In addition to effects on lipoproteins, apabetalone represses pathways underlying the pathogenesis of atherosclerosis and acute coronary events, including inflammation, complement, coagulation (thrombosis), vascular calcification and atherogenesis. Based on mechanistic data, apabetalone treatment, or select BET inhibition, attenuates the inflammatory process that contributes to CVD initiation and progression. Furthermore, treatment induces directional changes towards normalization of perturbed inflammatory states and restores basal activity of the innate immune response and clotting cascade with the potential for immediate benefits to atherosclerosis and cardiovascular disease.

Exhibit 8: Benefits of Epigenetic Regulation



Source: Company Reports

There are also many advantages to the Company's small molecule products and research platform versus the large molecule antibodies of certain pharma competitors. A key issue in the development of a new therapeutic is not only safety and efficacy, but also what payers are willing to support in the marketplace. Ease and cost-effective administration of the treatment will be clear competitive advantages for RVX-208.

With its first approval most likely for CVD program, apabetalone could be used in conjunction with current standards of care such as Lipitor and Crestor in order to further reduce the potential for major cardiac events. RVX-208 would likely be in direct competition with certain programs currently under development:

- LDL reduction programs (PCSK9)
- Peptide programs
- ApoA-I infusion treatments
- Delipidated HDL programs

- Cholesteryl transfer protein (CETP) inhibitors

The Company also reports an extensive, unencumbered IP portfolio that provides protection related to the composition of matter, methods and treatments in its core areas of scientific research, as well as numerous pending patent applications. Most notably, the patent life on RVX-208 currently extends to 2033.

INDUSTRY OVERVIEW

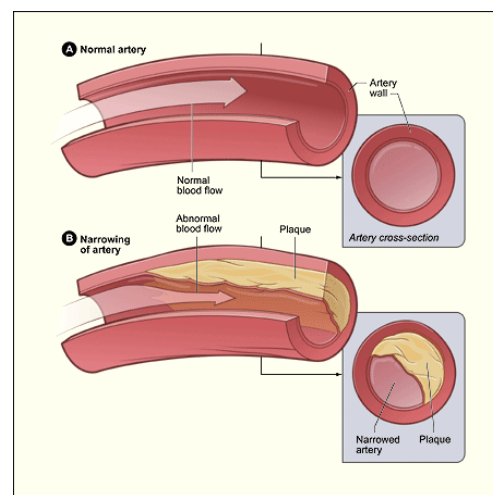
Cardiovascular disease

The World Health Organization (WHO) reports that CVD is the leading cause of death worldwide, accounting for 17.7 million deaths in 2015, or roughly one-third of all deaths reported that year. Of these deaths, an estimated 7.4 million were due to stroke, and 6.7 million were due to coronary heart disease. According to the WHO, most cardiovascular diseases can be prevented by addressing behavioral risk factors such as tobacco use, unhealthy diet/obesity, lack of physical activity and harmful use of alcohol.

Currently, according to Johns Hopkins, about 84 million Americans are living with some form of cardiovascular disease or the after-effects of stroke, and heart disease strikes someone new in the US about every 40 seconds. Direct and indirect costs of CVD and stroke total ~\$315 billion, and this figure is increasing every year.

Atherosclerosis is the major cause of heart attacks and strokes and remains the major cause of mortality and morbidity in the US. In arteriosclerosis, the arteries thicken due to the build of cholesterol, known as plaques. As a result, the vessel wall loses the flexibility and begins to restrict supply of blood to the tissues and organs. Atherosclerosis can be caused by a number of factors such as diet, smoking, hypertension, and the presence of elevated blood lipids.

Exhibit 5: Narrowing Due to Atherosclerosis

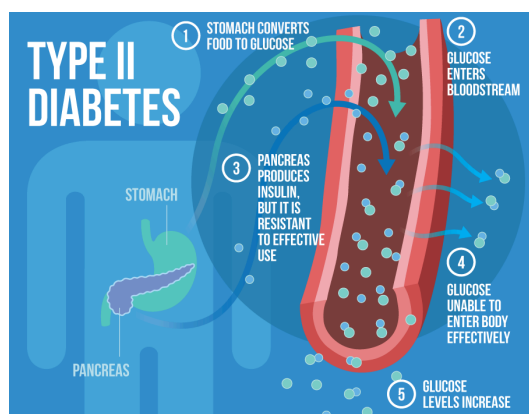


Source: Company Reports

Diabetes

Diabetes is the most common endocrine disease in the world. The primary cause of diabetes is when a person's pancreas becomes incapable of providing enough insulin for the body, thus leading to increased blood glucose levels. According to the Center for Disease Control (CDC), diabetes affects over 9% of the US population, translating to approximately 1 out of every 11 people having diabetes. Type 2 diabetes accounts for about 90-95% of all diagnosed diabetes patients.

Exhibit 6: Progression of Type 2 Diabetes



Source: Industry Reports

Apabetalone has been shown to enhance ApoA- I/HDL production and function. HDL has the ability to directly modulate glucose metabolism through multiple mechanisms. Both acute and chronic HDL elevations reduce blood glucose in patients with type 2 diabetes mellitus; one way is through HDL directly stimulating pancreatic insulin secretion. Also, there is evidence that HDL improves insulin action in diabetes patients, and this leads researchers to believe that raising ApoA-I/HDL may have benefits towards the treatment and possibly prevention of type 2 diabetes mellitus.

Chronic Kidney Disease

As a result of having diabetes mellitus long-term, which can impair blood vessels and the filtering function of the nephrons in the kidneys, patients can also develop chronic kidney disease. According to the National Institute of Diabetes and Digestive and Kidney Diseases, in excess of 30 million people in the US suffer from CKD (approximately 10% of the adult population). For many of these, CKD progresses to a point where the kidneys fail completely, and patients with this end-stage renal failure require hemodialysis multiple times per week. The cost to the US healthcare system is tremendous – over \$34 billion per year. The estimated cost per patient per year for dialysis is approximately \$90,000.

The Company also believes that apabetalone may hold potentially important benefits for patients with neurodegenerative disease, Fabry's disease (orphan indication), peripheral artery disease, end-stage renal disease treated with hemodialysis, and various other diseases as well, all of which share the same epigenetic

processes driving disease risk factors, which can be modified by BET inhibition by apabetalone.

RISKS

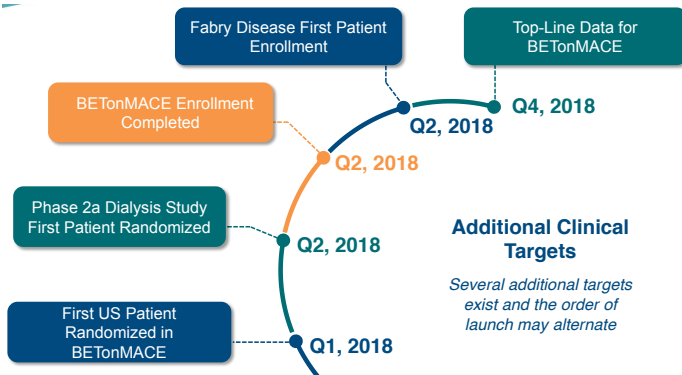
As with any investment, there are certain risks associated with Resverlogix's operations as well as with the industry dynamic and surrounding economic and regulatory environments.

- Biotechnology companies as a whole tend to be small with only one to a few compounds in development. Many biotech companies operate with losses because the time to develop a compound is lengthy. The biotechnology industry is a very research-intensive industry and as a result, the cash burn for many companies is initially high, with offsetting revenues being little to none. Should the Company fail to successfully commercialize a product, it may be forced to cease operations.
- Since inception, the Company has incurred significant losses each year. The Company reported an accumulated deficit of USD \$366M as of 1/31/18. Management expects to incur significant operating losses as it continues product research and development and clinical trials prior to commercialization. Therefore, Resverlogix will need additional financing in the future to fund its ongoing R&D programs. If the Company raises money through convertible debt or equity, there is risk of shareholder dilution. Additionally, the Company may not find capital under favorable terms depending on the timing and the amount of funds needed.
- It can take roughly 12 to 15 years for an experimental drug to go from early stage concept to approval following an often long and arduous process. Every stage from production to manufacture, to research and development are highly regulated. In the US, Canada, and Europe, there are regulatory agencies that heavily enforce regulations. Many of these regulations are promulgated by legislation surrounding issues such as licensing, manufacturing, contract research, research and testing, governmental review and approval of clinical results. All must be addressed prior to marketing of the therapeutic, and competitors can be not far behind in the race.
- Resverlogix seeks strategic partners to assist in taking its therapeutics to market. These arrangements defray the enormous costs associated with the successful commercialization of a product. The Company faces significant competition for these partners' resources and could have difficulty attracting the top corporate and academic collaborators in the marketplace. Additionally, negotiating favorable terms can be very intricate and a time-consuming task.
- The Company has patents issued to protect its proprietary rights covering its current technology and know-how related to composition of matter, methods and treatments in its core areas. Even if patents are issued, they can be challenged by competitors. Additionally, competitors can develop modified, non-infringing versions of the drug in order to obtain generic approval for sales. Litigation related to IP infringement can be lengthy and very costly to prove.

VALUATION

The Company has outlined the following milestones for its lead compound RVX-208 (timeline based on calendar year):

Exhibit 9: Upcoming Milestones for RVX-208



Source: Company Reports

Supporting the story, the Company had 4 notable publications in 2017 and has 5 already in progress for 2018; we see this as a significant step forward for the Company, as the results of its research continue to be documented in recognized medical and pharmacology journals.

As of 1/31/18, the Company reported approximately USD \$0.5 million in cash on hand with a reported average monthly cash burn rate of approximately USD \$4.7M for the quarter. During the third quarter, RVX received CAD \$8M related to a licensing agreement and also USD \$68.5M from a private placement, and funds were utilized for long-term debt elimination and company operations/clinical trials. We expect that once the BETonMACE trial concludes (target of 2400 already enrolled), the monthly burn will be reduced significantly beginning in Q4FY18, but the Company will still need to raise additional funds within the near-term to support its pipeline. In the short-term, Zenith has agreed to prepay certain operating cost reimbursements to Resverlogix in the amount of \$0.3 million.

Finally, based on discussions with and disclosures by management, we have performed a discounted cash flow analysis for the initial target markets for RVX-208 given the following basic assumptions:

- A product launch occurs in FY2020
- We have assumed up to 20% penetration of the patient population based on the Company's estimated market size of 10M+ patients for its top 7 markets
- We have conservatively given an average 50% probability of commercialization for the targeted

markets, weighing the use of the advanced RVX-208 platform vs. the current stages of earlier clinical trials

- Our median discount rate is 25%
- After FY2027 we apply terminal growth rates ranging from 0% - 4%
- We utilized a CAD\$5,000 price per patient per year, selected from the data range provided by the Company following market analysis
- A dividend to Zenith ranging from 6 – 12% has been accounted for on net revenues
- We have factored in the Company's COGS estimate of 20% and expected G&A growth over the upcoming decade when compiling operating margins and capex estimations
- The Company has also guided to an estimated 25% effective tax rate

Our analysis results in a range of CAD\$5.17 to \$10.73 per share value, with a mid-point of \$7.20, offering considerable upside to the current trading price of \$1.70. However, any additional news regarding the path towards commercialization over the upcoming year could notably impact our estimates. Also, we have not factored in the most recent Hepalink US licensing option for RVX-208, given that it is a right of refusal at this juncture. For the time being, we have utilized cash on hand plus equity raises as the resources to fund operations and the development pipeline going forward. Overall, we believe that our analysis offers a very conservative approach to the valuation potential for RVX-208; should this lead compound exceed our assumptions on any of the variables (penetration, pricing, margins, etc.), it is likely to garner a much higher multiple than the range produced by our model.

Exhibit 10: Valuation Utilizing DCF Model

Discount Rate	Terminal Growth Rates				
	0%	1%	2%	3%	4%
15.0%	\$15.37	\$15.93	\$16.57	\$17.33	\$18.22
20.0%	\$10.00	\$10.22	\$10.46	\$10.73	\$11.03
25.0%	\$6.99	\$7.09	\$7.20	\$7.31	\$7.44
30.0%	\$5.12	\$5.17	\$5.22	\$5.28	\$5.34
35.0%	\$3.88	\$3.91	\$3.94	\$3.96	\$4.00

Source: Stonegate Capital Partners

We also note that currently included in consensus estimates per Capital IQ, the following analysts have published research coverage on Resverlogix:

- Analyst David M. Kideckel, PhD, MBA, of Beacon Securities, Ltd.
- Analyst John D. Vandermosten, CFA, of Zacks Investment Research, Inc.

CORPORATE TIMELINE

2018: BETonMACE trial surpasses target of 2400 enrolled patients, and topline data expected near end of 2018

2018: Licensing agreement with Medison Pharma Ltd. for distribution and marketing rights to apabetalone in Israel

2018: 6th positive recommendation from the DSMB for BETonMACE

2017: 5th positive recommendation from DSMB for BETonMACE

2017: Right of first refusal agreement with Hepalink USA Inc.

2017: \$87 MM private placement with Shenzhen Hepalink

2017: FDA approves for inclusion of USA patients in BETonMACE

2017: 4th positive recommendation from DSMB for BETonMACE

2017: Raised \$10 MM

2017: Phase 1 Fabry's Disease trial approved by Health Canada

2017: Unique properties of apabetalone in FSHD reported

2017: Approval from FDA to proceed with dialysis trial

2017: Planned launch of Phase 2 – late stage CKD patients

2016: Received 2 positive recommendations from the DSMB for BETonMACE

2016: Completed Phase 1 renal – CKD

2015: Launched Phase 3 BETonMACE

2015: Began Orphan Disease Program

2015: Raised \$50 MM

2015: Completed licensing/equity deal with Shenzhen Hepalink

2014: Raised \$32.3 MM

2013: Completed Phase 2b – ASSURE

2013: Zenith Epigenetics spin-out

2013: Raised \$15.4 MM

2012: Launched Phase 2 Trial (Pre-DM patients)

2012: Raised \$25 MM

2012: Completed Phase 2b – SUSTAIN

2011: Raised \$30.1 MM

2010: Completed Phase 2 – ASSERT

2010: Raised \$32.2 MM

2009: Completed Phase 1b/2a

2009: Raised \$24.3 MM

2008: Completed Phase 1a

2007: FDA IND Approval for apabetalone

2007: Raised \$45.9 MM

2005: Commenced Trading on TSX

2001: Founded

RESVERLOGIX GOVERNANCE

Donald J. McCaffrey, Chairman, President, CEO and Co-Founder – Mr. McCaffrey has over 35 years of business experience including 17 years of drug discovery & development. He has personally raised over \$300 million for research and clinical development in the areas of cardiovascular disease, diabetes mellitus, Alzheimer's disease and other serious indications. As President and CEO of the Company, Mr. McCaffrey spearheaded the development and spin-out of Resverlogix's subsidiary RVX Therapeutics, Inc. to Zenith Epigenetics Corp., where he is also the current President, CEO, and Chairman of the Board.

Dr. Norman C.W. Wong, M.D., FRCP, CSO and Co-Founder – Dr. Wong's research focus is on the molecular actions of hormones related to the regulation of gene expression and pathogenesis of diabetes mellitus. In addition to speaking at numerous medical conferences and sitting on over 40 panels and committees, he has been the author and co-author of more than 300 articles and abstracts. Dr. Wong has also acted as a consultant to several leading pharmaceutical companies, including Eli Lilly, Merck Frost, GlaxoSmithKline, Solvay Pharmaceuticals and Abbott Laboratories.

Dr. Ewelina Kulikowski, Ph.D., Senior Vice President of R&D – Dr. Kulikowski joined Resverlogix in 2005 as Director of Research and Development and has been involved in the development of lead drug RVX-208 from its discovery through the IND and into clinical development. Dr. Kulikowski has been involved in various aspects of pipeline development including market, reimbursement and pharmacoeconomic surveys, regulatory affairs, commercial and lifecycle management. In 2004, she received her Doctorate in Oncology from the University of Calgary, AB.

Dr. Michael Sweeney, M.D., Sr. Vice President of Clinical Development – Dr. Sweeney is a cardiologist with extensive experience in pharmaceutical product development and marketing. He has a career history spanning over 30 years in the pharmaceutical industry, including tenures with Pfizer, Depomed, and CV Therapeutics. He holds biochemistry and medical degrees from Liverpool University and an advanced medical research degree from Manchester University in the U.K. Dr. Sweeney also holds post-graduate diplomas from the University of London.

Dr. Jan O. Johansson, M.D., Ph.D., Sr. Vice President of Medical Affairs – Dr. Johansson has had a distinguished 35-year career of which the past 20 years have been in small biotechnology and large pharmaceutical companies with expertise in the cardio-metabolic and neurological disease therapeutic area, including Nuvelo, Lipid Sciences, Esperion Therapeutics, and Pharmacia. Dr. Johansson earned his M.D. and Ph.D. at the Karolinska Institute in Sweden, where he also practiced at the Karolinska Hospital. He has published more than 60 peer-review medical articles.

A. Brad Cann, CA, CFO – Prior to joining Resverlogix in 2009, Mr. Cann was Executive Vice President and Chief Financial Officer of Royal Host Real Estate Investment Trust, a diversified hospitality trust engaged in hotel ownership, investment, management and franchising, and Canada's second largest hotel REIT. Prior to joining Royal Host in 2004, he was a business consultant and held senior management positions with several companies. Mr. Cann is a Chartered Accountant and a Chartered Business Valuator, and holds a Bachelor of Commerce from the University of Saskatchewan.

Kenneth Lebioda, BA, Senior Vice President of Business & Corporate Development – Mr. Lebioda has over 30 years of experience in the pharmaceutical industry with leading global companies such as Bristol-Myers Squibb, Hoechst Marion Roussel and Marion Merrell Dow. His past contributions in helping build leading global cardiovascular brands such as Plavix, Pravachol, Cardizem, and Avapro provide strategic guidance for the Company's technologies in the areas of market analysis, regulatory affairs, pharmacoeconomics, licensing and commercialization.

Board of Directors:

Donald J. McCaffrey – *Chairman*

Norma Biln – *Director*

Kelly McNeill – *Director*

Dr. Eldon R. Smith – *Lead Director*

Shawn Lu – *Director*

Kenneth J. Zuerblis – *Director*

IMPORTANT DISCLOSURES AND DISCLAIMERS

The following disclosures are related to Stonegate Capital Partners “SCP” research reports.

ANALYST DISCLOSURES

I, Laura S. Engel, CPA, hereby certify that the view expressed in this research report accurately reflects my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the recommendations or views expressed in this research report. I believe the information used for the creation of this report has been obtained from sources I considered to be reliable, but I can neither guarantee nor represent the completeness or accuracy of the information herewith. Such information and the opinions expressed are subject to change without notice.

INVESTMENT BANKING, REFERRALS, AND FEES FOR SERVICE

SCP does not provide nor has it received compensation for investment banking services on the securities covered in this report. SCP does not expect to receive compensation for investment banking services on the securities covered in this report. SCP has a non-exclusive Advisory Services agreement to provide research coverage, retail and institutional awareness, and overall Investor Relations support for which it is compensated \$7,500 per month. Stonegate Capital Markets “SCM” (Member FINRA) is an affiliate of SCP and may seek to receive future compensation for investment banking or other business relationships with the covered companies mentioned in this report. In certain instances, SCP has contracted with SCM to produce research reports for its client companies. SCP pays SCM a monthly retainer for said services.

POLICY DISCLOSURES

SCP Analysts are restricted from holding or trading securities in the issuers that they cover. SCP and SCM do not make a market in any security nor do they act as dealers in securities. Each SCP analyst has full discretion on the content and valuation discussion based on his or her own due diligence. Analysts are paid in part based on the overall profitability of SCP. Such profitability is derived from a variety of sources and includes payments received from issuers of securities covered by SCP for services described above. No part of analyst compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in any report or article. No employee of SCP serves on the Company’s Board of Directors. Research Analyst and/or a member of the Analyst’s household do not own shares of this security. The Research Analyst and/or a member of the Analyst’s household do not serve as an officer, director, or advisory board member of the Company. This security is eligible for sale in one or more states. This security is subject to the Securities and Exchange Commission’s Penny Stock Rules, which may set forth sales practice requirements for certain low-priced securities. SCP or its affiliates do not beneficially own 1% or more of an equity security of the Company. SCP does not have other actual, material conflicts of interest in the securities of the Company.

ADDITIONAL INFORMATION

Please note that this report was originally prepared and issued by SCP for distribution to their market professional and institutional investor customers. Recipients who are not market professional or institutional investor customers of SCP should seek the advice of their independent financial advisor prior to making any investment decision based on this report or for any necessary explanation of its contents. The information contained herein is based on sources, which we believe to be reliable, but is not necessarily complete and its accuracy cannot be guaranteed. Because the objectives of individual clients may vary, this report is not to be construed as an offer or the solicitation of an offer to sell or buy the securities herein mentioned. This report is the independent work of SCP and is not to be construed as having been issued by, or in any way endorsed or guaranteed by, any issuing companies of the securities mentioned herein. The firm and/or its employees and/or its individual shareholders and/or members of their families and/or its managed funds may have positions or warrants in the securities mentioned and, before or after your receipt of this report, may make or recommend purchases and/or sales for their own accounts or for the accounts of other customers of the firm from time to time in the open market or otherwise. While we endeavor to update the information contained herein on a reasonable basis, there may be regulatory, compliance, or other reasons that prevent us from doing so. The opinions or information expressed are believed to be accurate as of the date of this report; no subsequent publication or distribution of this report shall mean or imply that any such opinions or information remains current at any time after the date of this report. All opinions are subject to change without notice, and we do not undertake to advise you of any such changes. Reproduction or redistribution of this report without the expressed written consent of SCP is prohibited. Additional information on any securities mentioned is available on request.

RATING & RECOMMENDATION

SCP does not rate the securities covered in its research. SCP does not have, nor has previously had, a rating for any securities of the Company. SCP does not have a price target for any securities of the Company.

CONTACT INFORMATION

Stonegate Capital Partners
8201 Preston Rd
Dallas, Texas 75225
Phone: 214-987-4121
www.stonegateinc.com