

Financial Statements of

RESVERLOGIX CORP.

Years ended April 30, 2006 and 2005



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Chartered Accountants

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AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the consolidated balance sheets of Resverlogix Corp. as at April 30, 2006 and 2005 and the consolidated statements of operations and deficit and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at April 30, 2006 and 2005 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

KPMG LLP

Chartered Accountants

Calgary, Canada

July 19, 2006

RESVERLOGIX CORP.

Consolidated Balance Sheets

April 30, 2006 and 2005

	2006	2005
Assets		
Current assets:		
Cash and cash equivalents	\$ 3,059,166	\$ 8,424,837
Short term investments	4,636,463	3,678,613
Accounts receivable	—	79,473
Prepaid expenses and deposits	246,343	29,688
	<u>7,941,972</u>	<u>12,212,611</u>
Property and equipment (note 3)	769,076	545,412
Intellectual property and patents (note 4)	296,506	105,301
	<u>\$ 9,007,554</u>	<u>\$12,863,324</u>
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 647,433	\$ 412,805
Current portion of equipment leases (note 5)	—	32,930
	<u>647,433</u>	<u>445,735</u>
Shareholders' equity:		
Common shares (note 6)	20,313,242	17,619,707
Preferred shares (note 6)	—	50,000
Contributed surplus (note 6)	2,347,073	1,028,321
Warrants (note 6)	83,520	351,367
Deficit	(14,383,714)	(6,631,806)
	<u>8,360,121</u>	<u>12,417,589</u>
Nature of operations (note 1)		
Commitments (notes 4 and 8)		
Subsequent event (note 12)		
	<u>\$ 9,007,554</u>	<u>\$12,863,324</u>

See accompanying notes to the consolidated financial statements.

Signed on behalf of the Board:

Signed: “William A. Cochrane” Director

Signed: “Whitney O. Ward” Director

RESVERLOGIX CORP.

Consolidated Statements of Operations and Deficit

Years ended April 30, 2006 and 2005

	2006	2005
Revenue:		
Interest and other income	\$ 272,266	\$ 185,787
Gain on sale of short term investments	–	35,030
	<u>272,266</u>	<u>220,817</u>
Expenses:		
Research and development	3,392,850	1,724,198
Research and development cost recoveries (note 10)	(5,203)	(147,479)
General and administrative	1,829,821	1,610,014
Stock-based compensation	1,912,953	510,501
Depreciation and amortization	239,462	144,925
Foreign exchange loss (gain)	36,062	(42,358)
	<u>7,405,945</u>	<u>3,799,801</u>
Net Loss	7,133,679	3,578,984
Deficit, beginning of year	6,631,806	3,052,822
Share repurchase (note 6)	618,229	–
Deficit, end of year	<u>\$14,383,714</u>	<u>\$ 6,631,806</u>
Net Loss per common share – basic and diluted	\$ 0.30	\$ 0.17
Weighted average number of common shares	<u>23,815,621</u>	<u>20,561,048</u>

See accompanying notes to the consolidated financial statements.

RESVERLOGIX CORP.

Consolidated Statements of Cash Flows

Years ended April 30, 2006 and 2005

	2006	2005
Cash provided by (used in):		
Operations:		
Net Loss	\$(7,133,679)	\$(3,578,984)
Items not involving cash:		
Stock-based compensation	1,912,953	510,501
Depreciation and amortization	239,462	144,925
Cancellation of preferred shares	(50,000)	—
Gain on sale of short term investments	—	(35,030)
	<u>(5,031,264)</u>	<u>(2,958,588)</u>
Changes in non-cash working capital:		
Accounts receivable	79,473	(79,473)
Prepaid expenses and deposits	(216,655)	6,577
Accounts payable and accrued liabilities	239,755	282,010
	<u>(4,928,691)</u>	<u>(2,749,474)</u>
Financing:		
Proceeds from exercise of options and warrants	1,938,777	1,500,556
Issue of common shares for cash, net of issuance costs	—	10,422,173
Share repurchase	(725,519)	—
Equipment leases	(32,930)	(29,848)
	<u>1,180,328</u>	<u>11,892,881</u>
Investing:		
Short term investments	(957,850)	(760,212)
Property and equipment additions	(444,619)	(183,785)
Patent additions	(209,712)	(110,677)
Non-cash investing working capital	(5,127)	59,657
	<u>(1,617,308)</u>	<u>(995,017)</u>
Increase (decrease) in cash and cash equivalents	(5,365,671)	8,148,390
Cash and cash equivalents, beginning of year	8,424,837	276,447
Cash and cash equivalents, end of year	<u>\$ 3,059,166</u>	<u>\$ 8,424,837</u>
Interest Paid	\$ 1,589	\$ 4,934

See accompanying notes to the consolidated financial statements.

RESVERLOGIX CORP.

Notes to the Consolidated Financial Statements

Years ended April 30, 2006 and 2005

Resverlogix Corp. and its wholly owned subsidiary, RVX Therapeutics Inc., are incorporated under the laws of Alberta. The Company's primary business activity is the research and development of various drugs to reduce cholesterol and the treatment of cancer and fibrotic disease.

1. Nature of operations:

The Company is moving through the research and development stages of biopharmaceutical development. Early drug development stages such as discovery, preclinical, and lead optimization can take several years to complete. The environment of drug development is a long process, and as such the Company has not generated any commercial revenue or a customer base.

The Company has the following projects under development:

(a) NexVas™:

The Company's lead technology NexVas is an ApoA1/high-density lipoprotein (HDL) enhancement program. ApoA1 is the key building block cardio protective protein of HDL (the good cholesterol). ApoA1/HDL enhancement technology focuses on the treatment of numerous cardiovascular diseases including the reversal of atherosclerotic plaque.

(b) ReVas™:

This technology is dedicated to the research and development of therapeutic compounds to be used with medical devices and biomaterials for the local non-systemic treatment of cardiovascular disease, in particular restenosis.

(c) TGF-β Shield™:

This technology is an approach to suppress the ability of cancers to avoid the immune system's cancer killing activity, and has been re-engineered to treat fibrotic diseases of the eye, liver, lung, heart and kidney. The initial technology was acquired in June 2003. In July 2004, the Company filed a patent application to protect the therapeutic applications of this technology.

Research and development expenditures on these projects are as follows:

	2006	2005	Cumulative since inception
NexVas	\$3,109,445	\$1,560,581	\$5,320,026
ReVas	106,617	–	106,617
TGF-β Shield	176,788	163,617	490,405
	<u>\$3,392,850</u>	<u>\$1,724,198</u>	<u>\$5,917,048</u>

RESVERLOGIX CORP.

Notes to the Consolidated Financial Statements, page 2

Years ended April 30, 2006 and 2005

1. Nature of operations continued:

As the Company has no established revenue base, it is reliant on equity financing for funding its projects under development. At April 30, 2006, the Company had \$7.3 million of working capital, including \$7.7 million of cash and short term investments. Management has concluded that it has sufficient working capital to fund its development and corporate operations beyond April 30, 2007. Should the Company be unable to access adequate funding, adjustments would be necessary to assets and liabilities and revenues and expenses.

2. Significant accounting policies:

(a) Use of estimates:

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

(b) Property and equipment:

Property and equipment are recorded at cost and are depreciated on a straight-line or declining balance basis over their estimated useful lives as follows:

Assets	Method	Rate
Laboratory equipment	Declining balance	20%
Office furniture and equipment	Straight-line	5 years
Computer equipment	Straight-line	3 years
Computer software	Straight-line	3 years
Leasehold improvements	Straight-line	term of lease

(c) Cash and cash equivalents:

The Company considers cash and short-term deposits with original maturities of three months or less as cash and cash equivalents.

(d) Short term investments:

Short term investments are liquid investments that are readily convertible to known amounts of cash and have original maturities greater than three months. They are carried at the lower of cost plus accrued interest and market value.

(e) Research and development costs and Intellectual property:

Research and development costs are expensed in the period in which they are incurred. Development costs that meet the criteria specified by Canadian accounting standards are deferred and amortized over the life of the related project. Amounts expended on intellectual property that comprises in-process research and development is charged to operations. To date, no development costs have been deferred.

RESVERLOGIX CORP.

Notes to the Consolidated Financial Statements, page 3

Years ended April 30, 2006 and 2005

2. Significant accounting policies (continued):

(f) Patents:

Costs incurred in obtaining patents, all legal expenses to file, revise and defend patents, and all regulatory body fees relating to the patents are capitalized. Patent costs are amortized on a straight-line basis over the estimated life of the respective patents, being 18 years. On an ongoing basis, management reviews the valuation, taking into consideration circumstances which might have impaired the value.

(g) Future income taxes:

The Company uses the asset and liability method of accounting for income taxes. Under this method future tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement amounts of existing assets and liabilities and their respective tax bases. Future tax assets and liabilities are measured using enacted or substantively enacted Canadian tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the substantive enactment date.

(h) Per share amounts:

Basic per share amounts are calculated by using the weighted average number of shares outstanding during the year. In calculating diluted per share amounts, the Company follows the treasury stock method to determine the dilutive effect of stock options and warrants. The dilutive effect is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common shares at the average market price during the year. Only dilutive instruments, where market value exceeds the exercise price, impact the calculation.

(i) Stock based compensation plan:

For options or similar instruments granted to employees and non-employees after April 30, 2003, an amount equal to the fair value of the instrument on the date of grant is recorded as a charge to operations over the vesting period. The fair value of options and similar instruments is estimated on the grant date using the Black-Scholes option pricing model. Any consideration received upon exercise of the options and similar instruments together with the amount of non-cash compensation expense recognized in contributed surplus is recorded as an increase in common shares.

RESVERLOGIX CORP.

Notes to the Consolidated Financial Statements, page 4

Years ended April 30, 2006 and 2005

3. Property and equipment:

2006	Cost	Accumulated depreciation and amortization	Net book value
Laboratory equipment	\$ 813,325	\$ 293,319	\$ 520,006
Office furniture and equipment	48,581	24,589	23,992
Computer equipment	123,966	69,832	54,134
Computer software	66,900	22,389	44,511
Leasehold improvements	247,172	120,739	126,433
	<u>\$ 1,299,944</u>	<u>\$ 530,868</u>	<u>\$ 769,076</u>
2005			
Laboratory equipment	\$ 643,039	\$ 189,987	\$ 453,052
Office furniture and equipment	39,052	16,048	23,004
Computer equipment	81,760	39,633	42,127
Computer software	16,243	9,818	6,425
Leasehold improvements	75,231	54,427	20,804
	<u>\$ 855,325</u>	<u>\$ 309,913</u>	<u>\$ 545,412</u>

Included in property and equipment are laboratory equipment, office equipment and computer equipment under capital lease. At April 30, 2006, the cost and accumulated depreciation and amortization of the assets under capital lease was nil (2005 - \$91,738 and \$42,492, respectively).

4. Intellectual property and patents:

April 30, 2006	Cost	Accumulated amortization	Net book value
Acquired property (NexVas™)	\$ 818	\$ 91	\$ 727
Patents	320,389	24,610	295,779
	<u>\$ 321,207</u>	<u>\$ 24,701</u>	<u>\$ 296,506</u>
April 30, 2005			
Acquired property (NexVas™)	\$ 818	\$ 45	\$ 773
Patents	110,677	6,149	104,528
	<u>\$ 111,495</u>	<u>\$ 6,194</u>	<u>\$ 105,301</u>

In June 2003, Resverlogix completed an intellectual property acquisition of a Cancer Suppression Therapy. The technology is in the area of cancer therapeutics and involves stimulating the immune system to halt or kill the growth of cancer cells. In consideration for acquisition of the intellectual property, the Company agreed to pay each of the vendors \$50,000, a royalty on

RESVERLOGIX CORP.

Notes to the Consolidated Financial Statements, page 5

Years ended April 30, 2006 and 2005

4. Intellectual property and patents continued:

cumulative future licensing revenues and 1,000,000 Series A first preferred shares convertible into common shares. In November 2005, termination agreements were signed by the vendors, without further payments made. The cost of this acquisition was included in research and development expenses.

In October 2004, the Company entered into an exclusive license agreement that expands the number of proprietary compounds that the Company can test, manufacture, market, sell or sublicense. The agreement expires on the later of 20 years or the expiration of the last patent covered under the license agreement. As consideration the Company paid an initial license fee of U.S. \$25,000. In addition, the Company is required to make additional payments of U.S. \$50,000 upon the discovery of each nutraceutical which contains a compound protected by the patent which will be used in a commercial context and a payment of U.S. \$300,000 upon the first enrolment of a patient into a regulatory approved Phase I Clinical Trial for a pharmaceutical compound protected by the patent.

5. Equipment leases:

The equipment leases were repayable in monthly installments of \$2,899, including interest at 10 per cent. The leases matured in April 2006 and purchase options were exercised on all leased equipment. Interest of \$1,589 (2005 - \$4,934) relating to the equipment leases has been included in general and administrative expenses.

6. Share capital:

(a) Authorized:

Unlimited number of common shares

Unlimited number of preferred shares issuable in series with rights as determined by the Board of Directors at the time of issue.

RESVERLOGIX CORP.

Notes to the Consolidated Financial Statements, page 6

Years ended April 30, 2006 and 2005

6. Share capital continued:

(b) Issued and outstanding:

Common shares	Number of shares	Amount
Balance, April 30, 2004	18,382,415	\$ 5,197,767
Issued for cash in private placements	3,854,666	11,404,198
Issued on exercise of warrants	936,533	1,410,136
Issued on exercise of stock options	69,000	90,420
Transfer from warrants on exercise of warrants		714,145
Transfer from contributed surplus on exercise of options		64,830
Share issue costs		(1,261,789)
Balance, April 30, 2005	23,242,614	17,619,707
Issued on exercise of warrants	302,975	698,260
Issued on exercise of stock options	700,300	1,240,517
Transfer from warrants on exercise of warrants		436,937
Transfer from contributed surplus on exercise of options		594,201
Shares repurchased and cancelled	(118,100)	(107,290)
Share issue costs		(169,090)
Balance, April 30, 2006	24,127,789	\$20,313,242

In September 2004, the Company issued 188,000 common shares at \$2.15 per common share for gross proceeds of \$404,200. In November 2004 and January 2005, the Company issued 3,666,666 common shares at \$3.00 per common share for gross proceeds of \$10,999,998. In conjunction with the offering, the Company issued the agent 256,664 common share purchase warrants exercisable at \$3.00 per share until May 23, 2006.

Share issue costs in 2006 was \$169,090 (2005 - \$279,764) in costs related to the estimated fair value of warrants granted to the Company's agent. The fair value was estimated using the Black-Scholes option pricing model (note 6(d)).

Series A Preferred shares	Number of shares	Amount
Balance, April 30, 2004 and 2005	2,000,000	\$ 50,000
Cancellation and return to treasury	(2,000,000)	(50,000)
Balance, April 30, 2006	—	\$ —

RESVERLOGIX CORP.

Notes to the Consolidated Financial Statements, page 7

Years ended April 30, 2006 and 2005

6. Share capital continued:

(b) Issued and outstanding (continued):

On November 1, 2005, all issued and outstanding preferred shares were cancelled and returned to treasury.

(c) Normal Course Issuer Bid:

On June 16, 2005, the Company announced a Normal Course Issuer Bid allowing the Company to repurchase up to 250,000 common shares during the period of June 24, 2005 to June 23, 2006 at the market price at the time of the repurchase. All common shares repurchased by the Company will be cancelled. Pursuant to the Normal Course Issuer Bid, at April 30, 2006, the Company has acquired 118,100 of its common shares at an average price of \$6.05 per share. The excess of the purchase price over the stated capital of the common shares has been charged to the deficit. Subsequent to April 30, 2006, an additional 45,300 common shares were repurchased.

(d) Stock options:

The Company has a stock option program whereby the Company may grant options to its directors, officers, employees and consultants for up to 10 per cent of the issued and outstanding common shares. The majority of options issued in 2006 vested over three years and has a two to five year term. The majority of options issued in 2005 vested immediately and had a one to four year term.

	2006		2005	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding at beginning of year	2,314,000	\$ 1.82	1,830,000	\$ 1.51
Granted at less than market price	957,500	6.47	553,000	2.76
Granted at greater than market price	400,000	7.60		
Exercised	(700,300)	1.77	(69,000)	1.31
Expired	(75,000)	6.19	–	–
Outstanding at end of year	2,896,200	\$ 4.05	2,314,000	\$ 1.82
Weighted average remaining contractual life	3.2 years		3.1 years	

RESVERLOGIX CORP.

Notes to the Consolidated Financial Statements, page 8

Years ended April 30, 2006 and 2005

6. Share capital continued:

(d) Stock options (continued):

The following table summarized information about the options outstanding and exercisable at April 30, 2006.

Exercise Price	Number Outstanding	Weighted Average Remaining Life (years)	Number Exercisable
\$1.16	28,000	2.3	28,000
\$1.20	50,000	2.5	50,000
\$1.50	200,000	1.8	200,000
\$1.60	948,700	2.0	948,700
\$2.25	332,000	3.3	259,500
\$4.50	30,000	3.0	15,000
\$5.50	25,000	4.3	18,750
\$6.00	170,000	3.5	87,500
\$6.25	375,000	4.5	93,750
\$6.50	50,000	3.0	25,000
\$7.00	50,000	3.9	27,500
\$7.25	237,500	5.0	0
\$7.60	400,000	4.0	0
\$1.16 to \$7.60	2,896,200	3.2	1,753,700

The weighted average fair value of the options granted during the year was \$4.35 for options granted less than market price and \$3.70 for options granted greater than market price (2005 - \$1.62, granted at less than market price) per option using the Black-Scholes option pricing model with the following weighted average assumptions:

	2006	2005
Risk-free interest rate	4%	4%
Expected life	2 to 5 years	1 to 4 years
Expected volatility	73%	73%

RESVERLOGIX CORP.

Notes to the Consolidated Financial Statements, page 9

Years ended April 30, 2006 and 2005

6. Share capital continued:

(e) Warrants:

The following table summarizes the changes in common share purchase warrants outstanding:

	Number of warrants	Amount	Weighted average exercise price
Outstanding, April 30, 2004	1,051,586	\$ 785,748	\$ 1.47
Granted in connection with private placement	256,664	279,764	3.00
Exercised during period	(936,533)	(714,145)	1.50
Outstanding, April 30, 2005	371,717	351,367	2.43
Exercised during period	(302,975)	(267,847)	3.00
Outstanding, April 30, 2006	68,742	\$ 83,520	\$ 3.00

There were 68,742 common share purchase warrants outstanding and exercisable at April 30, 2006, at an exercise price of \$3.00 and expiry of May 23, 2006. These remaining warrants were exercised subsequent to year end.

The estimated fair value of the warrants granted has been recorded as share issue costs. The weighted average fair value of the warrants granted during 2005 was \$1.25 per warrant, using the Black-Scholes option pricing model with the following weighted average assumptions.

	2005
Risk free interest rate	4%
Expected life	1.5 years
Expected volatility	73%

RESVERLOGIX CORP.

Notes to the Consolidated Financial Statements, page 10

Years ended April 30, 2006 and 2005

6. Share capital continued:

(f) Contributed surplus:

The changes in contributed surplus balance are as follows:

	Amount
Balance, April 30, 2004	\$ 582,650
Options exercised	(64,830)
Fair value of options granted	510,501
Balance, April 30, 2005	1,028,321
Options exercised	(594,201)
Fair value of options granted	1,912,953
Balance, April 30, 2006	\$ 2,347,073

(g) Per share amounts:

The loss per share has been calculated based on the weighted average shares outstanding during the year of 23,815,621 (2005 - 20,561,048). The effect upon the conversion of stock options and warrants is anti-dilutive.

7. Income taxes:

The provision for income taxes differs from the amount which would be obtained by applying the combined federal and provincial income tax rate to the respective period's loss. A reconciliation of the expected tax and the actual provision for income taxes is as follows:

	2006	2005
Expected tax recovery – 33.5% (2005 – 34%)	\$ 2,389,800	\$ 1,216,900
Stock-based compensation	(640,900)	(173,600)
Other	695,800	--
Increase in valuation allowance	(2,444,700)	(1,043,300)
	\$ --	\$ --

RESVERLOGIX CORP.

Notes to the Consolidated Financial Statements, page 11

Years ended April 30, 2006 and 2005

7. Income taxes continued:

The components of the net future income asset are as follows:

	2006	2005
Non-capital losses	\$ 2,150,200	\$ 930,000
Scientific research and experimental development expenditures	2,368,800	872,100
Share issue costs	505,700	563,000
Other	(216,600)	(1,700)
Less: Valuation allowance	(4,808,100)	(2,363,400)
	\$ —	\$ —

The Company has non-capital losses of approximately \$6.4 million (2005 - \$2.8 million) available to reduce future years' taxable income expiring from time to time up to 2016. The Company also has \$7.1 million of scientific research and experimental development tax deductions which do not expire. Not reflected above are \$1.3 million of investment tax credits available to reduce future years' income tax, subject to approval by Canada Revenue Agency and expiring from time to time up to 2016.

8. Commitments:

As at April 30, 2006, the Company was committed to operating lease payments for office and laboratory premises as follows:

2007	\$ 162,465
2008	169,246
2009	74,658
2010	27,515

At April 30, 2006, the Company had an outstanding letter of credit for \$60,000 from a Canadian chartered bank. The letter of credit was secured by a short-term investment. In June, the letter of credit was returned to the bank and cancelled.

A special bonus is payable to directors, officers and employees conditional on the sale of the NexVas™ technology on or before April 30, 2007. The special bonus, up to a maximum of \$5 million, is subject to final approval by the Board of Directors.

The Company has entered into various research contracts. The initial deposits required upon acceptance of the contracts total \$199,626 and have been appropriately accrued in the financial statements. In addition, the Company is committed to pay \$408,049 upon completion of the studies. At April 30, 2006, none of the studies had commenced.

RESVERLOGIX CORP.

Notes to the Consolidated Financial Statements, page 12

Years ended April 30, 2006 and 2005

9. Financial instruments:

The fair value of monetary assets and liabilities, except the Company's short term investments, approximate their carrying values, due to the short-term nature of these instruments. The market value of the short term investments at April 30, 2006 was approximately \$4.7 million (2005 - \$3.7 million).

10. Grants:

In June 2004, the Company signed an Industrial Research Assistance Program (IRAP) Contribution Agreement with the National Research Council of Canada (NRC). The contribution agreement represents a total up to \$180,000 in funding from NRC to the Company. The IRAP Contribution Agreement will fund further development on its proprietary NexVas™ assay screening process. In 2006, \$5,203 (2005 - \$147,479) was recovered, recorded as research and development cost recoveries.

11. Payment to related party:

In 2006, the Company paid consulting fees of \$30,000 (2005 - \$30,000) to an entity controlled by a director of the Company. The transactions were recorded at the amounts agreed to by the related parties.

12. Subsequent event

On July 19, 2006, a final License Agreement was signed with Medtronic, Inc. (Medtronic), a U.S. medical devices company. In the terms of the Agreement, RVX Therapeutics Inc. (RVX Therapeutics) grants to Medtronic, the exclusive, worldwide rights to develop and commercialize its ReVas™ technology with drug eluting medical devices.

Under terms of the License Agreement, after successful completion of a technology development program and a joint decision to initiate product development, Medtronic would make an initial cash payment to RVX Therapeutics and could make additional payments upon successful completion of certain pre-defined milestones. RVX Therapeutics would then be eligible to receive royalties on sales of any ReVas therapeutic component of novel drug-device combinations that result from this license.

While there is no assurance of any milestone or royalty payments, assuming the development of a successful commercial product with regulatory approval and broad market acceptance, RVX Therapeutics would be eligible under the terms of the agreement to receive up to U.S. \$291 million in combined payments.