CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

IGF ONCOLOGY, LLC

An offering of up to $2,359,000
A total of 1,000,000 Units

UNITS REPRESENTING LIMITED LIABILITY COMPANY INTERESTS

MINIMUM INVESTMENT: $1,000

Number: _____

Offeree Name: _____

The date of this Confidential Private Placement Memorandum is February 15, 2018.

CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

IGF ONCOLOGY, LLC

UNITS REPRESENTING LIMITED LIABILITY COMPANY INTERESTS

IGF Oncology, LLC ("IGF" or the "Company"), a clinical stage pharmaceutical company, is offering for sale (the "Offering") Units that represent limited liability company interests in the Company (the "Units"). The Units are being offered to "accredited investors" (as defined by Regulation D of the Securities Act of 1933, as amended (the "Act") pursuant to Rule 506(c). Under a separate offering, the Company may offer units to foreign investors. The Company has no minimum as this is a "best efforts" offering and may spend proceeds as subscription agreements are accepted by the Company.

Units will be offered on a "first-come, first-serve" basis at the following price points per share:

Number of Units	Price Per Units	Total Capital
10,000	$2.00	$ 20,000
20,000	$2.05	$ 41,000
30,000	$2.10	$ 63,000
40,000	$2.15	$ 86,000
60,000	$2.20	$ 132,000
80,000	$2.25	$ 180,000
100,000	$2.30	$ 230,000
125,000	$2.35	$ 293,750
150,000	$2.40	$ 360,000
175,000	$2.45	$ 428,750
210,000	$2.50	$ 525,000
1,000,000		**$ 2,359,500**

Investors will be notified, prior to the company sending them their subscription agreement, the price per unit of their intended investment. If the potential investor is not satisfied with the price per unit, they may, within 24 hours, cancel their investment and will receive a refund of their deposited funds.

Prospective purchasers should not regard the contents of this private placement memorandum or any other communication from the Company as a substitute for careful and independent tax and financial planning. Each potential investor is encouraged to consult with its own independent legal counsel, accountant and other professional with respect to the legal and tax aspects of this investment and with specific reference to his own tax situation, prior to subscribing for Units.

The purchase of Units by a qualified pension or profit-sharing plan, individual retirement account ("IRA"), Keogh plan or other qualified retirement plan involves special tax risks and other considerations that should be carefully considered. Income earned by qualified plans as a result of an investment in the Company may be subject to federal income taxes, even though such plans are otherwise tax exempt.

We will issue the Units in book-entry form. Subject to certain limited exceptions, you will not receive a certificated security or a negotiable instrument that evidences your Units. We will deliver written confirmations to purchasers of the Units.

The Company may retain selling agents or brokers to assist it in connection with this Offering, but currently does not have any agreements to do so. The Company also may issue Units or rights to acquire Units to such selling agents or brokers. Offers of Units may also be made by the President or directors of the Company, but the President will only be reimbursed by the Company for his out-of-pocket expenses in connection with this Offering. The Company reserves the right to withdraw, cancel or modify such offer and to reject subscriptions in whole or in part for the purchase of any of the Units offered. In addition, the Company reserves the right to cancel any sale if such sale, at the opinion of the Company, would violate federal or state securities laws. Prospective investors who desire to purchase Units must execute a signature page to the Operating Agreement (see Attachments A and B) and the Subscription Agreement (see Attachment C).

The Securities offered by this Confidential Private Placement Memorandum (the "Memorandum") are speculative and involve a high degree of risk. See "Risk Factors."

THESE SECURITIES HAVE NOT BEEN REGISTERED WITH, OR APPROVED, OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSIONS, BUT ARE OFFERED PURSUANT TO CLAIMED EXEMPTIONS FROM REGISTRATION PROVIDED BY THE ACT AND APPLICABLE STATE EXEMPTIONS. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS PASSED UPON THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

RESTRICTIONS ON USE OF MEMORANDUM

The delivery of this Memorandum and the Attachments hereto, or other materials regarding IGF, does not imply that there has been no change in the information since the date hereof. The offeree, by accepting delivery hereof, agrees to return this Memorandum and all other related documents to IGF if the offeree does not purchase any of the securities offered hereby. Any reproduction or distribution of any part of this Memorandum or the divulgence of any of its contents without the prior written permission of IGF is prohibited. In making an investment decision, investors must rely on their own examination of IGF and the terms of the Offering, including the merits and risks involved.

The date of this Confidential Private Placement Memorandum is February 15, 2018.

DISCLOSURE AND DISCLAIMERS

THIS PRIVATE PLACEMENT MEMORANDUM HAS BEEN PREPARED BY IGF ONCOLOGY, LLC AND IS SUBMITTED SOLELY FOR THE PURPOSE OF EVALUATING THE INVESTMENT OFFERED HEREBY. NOTHING CONTAINED IN THIS PRIVATE PLACEMENT MEMORANDUM IS OR SHOULD BE RELIED UPON AS A GUARANTEE OR REPRESENTATION AS TO FUTURE EVENTS. MUCH OF THE INFORMATION CONTAINED HEREIN IS CONFIDENTIAL AND HAS NOT, AND WILL NOT BE PUBLICLY DISCLOSED. BY ACCEPTING THIS PRIVATE PLACEMENT MEMORANDUM, THE RECIPIENT AGREES NOT TO REPRODUCE THIS PRIVATE PLACEMENT MEMORANDUM, EITHER IN PART OR IN WHOLE, AND ITS USE IS PERMITTED ONLY BY THE PARTY IDENTIFIED ON THE COVER PAGE HEREOF FOR THE SOLE PURPOSE OF EVALUATING THE INVESTMENT OFFERED HEREBY. IF THE PARTY IDENTIFIED ON THE COVER PAGE HEREOF DECIDES NOT TO SUBSCRIBE FOR UNITS, THIS PRIVATE PLACEMENT MEMORANDUM MUST BE RETURNED TO IGF ONCOLOGY, LLC

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED HEREIN AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION(S) MUST NOT BE RELIED ON AS HAVING BEEN AUTHORIZED BY IGF ONCOLOGY, LLC ANY PROSPECTIVE PURCHASER OF UNITS WHO RECEIVES ANY SUCH INFORMATION OR REPRESENTATIONS SHOULD CONTACT THE MANAGEMENT IMMEDIATELY TO CHECK ITS ACCURACY. IGF ONCOLOGY, LLC WILL MAKE AVAILABLE TO PERSPECTIVE PURCHASERS, DURING THE OFFERING PERIOD, THE OPPORTUNITY TO ASK QUESTIONS AND RECEIVE ANSWERS FROM THE MANAGER OF THE MANAGEMENT OF IGF ONCOLOGY, LLC CONCERNING ANY ASPECT OF THIS INVESTMENT AND TO OBTAIN ADDITIONAL INFORMATION CONCERNING THE BUSINESS OF IGF ONCOLOGY, LLC NEITHER THE DELIVERY OF THIS PRIVATE PLACEMENT MEMORANDUM NOR ANY SALES HEREUNDER SHALL UNDER ANY CIRCUMSTANCES CREATE AN IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE PARTNERSHIP SINCE THE DATE HEREOF.

THESE SECURITIES HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS (THE "**ACT**"), IN RELIANCE UPON THE EXEMPTION FROM REGISTRATION PROVIDED BY SECTION 4(2) OF THE ACT, RULE 506 OF REGULATION D PROMULGATED THEREUNDER AND SUCH OTHER EXEMPTIONS AS MAY BE AVAILABLE TO IGF ONCOLOGY, LLC FURTHER, THE SECURITIES HAVE NOT BEEN QUALIFIED OR REGISTERED UNDER THE LAWS OF ANY STATE OR JURISDICTION. DISTRIBUTION OF THIS PRIVATE PLACEMENT MEMORANDUM IS LIMITED TO PERSONS WHO MEET CERTAIN MINIMUM FINANCIAL QUALIFICATIONS. THIS PRIVATE PLACEMENT MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL OR SOLICITATION OF AN OFFER TO BUY WITH RESPECT TO ANY PERSON WHOM DOES NOT MEET SUCH MINIMUM FINANCIAL QUALIFICATIONS.

PROJECTIONS ARE CONTAINED IN THIS PRIVATE PLACEMENT MEMORANDUM.

PROJECTIONS CAN BE INHERENTLY UNRELIABLE. (SEE "RISK FACTORS.") ANY ASSUMPTIONS, PREDICTIONS OR PROMISES, WHETHER WRITTEN OR ORAL, WHICH DO NOT CONFORM TO THOSE IN THIS PRIVATE PLACEMENT MEMORANDUM SHOULD BE DISREGARDED AND THEIR USE IS A VIOLATION OF THE LAW.

NO UNITS MAY BE SOLD, ASSIGNED OR OTHERWISE TRANSFERRED UNLESS IGF ONCOLOGY, LLC AND ITS LEGAL COUNSEL HAVE RECEIVED EVIDENCE SATISFACTORY TO BOTH THAT SUCH TRANSFER DOES NOT INVOLVE A TRANSACTION REQUIRING QUALIFICATION UNDER SAID STATE SECURITIES LAWS AND IS IN COMPLIANCE WITH SUCH LAW.

THIS MEMORANDUM IS NOT KNOWN TO CONTAIN AN UNTRUE STATEMENT OF A MATERIAL FACT, NOR TO OMIT MATERIAL FACTS WHICH IF OMITTED, WOULD MAKE THE STATEMENTS HEREIN MISLEADING. IT CONTAINS A FAIR SUMMARY OF THE MATERIAL TERMS OF DOCUMENTS PURPORTED TO BE SUMMARIZED HEREIN.

HOWEVER, THIS IS A SUMMARY ONLY AND DOES NOT PURPORT TO BE COMPLETE. ACCORDINGLY, REFERENCE SHOULD BE MADE TO THE SUBSCRIPTION AGREEMENT AND OTHER AGREEMENTS AND DOCUMENTS, COPIES OF WHICH ARE ATTACHED HERETO OR WILL BE SUPPLIED UPON REQUEST, FOR THE EXACT TERMS OF SUCH AGREEMENTS AND DOCUMENTS.

PROSPECTIVE INVESTORS ARE NOT TO CONSTRUE THE CONTENTS OF THIS MEMORANDUM OR OF ANY PRIOR OR SUBSEQUENT COMMUNICATIONS FROM IGF ONCOLOGY, LLC OR ANY OF ITS EMPLOYEES OR PARTNERS, AS INVESTMENT, LEGAL OR TAX ADVICE. EACH INVESTOR SHOULD CONSULT HIS/HER OWN COUNSEL, ACCOUNTANT AND OTHER PROFESSIONAL ADVISORS AS TO LEGAL, TAX AND OTHER RELATED MATTERS CONCERNING HIS/HER INVESTMENT.

THE OFFEREE, BY ACCEPTING DELIVERY OF THIS MEMORANDUM, AGREES TO PROMPTLY RETURN THIS MEMORANDUM, AND ANY OTHER DOCUMENTS OR INFORMATION FURNISHED BY IGF ONCOLOGY, LLC IF THE OFFEREE DOES NOT PURCHASE ANY OF IGF ONCOLOGY, LLC UNITS OFFERED HEREBY. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND THE RISKS INVOLVED.

THIS MEMORANDUM INVOLVES A VERY HIGH DEGREE OF RISK, AND THE PURCHASE OF UNITS SHOULD ONLY BE CONSIDERED BY PERSONS WHO CAN AFFORD THE TOTAL LOSS OF THEIR INVESTMENT. (SEE "RISK FACTORS.")

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IMPORTANT INFORMATION ABOUT THIS PRIVATE PLACEMENT MEMORANDUM

Please carefully read the information in this private placement memorandum and any accompanying private placement memorandum supplements, which we refer to collectively as the private placement memorandum. You should rely only on the information contained in this private placement memorandum. We have not authorized anyone to provide you with different information. This private placement memorandum may only be used where it is legal to sell these securities. You should not assume that the information contained in this private placement memorandum is accurate as of any date later than the date hereof or such other dates as are stated herein or as of the respective dates of any documents or other information incorporated herein by reference.

Periodically, as we make material investments or have other material developments, we will provide a private placement memorandum supplement that may add, update or change information contained in this private placement memorandum. Any statement that we make in this private placement memorandum will be modified or superseded by any inconsistent statement made by us in a subsequent private placement memorandum supplement

FORWARD-LOOKING STATEMENTS

Certain statements in this Memorandum constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements that address expectations or projections about the future are forward-looking statements.

Some of the forward-looking statements may be identified by words like "expects," "anticipates," "plans," "intends," "projects," "indicates," and similar expressions. Any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. These statements are not guarantees of future performance and involve a number of risks, uncertainties and assumptions. Accordingly, actual results or performance of IGF may differ significantly, positively or negatively, from forward-looking statements made herein. Unanticipated events and circumstances are likely to occur. Factors that might cause such differences include, but are not limited to, those discussed under the heading "Risk Factors," which investors should carefully consider. IGF undertakes no obligation to update any forward-looking statements.

TABLE CONTENTS

SUMMARY

The following summary is qualified in its entirety by, and should be read in conjunction with, the more detailed information appearing elsewhere in this Memorandum. This Memorandum contains forward-looking statements that involve risks and uncertainties. The Company's actual results may differ significantly from the results discussed in the forward-looking statements.

The Company

The Company was organized as a Delaware limited liability company and operates in the state of Minnesota. The Company, since 2004, through the efforts of its founder and former cancer patient, Dr. Hugh McTavish, is developing compounds and methods for treating cancer. Some of the compounds involve chemotherapy agents chemically coupled to insulin or a related hormone, insulin-like growth factor-1 (IGF-1). Because cancer cells bind insulin and IGF-1 in larger amounts than healthy cells, Dr. McTavish believes coupling chemotherapy agents to insulin or IGF-1 should more effectively target the chemotherapy agents to cancer cells while doing less damage to healthy cells, and the data obtained thus far indicates this is true. Dr. McTavish believes this type of treatment has the potential to diminish the dangerous side-effects typically associated with treating cancer and overcome the resistance of dormant cancer cells, and the data obtained thus far indicates this is true. Other compounds being developed by the company include chemotherapy agent coupled to other growth factors involved in cancer besides IGF-1, and other novel anti-cancer drugs. Dr. McTavish believes IGF-1 will stimulate cancer cells to divide at the time chemotherapy is administered, making the cancer cells more sensitive to the chemotherapy agents, while having less or no effect on healthy cells, and data obtained so far indicates this is true.

Lead Drug IGF-MTX

• Insulin-like growth factor variant protein attached to the chemotherapy drug methotrexate.
• Targets a receptor protein, IGF-1R, overexpressed on cancer, so it is a targeted chemotherapy that selectively targets and kills cancer cells and has less effect on healthy cells.
• Approximately 13 times more effective than methotrexate in mouse model of solid tumor cancers.

Phase 1 human clinical trial results:

• Effective at a surprisingly low dose, about 12 times lower dose than the minimum dose methotrexate is usually used at.
• One Hodgkins lymphoma patient whose cancer progressed on standard drugs is now cancer free after treatment with IGF-MTX.
• Efficacy in three other solid tumor patients.
• ZERO decrease in blood cell counts, the most important side effect of standard chemotherapy.

Phase 2a clinical trial at Mayo Clinic in blood cancer.

• Opening a Phase 2a clinical trial at Mayo Clinic in the blood cancer myelodysplastic syndrome (MDS) in January 2018.

• MDS is a deadly blood cancer with no very effective treatments.

• Only two currently approved drugs for MDS, and they don't work very well.

• IGF-MTX kills MDS cells in the laboratory and is synergistic with the most commonly used of two approved drugs.

• IGF receptors are overexpressed on MDS disease cells.

• IGF-MTX is well suited for this disease because the patients cannot tolerate any decrease in blood cells, and unlike all other cancer chemotherapy, IGF-MTX does not cause any decrease in blood cells.

Second drug: CPE-54

- An engineered food poisoning toxin.
- Binds to a target overexpressed on ovarian cancer and other cancers.
- Well suited for late stage ovarian cancer because it kills late stage ovarian cancer cells better than early stage, unlike all other drugs.
- Clinical trial planned to begin in 2018.

The Offering

Securities Offered	Up to 1,000,000 Units in the Company.
Offering Price	$2.00, $2.10, $2.20, $2.30, $2.40, and $2.50 per Unit.
Number of Units Outstanding	***Before the Offering:*** Currently there are 2,976,875 Units held by investors and officers. There are 30,000 Profit Units outstanding and 320,000 Warrants. The Company intends to issue additional Warrants. ***After the Offering:*** Up to 4,976,875 Units.
Allocation of Profits and Losses	Profits and losses will generally be allocated to the Unit holders, pro rata among them in proportion to each holder's ownership of Units in the Company, as more fully described in the section of this document, "Summary of Operating Agreement."
Investor Qualifications	The Units will be offered to "accredited investors" as defined under Rule 501 of Regulation D under the Securities Act.
Minimum Investment	One Thousand Dollars ($1,000) (which the Company may, in its sole discretion, waive with respect to any individual investor).

Offering Period.....	The Offering will terminate on February 15, 2019 or whenever all 1,000,000 Units offered hereby are sold, whichever is earlier (unless extended by the Company, in its sole discretion, for up to an additional 60 days).
Use of Proceeds	The net proceeds of the Offering will be used for development and testing of the Company's technology and general working capital needs.
Income Tax Treatment	There may be tax consequences to an investor in the Units. Given that personal financial situations differ, each potential investor should seek his, her or its own tax and financial advice with respect to an investment in the Units.
Restrictions on Transferability.....	The issuance and sale of the Units will not be registered under the Securities Act of 1933 or under applicable state securities laws and the Units therefore will generally not be transferable for a minimum of six (6) months from the date of purchase unless certain conditions are met. The Operating Agreement also contains additional restrictions on transferability of the Units.

To the extent that any potential investor has any questions or concerns about the Company, this Offering, this Memorandum, the Operating Agreement, or the Subscription Agreement, they should contact Dr. McTavish, the Company's managing member (also the Company's President), at IGF Oncology, LLC, 7460 Pinehurst Road, St Paul, Minnesota 55115. Dr McTavish may be reached by telephone at (651) 207-8270.

INVESTOR SUITABILITY STANDARDS

The Units we are offering are suitable only as a long-term investment for persons of adequate financial means. It may be difficult for you to sell your Units since we do not expect to have a public market for them. On a limited basis, you may be able to have Units repurchased through our limited Units repurchase program. You should not buy our Units if you need to sell them immediately or if you will need to sell them quickly in the future.

Investors who wish to purchase these Units as an "**Accredited**" investor must meet the following suitability standards as defined by SEC Rules 501; 17 CFR 230.501(a):

1. A natural person whose individual net worth or joint net worth with that person's spouse, at the time of the purchase of the Units, exceeds $1,000,000, exclusive of primary residence; or
2. A natural person who had individual income in excess of $200,000 in each of the two most recent years or joint income with that person's spouse in excess of $300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year.
3. A retirement fund, such as an Individual Retirement Account (IRA) or Self Employed Person (SEP) Retirement Account must have all of the beneficial owners meet one of the above standards. The beneficial owners may be either natural persons or other entities as long as each meet the definition of accredited to be deemed an Accredited Investor.
4. A bank, insurance company, registered investment company, business development company, or small business investment company; or
5. An employee benefit plan, within the meaning of the Employee Retirement Income Security Act, if a bank, insurance company, or registered investment adviser makes the investment decisions, or if the plan has total assets in excess of One Million Dollars ($1,000,000); or
6. A charitable organization, corporation, or partnership with assets exceeding One Million Dollars ($1,000,000); or
7. A director, executive officer, Manager or general partner of the company selling the securities; or
8. A business in which all the equity owners are accredited investors; or
9. A trust with assets in excess of One Million Dollars ($1,000,000) that was not formed to acquire these Units.

The Management intends on using general solicitation to market this Offering. Therefore, we are required to comply with Rule 506(c) in third party verification of the accredited investor status of any interested investor. Rule 506(c) sets forth a principles-based method of verification which requires an objective determination by the issuer (or those acting on its behalf) as to whether the steps taken are "**reasonable**" in the context of the particular facts and circumstances of each purchaser and transaction. Among the factors that an issuer should consider under this principles-based method are:

- the nature of the purchaser and the type of accredited investor that the purchaser claims to be;
- the amount and type of information that the issuer has about the purchaser; and

- the nature of the offering, such as the manner in which the purchaser was solicited to participate in the offering, and the terms of the offering, such as a minimum investment amount.

In addition to this flexible, principles-based method, Rule 506(c) includes a non-exclusive list of verification methods that issuers may use, but are not required to use, when seeking greater certainty that they satisfy the verification requirement with respect to natural person purchasers. This non-exclusive list of verification methods consists of:

- verification based on income, by reviewing copies of any Internal Revenue Service form that reports income, such as Form W-2, Form 1099, Schedule K-1 of Form 1065, and a filed Form 1040;
- verification on net worth, by reviewing specific types of documentation dated within the prior three months, such as bank statements, brokerage statements, certificates of deposit, tax assessments and a credit report from at least one of the nationwide consumer reporting agencies, and obtaining a written representation from the investor; and/or
- a written confirmation from a registered broker-dealer, an SEC-registered investment adviser, a licensed attorney or a certified public accountant stating that such person or entity has taken reasonable steps to verify that the purchaser is an accredited investor within the last three months and has determined that such purchaser is an accredited investor.

In addition, the Management must ascertain, based on a review of the information provided by you, that a prospective investor can bear the economic risks of an investment in the Company, and that the investment is appropriate for the investor's investment objectives, portfolio structure, and financial situation; and that the investor has the capacity to protect their own interests in connection with the investment and will make the final decision to invest in the Company. We will consider investors that:

- Meet the minimum income and net worth standards;
- Can reasonably benefit from an investment in our Units based on your overall investment objectives and portfolio structure;
- Are able to bear the economic risk of the investment based on your net worth and overall financial situation; and
- Have an apparent understanding of:
    - The fundamental risks of an investment in our Units;
    - The risk that you may lose your entire investment;
    - The lack of liquidity of our Units;
    - The restrictions on transferability of our Units;
    - The background and qualifications of our Management; and
    - The tax, including ERISA, consequences of an investment in our Units.

In consideration of these factors, we will take reasonable steps to verify that all purchasers of our Units are accredited investors. We will objectively assess your eligibility in light of your particular facts and circumstances. We will use one of the following methods to verify your accredited investor status if you are a natural person:

- **Income Verification** – Two most recent years of tax returns filed with the IRS (including, without limitation, Form W-2, Form 1099, Schedule K-1 of Form 1065 and a copy of a filed Form 1040) showing your income (extraneous information may be redacted), together with your written representation that you have a reasonable expectation of reaching the necessary income level during the current year;
- **Net Worth Verification** – Third party statements, such as personal financial statements prepared by your certified public accountant, bank statements, brokerage statements, certificates of deposit, tax assessments or appraisal reports, dated within the prior three months, identifying the value of your assets and liabilities (including a credit report form from at least one national agency dated within the last three months), together with your written representation that all of your liabilities necessary to determining your net worth have been disclosed; or
- **Third Party Verification** – A written confirmation from a registered broker-dealer, an SEC registered investment advisor, a licensed attorney or certified public accountant that such person has taken reasonable steps to verify and determine that, within the prior three months, the individual is an accredited investor.

The Management has the absolute right, in its sole discretion, to accept or reject any subscription offer submitted to them and shall incur no liability for rejection of any prospective investor.

Subscriptions Subject to Review and Acceptance by the Management

An investor who desires to invest in the Units will complete the Subscription Agreement and other verification documents. This information will be reviewed by our third-party escrow agent, Manhattan Street Securities. The Management will review these documents to ensure that all investors have attested that they meet the suitability standards established by the Company set forth in "Investor Suitability Standards" hereto, and that the Agreement has been appropriately signed.

The Management will indicate acceptance of the Subscription in writing by returning fully executed copies of signature pages from the Subscription Agreement and Company Agreement showing the amount or number of Units to be purchased in the Company once admitted. Prior to acceptance, the Management reserves the right to refuse a Subscription from any prospective investor at the Management's sole discretion.

ERISA Considerations

Please see our Section "ERISA CONSIDERATIONS"

Restrictions Imposed by the USA PATRIOT Act and Related Acts

Units may not be offered, sold, transferred or delivered, directly or indirectly, to any "**Sanctioned Person**," a term which is defined for purposes of this Memorandum as any person who:

- is named on the list of "**specially designated nationals**" or "**blocked persons**" maintained by the U.S. Office of Foreign Assets Control ("**OFAC**") at http://www.treas.gov/offices/eotffc/ofac/sdn/index.html, or as otherwise

published from time to time; and an agency of the government of a Sanctioned Country, (2) an organization controlled by a Sanctioned Country, or (3) a person resident in a Sanctioned Country, to the extent subject to a sanctions program administered by OFAC. A "**Sanctioned Country**" shall mean a country subject to a sanctions program identified on the list maintained by OFAC and available at the following location http://www.treas.gov/offices/eotffc/ofac/sanctions/index.html, or as otherwise published from time to time.

In addition, Units may not be offered, sold, transferred or delivered, directly or indirectly, to any person who:

- has more than 15% of its assets in Sanctioned Countries; or
- derives more than 15% of its operating income from investments in, or transactions with Sanctioned Persons or Sanctioned Countries.

Representations with respect to the foregoing and certain other matters will be made by each investor in the Instructions to Investors and Subscription Booklet attached hereto. The Company will rely on the accuracy of each investor's representations set forth in the Instructions to Investors and Subscription Agreement and may require additional evidence that an investor satisfies the applicable standards at any time prior to the acceptance of an investor's subscription. An investor is not obligated to supply any information so requested by the Company, but the Company may reject a subscription from any investor who fails to supply any information so requested.

IF YOU DO NOT MEET THE REQUIREMENTS DESCRIBED ABOVE, DO NOT READ FURTHER. IN THE EVENT YOU DO NOT MEET SUCH REQUIREMENTS, THIS MEMORANDUM SHALL NOT CONSTITUTE AN OFFER TO SELL UNITS TO YOU.

Methods to Assure Adherence to Investor Suitability Standards

Investors who are interested in purchasing Units will be required to complete an **Accredited Investor Questionnaire and Verification** and submit it to Manhattan Street Securities and the Management along with their **Subscription Agreement.**

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RISK FACTORS

Investing in the Units involves a high degree of risk. You should not invest any money you cannot afford to lose. You should carefully consider the following risk factors, together with the other information in this Memorandum, in evaluating whether to invest in the Units.

Risks Related to Our Business and Industry

We have incurred net losses in every year since our inception and anticipate that we will continue to incur net losses for the foreseeable future.

We are a clinical-stage oncology company with a limited operating history. Since inception, we have incurred significant operating losses. Investment in oncology product development is highly speculative because it entails substantial upfront capital expenditures and significant risk that any potential product candidate will fail to demonstrate adequate efficacy or an acceptable safety profile, gain regulatory approval and become commercially viable. We have no products approved for commercial sale and have not generated any revenue to date, and we continue to incur significant research and development and other expenses related to our ongoing operations. We expect to continue to incur significant losses for the foreseeable future, and we expect these losses to increase as we continue the development of our products, seek to identify additional product candidates, seek regulatory approval, and prepare for potential commercialization.

Even if we succeed in commercializing products or any future product candidates we may develop, we will continue to incur substantial research and development and other expenditures to develop and market additional product candidates. We may encounter unforeseen expenses, difficulties, complications, delays and other unknown factors that may adversely affect our business. The size of our future net losses will depend, in part, on the rate of future growth of our expenses and our ability to generate revenue. Our prior losses and expected future losses have had and will continue to have an adverse effect on our Members' equity (deficit) and working capital.

Our business is highly dependent on the success of our two clinical product candidates, IGF-MTX and CPE-54. If we are unable to successfully develop, obtain regulatory approval for and commercialize either IGF-MTX or CPE-54, or experience significant delays in doing so, our business will be materially harmed.

Our business and future success depends on our ability to successfully develop, obtain regulatory approval for and commercialize at least one of our clinical product candidates, IGF-MTX and CPE-54, which are at early stages of development. We have invested significant effort and financial resources in the research and development of IGF-MTX, and IGF-MTX will require significant additional clinical testing before we can seek regulatory approval and potentially launch commercial sales. Further development of IGF-MTX will require additional clinical development, regulatory review and approval in the U.S. and potentially other jurisdictions, substantial investment, access to sufficient commercial manufacturing capacity and significant marketing efforts before we can generate any revenue from product sales, if approved. The same applies for CPE-54, which is at an earlier stage of development than IGF-MTX.

We are very early in our development efforts and have only two product candidates in clinical development, which have only been tested in a limited number of patients. If we are unable to successfully develop and commercialize product candidates or experience significant delays in doing so, our business will be materially harmed.

We are very early in our development efforts and have only one product candidate, IGF-MTX, in clinical development (we expect CPE-54 to enter clinical trials soon also). IGF-MTX has only been tested in a limited number of patients, and the results of completed preclinical studies and early-stage clinical trials may not be indicative of the results from future clinical trials with a larger number of enrolled patients. The success of IGF-MTX and any future product candidates that we may develop will depend on several factors, including the following:

- completion of preclinical studies with positive results;
- successful enrollment in, and completion of, clinical trials with positive results;
- receipt of marketing approvals from applicable regulatory authorities;
- establishment of commercial manufacturing capabilities or making arrangements with third-party manufacturers;
- effective patent and trade secret protection and regulatory exclusivity;
- establishment of a commercial sales team, if and when approved, whether alone or in collaboration with others;
- acceptance, if and when approved, by patients, the medical community and third-party payors;
- coverage and adequate reimbursement by third-party payors, including government payors;
- our ability to compete with other therapies;
- continued acceptable safety profile following approval;
- enforcement of intellectual property rights and claims;
- achievement of desirable medicinal properties for the intended indications; and
- effective growth of an organization of scientists and business people who can develop and commercialize the products, if approved, and technology.

If we do not achieve one or more of these factors in a timely manner or at all, we could experience significant delays or an inability to successfully commercialize IGF-MTX or other product candidates that we may develop, which would materially harm our business.

If clinical trials of IGF-MTX or future product candidates that we may develop fail to demonstrate safety and efficacy or do not otherwise produce positive results, we may incur additional costs or experience delays in completing, or ultimately be unable to complete, the development and commercialization of IGF-MTX or future product candidates.

We have completed a Phase 1 trial of IGF-MTX and are entering a Phase 1b/2a. Trial. Even with a successful Phase 2a trial, we will need to conduct at least one additional full Phase 2 trial for regulatory approval. We may conduct additional Phase 2 or Phase 3 trials. Clinical trials are expensive, difficult to design and implement, can take many years to complete and are uncertain as to outcome. Most product candidates that begin clinical trials are never approved by regulatory authorities for commercialization. We cannot, therefore, guarantee that we will be successful in obtaining the required efficacy and safety profile from the performance of any of our clinical programs. A failure of one or more clinical trials can occur at any stage of testing.

Before obtaining marketing approval from regulatory authorities, including the FDA, for the sale of our product candidates, we must complete preclinical development and then conduct extensive clinical trials to demonstrate the safety and efficacy of our product candidates in humans and an acceptable risk/benefit profile.

The outcome of preclinical testing and early clinical trials may not be predictive of the success of later clinical trials, and interim results of a clinical trial do not necessarily predict final results. To date, we have only obtained results from a Phase 1 clinical trial. Data from these clinical trials and our preclinical studies should not be relied upon as evidence that later or larger-scale, controlled clinical trials will succeed. Moreover, preclinical and clinical data are often susceptible to varying interpretations and analyses, and even if the trials are successfully completed, we cannot guarantee that the FDA or foreign regulatory authorities will interpret the results as we do, and more trials could be required before we submit our product candidates for approval. Many companies that have believed their product candidates performed satisfactorily in preclinical studies and clinical trials have nonetheless failed to obtain marketing approval of their products. To the extent that the results of our trials are not satisfactory to the FDA or foreign regulatory authorities for support of a marketing application, approval of our product candidates may be significantly delayed, or we may be required to expend significant additional resources, which may not be available to us, to conduct additional trials in support of potential approval of our product candidates.

We may experience numerous unforeseen events during, or as a result of, clinical trials that could delay or prevent our ability to receive marketing approval or commercialize our product candidates, including:

- regulators or institutional review boards (IRBs) may not authorize us or our investigators to initiate a clinical trial or conduct a clinical trial at a prospective trial site;

- government or regulatory delays and changes in regulatory requirements, policy and guidelines;

- delays in reaching or failure to reach agreement on acceptable clinical trial contracts or clinical trial protocols with prospective trial sites and contract research organizations (CROs), or failure by such CROs or trials sites to carry out the clinical trial in accordance with the terms of our agreements with them;

- negative or inconclusive results of clinical trials;

- decision by us to conduct additional clinical trials or abandon product development programs;

- a higher number of patients required for clinical trials, slower than expected enrollment, greater than expected competition for patients or higher than expected drop out rates;

- clinical sites electing to terminate their participation in one of our clinical trials, which would likely have a detrimental effect on subject enrollment;

- failure of third-party contractors to comply with regulatory requirements or meet their contractual obligations to us in a timely manner, or at all;

- inability or unwillingness of patients or medical investigators to follow our clinical trial protocols;

- suspension or termination of clinical trials for various reasons, including unacceptable health risks;

- imposition of a clinical hold for safety reasons or following an inspection of our clinical trial operations or site by the FDA or other regulatory authorities;

- greater than expected cost of clinical trials;

- insufficient supply or quality of product candidates or other materials necessary to conduct clinical trials;

- undesirable side effects or other unexpected characteristics of our product candidates, causing us or our investigators, regulators or IRBs to suspend or terminate the trials; and

- revision of legal or regulatory requirements for approving our product candidates.

If we are required to conduct additional clinical trials or other testing of our product candidates beyond those that we currently contemplate, if we are unable to successfully complete clinical trials of our product candidates or other testing, if the results of these trials or tests are not positive or are only modestly positive or if there are safety concerns, we may:

- be delayed in obtaining marketing approval for our product candidates;

- not obtain marketing approval at all;

- obtain marketing approval in some countries and not in others;
- obtain approval for indications or patient populations that are not as broad as intended or desired;
- obtain approval with labeling that includes significant use or distribution restrictions or safety warnings, including boxed warnings;
- be subject to additional post-marketing testing requirements; or
- have the product removed from the market after obtaining marketing approval.

Product development costs will also increase if we experience delays in testing or marketing approvals. We do not know whether any clinical trials will continue as planned, will need to be restructured or will be completed on schedule, or at all. Significant clinical trial delays also could allow our competitors to bring products to market before we do and could impair our ability to successfully commercialize our product candidates, any of which may harm our business and results of operations.

If we fail to obtain additional capital, we may be unable to complete the development and commercialization of IGF-MTX or any future product candidates.

We have used substantial funds to develop IGF-MTX. We expect to continue to spend substantial amounts to further advance IGF-MTX and CPE-54 in clinical development, scale up manufacturing related to IGF-MTX and CPE-54, acquire or in-license other drugs and technologies, identify and develop additional product candidates, seek regulatory approvals for our product candidates, establish a commercial sales force and manufacture and market products, if any, that are approved for commercial sale. We also incur significant additional compliance and administrative costs as a result of operating as a public company.

Our future capital requirements will depend on many factors, including:

- the progress and results of our current and planned clinical trials of IGF-MTX and planned clinical trials of CPE-54;
- the scope, progress, results and costs of product candidate discovery, preclinical development, laboratory testing and clinical trials for our other product candidates;
- the costs, timing and outcome of regulatory review of IGF-MTX and CPE-54 and any future product candidates;
- the costs of future commercialization activities, including drug sales, marketing, manufacturing and distribution, for any of our product candidates for which we receive marketing approval, to the extent that such sales, marketing, manufacturing and distribution are not the responsibility of any collaborator;
- the extent to which we acquire or in-license other drugs and technologies;

- our ability to establish and maintain collaborations on favorable terms, if at all;
- the success of any collaborations that we may enter into with third parties;
- the timing and amount of milestone and royalty payments;
- the amount of revenue, if any, received from commercial sales of our product candidates, should any of our drug candidates receive marketing approval; and
- the costs of preparing, filing and prosecuting patent applications, maintaining and enforcing our intellectual property rights and defending intellectual property-related claims.

Identifying potential product candidates and conducting preclinical studies and clinical trials is a time-consuming, expensive and uncertain process that takes years to complete, and we may never generate the necessary data or results required to obtain marketing approval and achieve drug sales. In addition, our product candidates, if approved, may not achieve commercial success. Our commercial revenues, if any, will be derived from sales of IGF-MTX and/or CPE-54, if either is approved, and we do not expect either to be commercially available for several years, if at all. Accordingly, we will need to continue to rely on additional financing to achieve our business objectives.

We cannot be certain that additional funding will be available on acceptable terms, or at all. We have no committed source of additional capital and if we are unable to raise additional capital in sufficient amounts or on terms acceptable to us, we may have to significantly delay, scale back or discontinue the development or commercialization of IGF-MTX or CPE-54 or other research and development initiatives. We could be required to seek collaborators for our product candidates at an earlier stage than otherwise would be desirable or on terms that are less favorable than might otherwise be available or relinquish or license on unfavorable terms our rights to our product candidates in markets where we otherwise would seek to pursue development or commercialization ourselves.

If we encounter difficulties enrolling patients in our clinical trials, our clinical development activities could be delayed or otherwise adversely affected.

We may experience difficulties in patient enrollment in our clinical trials for a variety of reasons. The timely completion of clinical trials in accordance with their protocols depends, among other things, on our ability to enroll a sufficient number of patients who remain in the trial until its conclusion. The enrollment of patients depends on many factors, including:

- the number of clinical trials for other product candidates in the same therapeutic area that are currently in clinical development, and our ability to compete with such trials for patients and clinical trial sites;
- the patient eligibility criteria defined in the protocol;
- the size of the patient population;

- the risk that disease progression will result in death before the patient can enroll in clinical trials or before the completion of any clinical trials in which the patient is enrolled;

- the proximity and availability of clinical trial sites for prospective patients;

- the design of the trial;

- our ability to recruit clinical trial investigators with the appropriate competencies and experience;

- our ability to obtain and maintain patient consents; and

- the risk that patients enrolled in clinical trials will drop out of the trials before completion.

Our clinical trials will compete with other clinical trials for product candidates that are in the same therapeutic areas as our product candidates. This competition will reduce the number and types of patients and qualified clinical investigators available to us, because some patients who might have opted to enroll in our trials may instead opt to enroll in a trial being conducted by one of our competitors or clinical trial sites may not allow us to conduct our clinical trial at such site if competing trials are already being conducted there. Since the number of qualified clinical investigators is limited, we expect to conduct some of our clinical trials at the same clinical trial sites that some of our competitors use, which will reduce the number of patients who are available for our clinical trials in such clinical trial site. We may also encounter difficulties finding a clinical trial site at which to conduct our trials. Moreover, because our product candidates represent a departure from more commonly used methods for cancer treatment, potential patients and their doctors may be inclined to use conventional therapies, such as chemotherapy, radiation and monoclonal antibodies, rather than enroll patients in any one of our clinical trials.

Delays in patient enrollment may result in increased costs or may affect the timing or outcome of our planned clinical trials, which could prevent completion of these clinical trials and adversely affect our ability to advance the development of IGF-MTX or any future product candidates we may develop.

We intend to form or seek strategic alliances or enter into acquisitions or additional licensing arrangements in the future. We may be unable to form or enter into such alliances, acquisitions or licensing arrangements on our anticipated timeline, and we may not realize the expected benefits of any such transaction.

We intend to form or seek strategic alliances, create joint ventures or collaborations or be acquired by or enter into licensing arrangements with third parties that we believe will complement or augment our development and commercialization efforts with respect to our product candidates and any future product candidates that we may develop. Any of these transactions and relationships may require us to incur non-recurring and other charges, increase our near and long-term expenditures, issue securities that dilute our existing

Members or disrupt our management and business. These transactions and relationships also may result in a delay in the development of our product candidates if we become dependent upon the other party and such other party does not prioritize the development of our product candidates relative to its other development activities. In addition, we face significant competition in seeking appropriate strategic partners and the negotiation process is time-consuming and complex. Moreover, we may not be successful in our efforts to establish a strategic partnership or other alternative arrangements for our product candidates on our anticipated timeline, or all, because our product candidates may be deemed to be at too early of a stage of development for collaborative effort and third parties may not view our product candidates as having the requisite potential to demonstrate safety and efficacy. If we license products or acquire businesses, we may not be able to realize the benefit of such transactions if we are unable to successfully integrate them with our existing operations and company culture. We cannot be certain that, following a strategic transaction or license, we will achieve the revenue or specific net income that justifies such transaction.

Our reliance on third-party manufacturing partners may cause our supply of research and development, preclinical and clinical development materials to become limited or interrupted or fail to be of satisfactory quantity or quality.

We do not have any manufacturing facilities or personnel. We currently rely, and expect to continue to rely, on third parties for the manufacture of IGF-MTX and any future potential product candidates that we may develop for preclinical and clinical testing, as well as for commercial manufacture if our product candidates receive marketing approval.

We may be unable to establish further agreements with third-party manufacturers or to do so on acceptable terms. Even if we are able to establish agreements with third-party manufacturers, reliance on third-party manufacturers entails additional risks, including:

- reliance on the third party for sufficient quantity and quality;
- the possible breach of the manufacturing agreement by the third party;
- failure to manufacture our product according to our specifications;
- failure to manufacture our product according to our schedule or at all;
- misappropriation of our proprietary information, including our trade secrets and know-how;
- the possible termination or nonrenewal of the agreement by the third party at a time that is costly or inconvenient for us; and
- reliance on the third party for regulatory compliance, quality assurance and safety reporting.

Third-party manufacturers may not be able to comply with current good manufacturing practices (cGMPs) regulations or similar regulatory requirements outside the United States, which are FDA requirements for ensuring product quality control. Our contract

manufacturers are subject to continual review and periodic inspections to assess compliance with cGMP. Accordingly, although we are not involved in the day-to-day operations of our contract manufacturers, we are ultimately responsible for ensuring that our products and product candidates are manufactured in accordance with cGMPs. Therefore, we and others with whom we work must continue to expend time, money and effort in all areas of regulatory compliance, including manufacturing, production, quality control and quality assurance. Our failure, or the failure of our third-party manufacturers, to comply with applicable regulations could result in sanctions being imposed on us, including fines, injunctions, civil penalties, delays, suspension or withdrawal of approvals, license revocation, seizures or recalls of product candidates or approved products, operating restrictions and criminal prosecutions, any of which could significantly and adversely affect supplies of our medicines and harm our business and results of operations.

Any performance failure on the part of our existing or future manufacturers, or any interruption or poor yield or quality of manufactured materials, could delay clinical development or marketing approval. We do not currently have arrangements in place for redundant supply. If any one of our current contract manufacturers cannot perform as agreed, we may be required to replace that manufacturer. Although we believe that there are several potential alternative manufacturers who could manufacture our product candidates, we may incur added costs and delays in identifying and qualifying any such replacement.

If our third-party manufacturers use hazardous and biological materials in a manner that causes injury or violates applicable law, we may be liable for damages. Our research and development activities involve the controlled use of potentially hazardous substances, including chemical and biological materials, by our third-party manufacturers. Our manufacturers are subject to federal, state and local laws and regulations in the United States governing the use, manufacture, storage, handling and disposal of medical and hazardous materials. Although we believe that our manufacturers' procedures for using, handling, storing and disposing of these materials comply with legally prescribed standards, we cannot completely eliminate the risk of contamination or injury resulting from medical or hazardous materials. As a result of any such contamination or injury, we may incur liability or local, city, state or federal authorities may curtail the use of these materials and interrupt our business operations. In the event of an accident, we could be held liable for damages or penalized with fines, and the liability could exceed our resources. We do not have any insurance for liabilities arising from medical or hazardous materials. Compliance with applicable environmental laws and regulations is expensive, and current or future environmental regulations may impair our research, development and production efforts, which could harm our business, prospects, financial condition or results of operations.

Thus, our current and anticipated future dependence upon others for the manufacture of our product candidates or medicines may adversely affect our clinical development timeline, our future profit margins or our ability to commercialize any product candidates that receive marketing approval on a timely and competitive basis.

Our product candidates may cause undesirable side effects or have other properties that could halt their clinical development, prevent their regulatory

approval, limit their commercial potential or result in significant negative consequences.

Undesirable side effects caused by any of our product candidates could cause us, IRBs, our CROs, the FDA or other regulatory authorities to interrupt, delay or discontinue clinical trials and could result in the denial of regulatory approval by the FDA or other non-U.S. regulatory authorities for any or all targeted indications. This, in turn, could prevent us from commercializing our product candidates and generating revenues from their sale. In addition, if any of our products cause serious or unexpected side effects or are associated with other safety risks after receiving marketing approval, a number of potential significant negative consequences could result, including:

- regulatory authorities may withdraw their approval of this product;
- we may be required to recall the product, change the way it is administered, conduct additional clinical trials or change the labeling of the product;
- the product may be rendered less competitive and sales may decrease;
- our reputation may suffer generally both among clinicians and patients;
- regulatory authorities may require certain labeling statements, such as warnings or contraindications or limitations on the indications for use, or impose restrictions on distribution in the form of a Risk Evaluation and Mitigation Strategy (REMS) in connection with approval, if any; or
- we may be required to change the way the product is administered or conduct additional clinical trials.

We may voluntarily suspend or terminate our clinical trials if at any time we believe that they present an unacceptable risk to participants or if preliminary data demonstrate that our product candidates are unlikely to receive regulatory approval or unlikely to be successfully commercialized.

Any one or a combination of these events could prevent us from obtaining approval and achieving or maintaining market acceptance of the affected product or could substantially increase the costs and expenses of commercializing the product, which in turn could delay or prevent us from generating significant revenues from the sale of the product.

The market may not be receptive to IGF-MTX or CPE-54 or any future product candidates that we may develop, which are based on a novel therapeutic modality, and we may not generate any future revenue from the sale or licensing of product candidates.

Even if approval is obtained for a product candidate, we may not generate or sustain revenue from sales of the product due to factors such as whether the product can be sold at a competitive cost and otherwise accepted in the market. IGF-MTX and CPE-54 are based on new technologies and unproven therapeutic approaches. We may not be able to convince

the medical community and third-party payors to accept and use, or to provide favorable reimbursement for, IGF-MTX or CPE-54 or any future product candidates developed by us. Market acceptance of our product candidates, if approved, will depend on, among other factors:

- the timing of our receipt of any marketing and commercialization approvals;
- the terms of any approvals and the countries in which approvals are obtained;
- the safety and efficacy of our product candidates;
- the prevalence and severity of any adverse side effects associated with our product candidates;
- limitations or warnings contained in any labeling approved by the FDA or other regulatory authority;
- relative convenience and ease of administration of our product candidates;
- the success of our physician education programs;
- the availability of adequate government and third-party payor coverage and reimbursement;
- the pricing of our products, particularly as compared to alternative treatments; and
- availability of alternative effective treatments for the disease indications our product candidates are intended to treat and the relative risks, benefits and costs of those treatments.

Market size is also a variable. Our estimates regarding potential market size for any indication may be materially different from what we discover to exist at the time we commence commercialization, if any, for a product, which could result in significant changes in our business plan and have a material adverse effect on our business, financial condition, results of operations and prospects.

We may be required to suspend, repeat or terminate our clinical trials if they are not conducted in accordance with regulatory requirements, the results are negative or inconclusive or the trials are not well designed.

Regulatory agencies, IRBs or data safety monitoring boards may at any time recommend the temporary or permanent discontinuation of our clinical trials or request that we cease using investigators in the clinical trials if they believe that the clinical trials are not being conducted in accordance with applicable regulatory requirements, or that they present an unacceptable safety risk to participants. Clinical trials must be conducted in accordance with cGCPs, or other applicable foreign government guidelines. Clinical trials are subject to oversight by the FDA, other foreign governmental agencies and IRBs at the study sites where the clinical trials are conducted. In addition, clinical trials must be conducted with product candidates produced in accordance with applicable cGMPs. Clinical trials may be

suspended by the FDA, other foreign governmental agencies, or us for various reasons, including:

- deficiencies in the conduct of the clinical trials, including failure to conduct the clinical trial in accordance with regulatory requirements or clinical protocols;
- deficiencies in the clinical trial operations or trial sites;
- the product candidate may have unforeseen adverse side effects;
- deficiencies in the trial design necessary to demonstrate efficacy;
- fatalities or other AEs arising during a clinical trial due to medical problems that may not be related to clinical trial treatments;
- the product candidate may not appear to be more effective than current therapies; or
- the quality or stability of the product candidate may fall below acceptable standards.

Although we have never been asked by a regulatory agency, IRB or data safety monitoring board to temporarily or permanently discontinue a clinical trial, if we elect or are forced to suspend or terminate a clinical trial of any other of our product candidates, the commercial prospects for that product will be harmed and our ability to generate product revenue from that product may be delayed or eliminated. Furthermore, any of these events could prevent us or our partners from achieving or maintaining market acceptance of the affected product and could substantially increase the costs of commercializing our product candidates and impair our ability to generate revenue from the commercialization of these products either by us or by our collaboration partners.

We face significant competition from other oncology companies, and our operating results will suffer if we fail to compete effectively.

The oncology industry is characterized by rapidly advancing technologies, intense competition and a strong emphasis on proprietary products. We face potential competition from many different sources, including major pharmaceutical, specialty pharmaceutical and biotechnology companies, academic institutions and governmental agencies and public and private research institutions. Any product candidates that we successfully develop and commercialize will compete with existing therapies and new therapies that may become available in the future.

Many of the companies against which we are competing or against which we may compete in the future have significantly greater financial and other resources and expertise in research and development, manufacturing, preclinical testing, conducting clinical trials, obtaining regulatory approvals and marketing approved products than we do. Mergers and acquisitions in the oncology industry may result in even more resources being concentrated among a smaller number of our competitors. Smaller or early-stage companies may also

prove to be significant competitors, particularly through collaborative arrangements with large and established companies. These competitors also compete with us in recruiting and retaining qualified scientific and management personnel and establishing clinical trial sites and patient registration for clinical trials, as well as in acquiring technologies complementary to, or that may be necessary for, our programs.

Our commercial opportunity could be reduced or eliminated if our competitors develop and commercialize products that are safer, more effective, have fewer or less severe side effects, are more convenient or are less expensive than any drugs that we may develop. Our competitors also may obtain FDA or other regulatory approval for their product candidates more rapidly than we may obtain approval for ours, which could result in our competitors establishing a strong market position before we are able to enter the market. In addition, our ability to compete may be affected in many cases by insurers or other third-party payors seeking to encourage the use of generic drugs. If we fail to complete effectively, our business and operating results would be harmed.

We currently have no marketing and sales organization and have no experience in marketing products. If we are unable to establish marketing and sales capabilities or enter into agreements with third parties to market and sell our product candidates, we may not be able to generate product revenue.

We currently have no sales, marketing or distribution capabilities and have no experience in marketing products. If one of our product candidates is approved for sale, we intend to license it to a larger pharmaceutical company with a sales force. If that does not happen we intend to develop an in-house marketing organization and sales force, which will require significant capital expenditures, management resources and time. We will have to compete with other oncology companies to recruit, hire, train and retain marketing and sales personnel.

If we are unable or decide not to establish internal sales, marketing and distribution capabilities, we will pursue collaborative arrangements regarding the sales and marketing of our products, however, there can be no assurance that we will be able to establish or maintain such collaborative arrangements, or if we are able to do so, that they will have effective sales forces. Any revenue we receive will depend upon the efforts of such third parties, which may not be successful. We may have little or no control over the marketing and sales efforts of such third parties and our revenue from product sales may be lower than if we had commercialized our product candidates ourselves. We also face competition in our search for third parties to assist us with the sales and marketing efforts of our product candidates.

We cannot assure you that we will be able to develop in-house sales and distribution capabilities or establish or maintain relationships with third-party collaborators to commercialize any product in the United States or overseas.

We are dependent on our key personnel, and if we are not successful in attracting and retaining highly qualified personnel, we may not be able to successfully implement our business strategy.

Our ability to compete in the highly competitive oncology industry depends upon our ability to attract and retain highly qualified managerial, scientific and medical personnel. We are dependent on our management, scientific and medical personnel, including Hugh McTavish, Ph.D., our President and Chief Executive Officer, A Arkadiusz Dudek, M.D., Ph.D., our Chief Medical Officer. The loss of the services of any of our executive officers, other key employees and other scientific and medical advisors, and our inability to find suitable replacements, could result in delays in product development and harm our business.

If we are not successful in licensing one or more of our drug candidates to a larger pharmaceutical company, we will need to grow the size of our organization, and we may experience difficulties in managing this growth.

As our development and commercialization plans and strategies develop, and as we continue to develop our company infrastructure, we expect to need additional managerial, operational, sales, marketing, financial and other personnel. Future growth would impose significant added responsibilities on members of management, including:

- identifying, recruiting, integrating, maintaining and motivating additional employees;

- managing our internal development efforts effectively, including the clinical, FDA and international regulatory review process for our product candidates, while complying with our contractual obligations to contractors and other third parties; and

- improving our operational, financial and management controls, reporting systems and procedures.

Our future financial performance and our ability to commercialize our product candidates will depend, in part, on our ability to effectively manage any future growth, and our management may also have to divert a disproportionate amount of its attention away from day-to-day activities in order to devote a substantial amount of time to managing these growth activities.

We currently rely, and for the foreseeable future will continue to rely, in substantial part on certain independent organizations, advisors and consultants to provide certain services, including substantially all aspects of regulatory approval, clinical management and manufacturing. There can be no assurance that the services of independent organizations, advisors and consultants will continue to be available to us on a timely basis when needed, or that we can find qualified replacements. In addition, if we are unable to effectively manage our outsourced activities or if the quality or accuracy of the services provided by consultants is compromised for any reason, our clinical trials may be extended, delayed or terminated, and we may not be able to obtain regulatory approval of our product candidates or otherwise advance our business. There can be no assurance that we will be able to manage our existing consultants or find other competent outside contractors and consultants on economically reasonable terms, or at all.

If we are not able to effectively expand our organization by hiring new employees and expanding our groups of consultants and contractors, we may not be able to successfully implement the tasks necessary to further develop and commercialize our product candidates and, accordingly, may not achieve our research, development and commercialization goals.

Raising additional capital may cause dilution to our existing Members, restrict our operations or require us to relinquish rights to our technologies or product candidates.

We may seek additional capital through a combination of public and private equity offerings, debt financings, strategic partnerships and alliances and licensing arrangements. To the extent that we raise additional capital through the sale of equity or convertible debt securities, the ownership interests of our Members will be diluted, and the terms may include liquidation or other preferences that adversely affect the rights of our Members. The incurrence of indebtedness would result in increased fixed payment obligations and could involve certain restrictive covenants, such as limitations on our ability to incur additional debt, limitations on our ability to acquire or license intellectual property rights and other operating restrictions that could adversely impact our ability to conduct our business. If we raise additional funds through strategic partnerships and alliances and licensing arrangements with third parties, we may have to relinquish valuable rights to our technologies or product candidates, or grant licenses on terms unfavorable to us.

Our internal computer systems, or those used by our CROs or other contractors or consultants, may fail or suffer security breaches.

Despite the implementation of security measures, our internal computer systems and those of our CROs and other contractors and consultants are vulnerable to damage from computer viruses and unauthorized access. While we have not experienced any such material system failure or security breach to date, if such an event were to occur and cause interruptions in our operations, it could result in a material disruption of our development programs and our business operations. For example, the loss of clinical trial data from completed or future clinical trials could result in delays in our regulatory approval efforts and significantly increase our costs to recover or reproduce the data. Likewise, we rely on other third parties for the manufacture of our product candidates and to conduct clinical trials, and similar events relating to their computer systems could also have a material adverse effect on our business. To the extent that any disruption or security breach were to result in a loss of, or damage to, our data or applications, or inappropriate disclosure of confidential or proprietary information, we could incur liability and the further development and commercialization of our product candidates could be delayed.

Our employees, independent contractors, consultants, commercial partners and vendors may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements.

We are exposed to the risk of fraud or other illegal activity by our employees, independent contractors, consultants, commercial partners and vendors. Misconduct by such individuals could include intentional failures to comply with FDA or international regulations, provide accurate information to the FDA or other international regulatory bodies, comply with

manufacturing standards, comply with federal and state healthcare fraud and abuse laws and regulations, report financial information or data timely, completely and accurately or disclose unauthorized activities to us. In particular, sales, marketing and business arrangements in the healthcare industry are subject to extensive laws and regulations intended to prevent fraud, kickbacks, self-dealing and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive programs and other business arrangements. Misconduct by third parties could also involve the improper use of information obtained in the course of clinical trials.

It is not always possible to identify and deter employee misconduct, and the precautions we take to detect and prevent inappropriate conduct may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations.

A variety of risks associated with marketing IGF-MTX internationally could materially adversely affect our business.

We plan to seek regulatory approval of IGF-MTX outside of the United States and, accordingly, we expect that we will be subject to additional risks related to operating in foreign countries if we obtain the necessary approvals, including:

- differing regulatory requirements in foreign countries;
- unexpected changes in tariffs, trade barriers, price and exchange controls and other regulatory requirements;
- economic weakness, including inflation, or political instability in particular foreign economies and markets;
- compliance with tax, employment, immigration and labor laws for employees living or traveling abroad;
- foreign taxes, including withholding of payroll taxes;
- foreign currency fluctuations, which could result in increased operating expenses and reduced revenue, and other obligations incident to doing business in another country;
- difficulties staffing and managing foreign operations;
- workforce uncertainty in countries where labor unrest is more common than in the United States;
- differing payor reimbursement regimes, governmental payors or patient self-pay systems and price controls;
- potential liability under the Foreign Corrupt Practices Act of 1977 or comparable

foreign regulations;

- challenges enforcing our contractual and intellectual property rights, especially in those foreign countries that do not respect and protect intellectual property rights to the same extent as the United States;

- production shortages resulting from any events affecting raw material supply or manufacturing capabilities abroad; and

- business interruptions resulting from geo-political actions, including war and terrorism.

These and other risks associated with our international operations may materially adversely affect our ability to attain or maintain profitable operations.

If product liability lawsuits are brought against us, we may incur substantial liabilities and may be required to limit commercialization of our product candidates.

We face an inherent risk of product liability as a result of the clinical testing of our product candidates and will face an even greater risk if we commercialize any products. For example, we may be sued if our product candidates cause or are perceived to cause injury or are found to be otherwise unsuitable during clinical testing, manufacturing, marketing or sale. Any such product liability claims may include allegations of defects in manufacturing, defects in design, a failure to warn of dangers inherent in the product, negligence, strict liability or a breach of warranties. Claims could also be asserted under state consumer protection acts. If we cannot successfully defend ourselves against product liability claims, we may incur substantial liabilities or be required to limit commercialization of our product candidates. Even successful defense would require significant financial and management resources. Regardless of the merits or eventual outcome, liability claims may result in:

- decreased demand for our product candidates;

- injury to our reputation;

- withdrawal of clinical trial participants;

- initiation of investigations by regulators;

- costs to defend the related litigation;

- a diversion of management's time and our resources;

- substantial monetary awards to trial participants or patients;

- product recalls, withdrawals or labeling, marketing or promotional restrictions;

- loss of revenue;

- exhaustion of any available insurance and our capital resources;

- the inability to commercialize any product candidate; and

We currently hold clinical trial liability insurance coverage, but that coverage may not be adequate to cover any and all liabilities that we may incur. We would need to increase our insurance coverage when we begin the commercialization of our product candidates, if ever. Insurance coverage is increasingly expensive. We may not be able to maintain insurance coverage at a reasonable cost or in an amount adequate to satisfy any liability that may arise.

Risks Related to Government Regulation

We may be unable to obtain U.S. or foreign regulatory approval of IGF-MTX or CPE-54, and, as a result, we may be unable to commercialize our product candidates.

Our lead product candidate, IGF-MTX, is, and any future product candidates that we may develop will be subject to extensive governmental regulations relating to, among other things, research, testing, development, manufacturing, safety, efficacy, approval, recordkeeping, import, export, reporting, labeling, storage, packaging, advertising and promotion, pricing, marketing, distribution, import and export of drugs. Rigorous preclinical testing and clinical trials and an extensive regulatory approval process are required to be successfully completed before a new drug can be marketed in the United States and in many foreign jurisdictions. Satisfaction of these and other regulatory requirements is costly, time consuming, uncertain and subject to unanticipated delays. It is possible that none of the product candidates we may develop will obtain the regulatory approvals necessary for us or our collaborators to begin selling them.

We have very limited experience in conducting and managing the clinical trials necessary to obtain regulatory approvals, including approval by the FDA and, as a company, we have no experience in obtaining approval of any product candidates. The time required to obtain FDA and other approvals is unpredictable but typically takes many years following the initiation of clinical trials, depending upon the type, complexity and novelty of the product candidate. We may encounter delays or rejections during any stage of the regulatory review and approval process based upon the failure of clinical or laboratory data to demonstrate compliance with, or upon the failure of the product candidates to meet, the FDA's requirements for safety, efficacy and quality.

The standards that the FDA and its foreign counterparts use when regulating us are not always applied predictably or uniformly and can change. Because the drugs we are developing may represent a new class of drug, the FDA and its foreign counterparts have not yet established any definitive policies, practices or guidelines in relation to these drugs. The lack of policies, practices or guidelines may hinder or slow review by the FDA of any regulatory filings that we may submit. Moreover, the FDA may respond to these submissions by defining requirements we may not have anticipated. Such responses could lead to significant delays in the clinical development of our product candidates.

Any analysis we perform of data from preclinical and clinical activities is subject to confirmation and interpretation by regulatory authorities, which could delay, limit or prevent regulatory approval. We may also encounter unexpected delays or increased costs due to new government regulations, for example, from future legislation or administrative action, or from changes in FDA policy during the period of product development, clinical trials and FDA regulatory review. It is impossible to predict whether legislative changes will be enacted, or whether FDA or foreign regulations, guidance or interpretations will be changed, or what the impact of such changes, if any, may be.

In addition, the FDA may delay, limit, or deny approval of a product candidate for many reasons, including:

- disagreement with the design or implementation of our clinical trials;
- we may be unable to demonstrate to the satisfaction of the FDA that a product candidate is safe and effective for any indication;
- we may be unable to demonstrate that a product candidate's clinical and other benefits outweigh its safety risks;
- the FDA may disagree with our interpretation of data from preclinical studies or clinical trials;
- the results of our clinical trials may not demonstrate the safety or efficacy required by the FDA for approval;
- the FDA may find deficiencies in our manufacturing processes or facilities; and
- the FDA's approval policies or regulations may significantly change in a manner rendering our clinical data insufficient for approval.

After submission of a new drug application (NDA), the FDA may refuse to file the application, deny approval of the application, require additional testing or data or, if the NDA is filed and later approved, require post-marketing testing and surveillance to monitor the safety or efficacy of a product. Under the Prescription Drug User Fee Act (PDUFA), the FDA has agreed to certain performance goals in the review of NDAs. The FDA's timelines are flexible and subject to change based on workload and other potential review issues and may delay the FDA's review of an NDA. Further, the terms of approval of any NDA, including the product labeling, may be more restrictive than we desire and could affect the marketability of our products.

Even if we comply with all of the FDA regulatory requirements, we may not obtain regulatory approval for any of our product candidates in development. If we fail to obtain regulatory approval for any of our product candidates in development, we will have fewer commercialized products than we anticipate and correspondingly lower revenue.

In addition, because there may be approved treatments for some of the diseases for which we may seek approval, in order to receive regulatory approval, we may need to demonstrate through clinical trials that the product candidates we develop to treat these diseases, if any,

are not only safe and effective, but safer or more effective than existing products. Furthermore, in recent years, there has been increased public and political pressure on the FDA with respect to the approval process for new drugs, and the FDA's standards, especially regarding drug safety, appear to have become more stringent.

Any delay or failure in obtaining required approvals could have a material adverse effect on our ability to generate revenues from the particular product candidate for which we are seeking approval. Furthermore, any regulatory approval to market a product may be subject to limitations on the approved uses for which we may market the product or the labeling or other restrictions. In addition, the FDA has the authority to require a REMS plan as part of or after approval, which may impose further requirements or restrictions on the distribution or use of an approved product, such as limiting prescribing to certain physicians or medical centers that have undergone specialized training, limiting treatment to patients who meet certain safe-use criteria and requiring treated patients to enroll in a registry. These limitations and restrictions may limit the size of the market for the product and affect reimbursement by third-party payors.

We are also subject to numerous foreign regulatory requirements governing, among other things, the conduct of clinical trials, manufacturing and marketing authorization, pricing and third-party reimbursement. The foreign regulatory approval process varies among countries and may include all of the risks associated with FDA approval described above as well as risks attributable to the satisfaction of local regulations in foreign jurisdictions. Moreover, the time required to obtain approval may differ from that required to obtain FDA approval. Approval by the FDA does not ensure approval by regulatory authorities outside the United States and vice versa.

If we or any collaborators, manufacturers or service providers fail to comply with applicable federal, state or foreign laws or regulations, we could be subject to enforcement actions, which could affect our ability to develop, market and sell our products successfully and could harm our reputation and lead to reduced acceptance of our products by the market. These enforcement actions include, among others:

- adverse regulatory inspection findings;
- warning letters;
- voluntary or mandatory product recalls or public notification or medical product safety alerts to healthcare professionals;
- restrictions on, or prohibitions against, marketing our products;
- restrictions on, or prohibitions against, importation or exportation of our products;
- suspension of review or refusal to approve pending applications or supplements to approved applications;
- exclusion from participation in government-funded healthcare programs;
- exclusion from eligibility for the award of government contracts for our products;

- suspension or withdrawal of product approvals;
- product seizures;
- injunctions; and
- civil and criminal penalties and fines.

Even if we receive regulatory approval of IGF-MTX or another drug, we will be subject to ongoing regulatory obligations and continued regulatory review, which may result in significant additional expense and we may be subject to penalties if we fail to comply with regulatory requirements or experience unanticipated problems with our product candidates.

Any regulatory approvals that we receive for IGF-MTX or another drug product candidate will require surveillance to monitor the safety and efficacy of the product candidate, and may require us to conduct post-approval clinical studies. The FDA may also require a REMS in order to approve our product candidates, which could entail requirements for a medication guide, physician communication plans or additional elements to ensure safe use, such as restricted distribution methods, patient registries and other risk minimization tools. In addition, if the FDA or a comparable foreign regulatory authority approves our product candidates, the manufacturing processes, labeling, packaging, distribution, AE reporting, storage, advertising, promotion, import, export and recordkeeping for our product candidates will be subject to extensive and ongoing regulatory requirements. These requirements include submissions of safety and other post-marketing information and reports, registration, as well as continued compliance with cGMPs and cGCPs for any clinical trials that we conduct post-approval.

Moreover, if we obtain regulatory approval for IGF-MTX or any other product candidate, we will only be permitted to market our products for the indication approved by FDA, and such approval may involve limitations on the indicated uses or promotional claims we may make for our products, or otherwise not permit labeling that sufficiently differentiates our product candidates from competitive products with comparable therapeutic profiles. For example, we will not be able to claim that our products have fewer side effects, or improve compliance or efficacy unless we can demonstrate those attributes to FDA in comparative clinical trials.

Later discovery of previously unknown problems with our product candidates, including AEs of unanticipated severity or frequency, or with our third-party manufacturers or manufacturing processes, or failure to comply with regulatory requirements, may result in, among other things:

- restrictions on the marketing or manufacturing of our product candidates, withdrawal of the product from the market, or voluntary or mandatory product recalls;
- fines, warning letters, or untitled letters;

- holds on clinical trials;

- refusal by the FDA to approve pending applications or supplements to approved applications filed by us or suspension or revocation of license approvals;

- product seizure or detention, or refusal to permit the import or export of our product candidates; and

- injunctions, the imposition of civil penalties or criminal prosecution.

The FDA's and other regulatory authorities' policies may change and additional government regulations may be enacted that could prevent, limit or delay regulatory approval of our product candidates. We cannot predict the likelihood, nature or extent of government regulation that may arise from future legislation or administrative action, either in the United States or abroad. If we are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if we are not able to maintain regulatory compliance, we may lose any marketing approval that we may have obtained and we may not achieve or sustain profitability.

In addition, if we pursue, and ultimately obtain, accelerated approval of IGF-MTX based on a surrogate endpoint, the FDA would require us to conduct a confirmatory trial to verify the predicted clinical benefit and additional safety studies. The results from the confirmatory trial may not support the clinical benefit, which would result in the approval being withdrawn.

If we or any of our independent contractors, consultants, collaborators, manufacturers, vendors or service providers fail to comply with healthcare laws and regulations, we or they could be subject to enforcement actions, which could result in penalties and affect our ability to develop, market and sell our product candidates and may harm our reputation.

We are or may in the future be subject to federal, state, and foreign healthcare laws and regulations pertaining to, among other things, fraud and abuse and patients' rights. These laws and regulations include:

- the U.S. federal Anti-Kickback Statute, which prohibits, among other things, persons and entities from soliciting, receiving or providing remuneration, directly or indirectly, to induce either the referral of an individual for a healthcare item or service, or the purchasing or ordering of an item or service, for which payment may be made under a federal healthcare program such as Medicare or Medicaid;

- the U.S. federal false claims and civil monetary penalties laws, including the federal civil False Claims Act, which prohibit, among other things, individuals or entities from knowingly presenting or causing to be presented, claims for payment by government funded programs such as Medicare or Medicaid that are false or fraudulent, and which may apply to us by virtue of statements and representations made to customers or third parties;

- the U.S. federal Health Insurance Portability and Accountability Act (HIPAA),

which created additional federal criminal statutes that prohibit, among other things, knowingly and willfully executing or attempting to execute a scheme to defraud healthcare programs;

- HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act (HITECH), which imposes requirements on certain types of people and entities relating to the privacy, security, and transmission of individually identifiable health information, and requires notification to affected individuals and regulatory authorities of certain breaches of security of individually identifiable health information;

- the federal Physician Payment Sunshine Act, which requires certain manufacturers of drugs, devices, biologics and medical supplies for which payment is available under Medicare, Medicaid, or the Children's Health Insurance Program, to report annually to the Centers for Medicare & Medicaid Services (CMS) information related to payments and other transfers of value to physicians, other healthcare providers and teaching hospitals, and ownership and investment interests held by physicians and other healthcare providers and their immediate family members, which is published in a searchable form on an annual basis; and

- state laws comparable to each of the above federal laws, such as, for example, anti-kickback and false claims laws that may be broader in scope and also apply to commercial insurers and other non-federal payors, requirements for mandatory corporate regulatory compliance programs, and laws relating to patient data privacy and security. Other state laws require pharmaceutical companies to comply with the pharmaceutical industry's voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government; require drug manufacturers to report information related to payments and other transfers of value to physicians and other healthcare providers or marketing expenditures; and state and foreign laws govern the privacy and security of health information in some circumstances, many of which differ from each other in significant ways and often are not preempted by HIPAA, thus complicating compliance efforts.

If our operations are found to be in violation of any such health care laws and regulations, we may be subject to penalties, including administrative, civil and criminal penalties, monetary damages, disgorgement, imprisonment, the curtailment or restructuring of our operations, loss of eligibility to obtain approvals from the FDA, or exclusion from participation in government contracting, healthcare reimbursement or other government programs, including Medicare and Medicaid, any of which could adversely our financial results. Although effective compliance programs can mitigate the risk of investigation and prosecution for violations of these laws, these risks cannot be entirely eliminated. Any action against us for an alleged or suspected violation could cause us to incur significant legal expenses and could divert our management's attention from the operation of our business, even if our defense is successful. In addition, achieving and sustaining compliance with applicable laws and regulations may be costly to us in terms of money, time and resources.

Any products we develop may become subject to unfavorable pricing regulations, third-party coverage and reimbursement practices or healthcare reform initiatives, thereby harming our business.

The regulations that govern marketing approvals, pricing, coverage and reimbursement for new drugs vary widely from country to country. Some countries require approval of the sale price of a drug before it can be marketed. In many countries, the pricing review period begins after marketing or product licensing approval is granted. In some foreign markets, prescription pharmaceutical pricing remains subject to continuing governmental control even after initial approval is granted. Although we intend to monitor these regulations, our programs are currently in the early stages of development and we will not be able to assess the impact of price regulations for a number of years. As a result, we might obtain regulatory approval for a product in a particular country, but then be subject to price regulations that delay our commercial launch of the product and negatively impact the revenues we are able to generate from the sale of the product in that country.

Our ability to commercialize any products successfully also will depend in part on the extent to which coverage and adequate reimbursement for these products and related treatments will be available from government health administration authorities, private health insurers and other third-party payors. Even if we succeed in bringing one or more products to the market, these products may not be considered cost-effective, and the amount reimbursed for any products may be insufficient to allow us to sell our products on a competitive basis. Because our programs are in the early stages of development, we are unable at this time to determine their cost effectiveness or the likely level or method of reimbursement. Increasingly, the third-party payors, such as government and private insurance plans, who reimburse patients or healthcare providers, are requiring that drug companies provide them with predetermined discounts from list prices, and are seeking to reduce the prices charged or the amounts reimbursed for pharmaceutical products. If the coverage provided for any products we develop is inadequate in light of our development and other costs, our return on investment could be adversely affected.

Certain products we develop may need to be administered under the supervision of a physician on an outpatient basis. Under applicable U.S. law, certain drugs that are not usually self-administered (including certain injectable drugs) may be eligible for coverage under the Medicare Part B program if:

- they are incident to a physician's services;
- they are reasonable and necessary for the diagnosis or treatment of the illness or injury for which they are administered according to accepted standards of medical practice; and
- they have been approved by the FDA and meet other requirements of the statute.

There may be significant delays in obtaining coverage for newly-approved products, and coverage may be more limited than the purposes for which the drug is approved by the FDA. Moreover, eligibility for coverage does not imply that any drug will be reimbursed in all cases or at a rate that covers our costs, including research, development, manufacture,

sale and distribution. Interim payments for new drugs, if applicable, may also not be sufficient to cover our costs and may not be made permanent.

Reimbursement may be based on payments allowed for lower-cost products that are already reimbursed, may be incorporated into existing payments for other services and may reflect budgetary constraints or imperfections in Medicare data. Net prices for products may be reduced by mandatory discounts or rebates required by government healthcare programs or private payors and by any future relaxation of laws that presently restrict imports of products from countries where they may be sold at lower prices than in the United States. Third-party payors often rely upon Medicare coverage policy and payment limitations in setting their own reimbursement rates. However, no uniform policy requirement for coverage and reimbursement for products exists among third-party payors in the United States. Therefore, coverage and reimbursement for products can differ significantly from payor to payor. As a result, the coverage determination process is often a time-consuming and costly process that will require us to provide scientific and clinical support for the use of our products to each payor separately, with no assurance that coverage and adequate reimbursement will be applied consistently or obtained in the first instance. Our inability to promptly obtain coverage and adequate reimbursement rates from both government-funded and private payors for new drugs that we develop and for which we obtain regulatory approval could have a material adverse effect on our operating results, our ability to raise capital needed to commercialize products and our financial condition.

We believe that the efforts of governments and third-party payors to contain or reduce the cost of healthcare and legislative and regulatory proposals to broaden the availability of healthcare will continue to affect the business and financial condition of oncology companies. A number of legislative and regulatory changes in the healthcare system in the United States and other major healthcare markets have been proposed in recent years, and such efforts have expanded substantially in recent years. These developments have included prescription drug benefit legislation that was enacted and took effect in January 2006, healthcare reform legislation enacted by certain states, and major healthcare reform legislation that was passed by Congress and enacted into law in the United States in 2010. These developments could, directly or indirectly, affect our ability to sell our products, if approved, at a favorable price.

For example, the Patient Protection and Affordable Care Act of 2010, as amended by the Health Care and Education Reconciliation Act (PPACA), contains provisions that affect companies in the pharmaceutical industry and other healthcare related industries by imposing additional costs and changes to business practices. Provisions affecting pharmaceutical companies include the following.

- mandatory rebates for drugs sold into the Medicaid program were increased, and the rebate requirement was extended to drugs used in risk-based Medicaid managed care plans;

- the 340B Drug Pricing Program under the Public Health Services Act was extended to require mandatory discounts for drug products sold to certain critical access hospitals, cancer hospitals and other covered entities;

- expansion of eligibility criteria for Medicaid programs;

- expansion of entities eligible for discounts under the Public Health Service pharmaceutical pricing program;

- a new Patient Centered Outcomes Research Institute to oversee, identify priorities in, and conduct comparative clinical effectiveness research, along with funding for such research;

- pharmaceutical companies are required to offer discounts on brand-name drugs to patients who fall within the Medicare Part D coverage gap, commonly referred to as the "donut hole"; and

- pharmaceutical companies are required to pay an annual non-tax deductible fee to the federal government based on each company's market share of prior year total sales of branded products to certain federal healthcare programs, such as Medicare, Medicaid, Department of Veterans Affairs and Department of Defense. Since we expect our branded pharmaceutical sales, if any of our products are approved, to constitute a small portion of the total federal health program pharmaceutical market, we do not expect this annual assessment to have a material impact on our financial condition.

There have been judicial and Congressional challenges, and amendments to certain aspects of the PPACA, and we expect there will be additional challenges and amendments to the PPACA in the future. The full effect of the U.S. healthcare reform legislation on our business activities is unknown. The financial impact of the U.S. healthcare reform legislation will depend on a number of factors, including but not limited to, the policies reflected in implementing regulations and guidance and changes in sales volumes for products affected by the new system of rebates, discounts and fees. The legislation may also have a positive impact on our future net sales, if any, by increasing the aggregate number of persons with healthcare coverage in the United States. Further, new litigation is currently pending before the U.S. Supreme Court to invalidate certain provisions of the PPACA.

Moreover, we cannot predict what healthcare reform initiatives may be adopted in the future. Further federal and state legislative and regulatory developments are likely, and we expect ongoing initiatives in the United States to increase pressure on drug pricing. Such reforms could have an adverse effect on anticipated revenues from product candidates that we may successfully develop and for which we may obtain regulatory approval and may affect our overall financial condition and ability to develop product candidates.

Our ability to obtain services, reimbursement or funding from the federal government may be impacted by possible reductions in federal spending.

U.S. federal government agencies currently face potentially significant spending reductions. Under the Budget Control Act of 2011, the failure of Congress to enact deficit reduction measures of at least $1.2 trillion for the years 2013 through 2021 triggered automatic cuts to most federal programs. These cuts would include aggregate reductions to Medicare payments to providers of up to two percent per fiscal year, which went into effect beginning

on April 1, 2013 and will stay in effect through 2025 unless additional Congressional action is taken. The American Taxpayer Relief Act of 2012, which was enacted on January 1, 2013, among other things, reduced Medicare payments to several providers, including hospitals and imaging centers. The full impact on our business of these automatic cuts is uncertain. If federal spending is reduced, anticipated budgetary shortfalls may also impact the ability of relevant agencies, such as the FDA or the National Institutes of Health to continue to function at current levels. Amounts allocated to federal grants and contracts may be reduced or eliminated. These reductions may also impact the ability of relevant agencies to timely review and approve drug research and development, manufacturing, and marketing activities, which may delay our ability to develop, market and sell any products we may develop.

Obtaining and maintaining regulatory approval for our product candidates in one jurisdiction does not mean that we will be successful in obtaining regulatory approval of any of our product candidates in other jurisdictions.

Obtaining and maintaining regulatory approval for IGF-MTX in one jurisdiction does not guarantee that we will be able to obtain or maintain regulatory approval in any other jurisdiction, while a failure or delay in obtaining regulatory approval in one jurisdiction may have a negative effect on the regulatory approval process in others. For example, even if the FDA grants marketing approval for IGF-MTX, comparable regulatory authorities in foreign jurisdictions must also approve the manufacturing, marketing and promotion of the product candidate in those countries. Approval procedures vary among jurisdictions and can involve requirements and administrative review periods different from, and greater than, those in the United States, including additional preclinical studies or clinical trials as clinical studies conducted in one jurisdiction may not be accepted by regulatory authorities in other jurisdictions. In many jurisdictions outside the United States, a product candidate must be approved for reimbursement before it can be approved for sale in that jurisdiction. In some cases, the price that we intend to charge for our products is also subject to approval.

We may also submit marketing applications in other countries. Regulatory authorities in jurisdictions outside of the United States have requirements for approval of product candidates with which we must comply prior to marketing in those jurisdictions. Obtaining foreign regulatory approvals and compliance with foreign regulatory requirements could result in significant delays, difficulties and costs for us and could delay or prevent the introduction of our products in certain countries. If we fail to comply with the regulatory requirements in international markets or receive applicable marketing approvals, our target market will be reduced and our ability to realize the full market potential of our product candidates will be harmed.

Risks Related to Our Intellectual Property

If we are not able to obtain and enforce patent protection for our technologies or product candidates, development and commercialization of our product candidates may be adversely affected.

Our success depends in part on our ability to obtain and maintain patents and other forms of intellectual property rights, including in-licenses of intellectual property rights of others, for our product candidates, methods used to manufacture our product candidates and methods for treating patients using our product candidates, as well as our ability to preserve our trade secrets, to prevent third parties from infringing upon our proprietary rights and to operate without infringing upon the proprietary rights of others. We have filed and will continue to file patent applications directed to the compositions of matter and methods of use related to various aspects of IGF-MTX, CPE-54, and our other possible future drug product candidates.

We and our current or future licensors and licenses may not be able to apply for or prosecute patents on certain aspects of our product candidates or delivery technologies at a reasonable cost in a timely fashion or at all. It is also possible that we or our current licensors, or any future licensors or licensees, will fail to identify patentable aspects of inventions made in the course of development and commercialization activities before it is too late to obtain patent protection on them. Therefore, our patents and applications may not be prosecuted and enforced in a manner consistent with the best interests of our business. It is possible that defects of form in the preparation or filing of our patents or patent applications may exist, or may arise in the future, such as with respect to proper priority claims, inventorship, claim scope or patent term adjustments. If our current licensors, or any future licensors or licensees, are not fully cooperative or disagree with us as to the prosecution, maintenance or enforcement of any patent rights, such patent rights could be compromised and we might not be able to prevent third parties from making, using, and selling competing products. If there are material defects in the form or preparation of our patents or patent applications, such patents or applications may be invalid and unenforceable. Moreover, our competitors may independently develop equivalent knowledge, methods, and know-how. Any of these outcomes could impair our ability to prevent competition from third parties, which may have an adverse impact on our business, financial condition and operating results.

There is no guarantee that any of our pending patent applications will result in issued or granted patents, that any of our issued or granted patents will not later be found to be invalid or unenforceable or that any issued or granted patents will include claims that are sufficiently broad to cover our product candidates or delivery technologies or to provide meaningful protection from our competitors. Moreover, the patent position of oncology companies can be highly uncertain because it involves complex legal and factual questions. We will be able to protect our proprietary rights from unauthorized use by third parties only to the extent that our current and future proprietary technology and product candidates are covered by valid and enforceable patents or are effectively maintained as trade secrets. If third parties disclose or misappropriate our proprietary rights, it may materially and adversely impact our position in the market.

The U.S. Patent and Trademark Office (USPTO) and various foreign governmental patent agencies require compliance with a number of procedural, documentary, fee payment and other provisions during the patent process. There are situations in which noncompliance can result in abandonment or lapse of a patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. In such an event, competitors might be able to enter the market earlier than would otherwise have been the case. The standards applied by the USPTO and foreign patent offices in granting patents are not

always applied uniformly or predictably. For example, there is no uniform worldwide policy regarding patentable subject matter or the scope of claims allowable in oncology patents. Moreover, changes in either the patent laws or in the interpretations of patent laws in the United States and other countries may diminish the value of our intellectual property. As such, we do not know the degree of future protection that we will have on our proprietary products and technology. While we will endeavor to try to protect our product candidates with intellectual property rights such as patents, as appropriate, the process of obtaining patents is time-consuming, expensive and sometimes unpredictable.

Further, patents have a limited lifespan. In the United States, the natural expiration of a patent is generally 20 years after it is filed (or 20 years after the filing date of the first non-provisional US patent application to which it claims priority). Various extensions may be available; however the life of a patent, and the protection it affords, is limited. Without patent protection for our product candidates, we may be open to competition from generic versions of our product candidates. Further, the extensive period of time between patent filing and regulatory approval for a product candidate limits the time during which we can market a product candidate under patent protection, which may particularly affect the profitability of our early-stage product candidates.

Changes in patent law could diminish the value of patents in general, thereby impairing our ability to protect our product candidates.

Numerous recent changes to the patent laws and proposed changes to the rules of the USPTO may have a significant impact on our ability to protect our technology and enforce our intellectual property rights. For example, the Leahy-Smith America Invents Act (AIA) enacted in 2011 involves significant changes in patent legislation. An important change introduced by the AIA is that, as of March 16, 2013, the United States transitioned to a "first-to-file" system for deciding which party should be granted a patent when two or more patent applications are filed by different parties claiming the same invention. A third party that files a patent application in the USPTO after that date but before us could therefore be awarded a patent covering an invention of ours even if we had made the invention before it was made by the third party. This will require us to be cognizant going forward of the time from invention to filing of a patent application.

Further, the Supreme Court has ruled on several patent cases in recent years, some of which cases either narrow the scope of patent protection available in certain circumstances or weaken the rights of patent owners in certain situations. These changes have led to increasing uncertainty with regard to the scope and value of our issued patents and to our ability to obtain patents in the future.

Among some of the other changes introduced by the AIA are changes that limit where a patentee may file a patent infringement suit and providing opportunities for third parties to challenge any issued patent in the USPTO. This applies to all of our U.S. patents, even those issued before March 16, 2013. Because of a lower evidentiary standard in USPTO proceedings compared to the evidentiary standard in United States federal court necessary to invalidate a patent claim, a third party could potentially provide evidence in a USPTO proceeding sufficient for the USPTO to hold a claim invalid even though the same evidence would be insufficient to invalidate the claim if first presented in a district court action.

Accordingly, a third party may attempt to use the USPTO procedures to invalidate our patent claims that would not have been invalidated if first challenged by the third party as a defendant in a district court action.

Depending on decisions by the U.S. Congress, the U.S. federal courts, the USPTO or similar authorities in foreign jurisdictions, the laws and regulations governing patents could change in unpredictable ways that may weaken our and our licensors' ability to obtain new patents or to enforce existing patents we and our licensors or partners may obtain in the future.

Recent court cases such as *Association for Molecular Pathology v. Myriad Genetics, Inc.* (Myriad); *BRCA1- & BRCA2-Based Hereditary Cancer Test Patent Litig.*; and *Promega Corp. v. Life Technologies Corp.* have added to the uncertainty surrounding patent claims directed to nucleic acid products and pharmaceutical compositions comprising such products. For example, the recent decision by the Supreme Court in Myriad precludes a claim to a nucleic acid having a stated nucleotide sequence which is identical to a sequence found in nature and unmodified. We are currently uncertain as to what, if any, immediate impact this decision may have on our patents or patent applications because the extent to which the Myriad decision impacts the validity of claims directed to pharmaceutical formulations that include unmodified nucleic acid molecules having sequences identical to those found in genomic DNA has yet to be clearly interpreted by courts and by the USPTO. We cannot assure you that the interpretations of this decision or subsequent rulings will not adversely impact our patents or patent applications. In addition to increasing uncertainty with regard to our ability to obtain patents in the future, this combination of events has created uncertainty with respect to the value of patents, once obtained. Depending on decisions by the U.S. Congress, the federal courts and the USPTO, the laws and regulations governing patents could change in unpredictable ways that would weaken our ability to obtain new patents or to enforce our existing patents and patents that we might obtain in the future.

Once granted, patents may remain open to opposition, interference, re-examination, post-grant review, inter partes review, nullification derivation and opposition proceedings in court or before patent offices or similar proceedings for a given period after allowance or grant, during which time third parties can raise objections against such initial grant. In the course of such proceedings, which may continue for a protracted period of time, the patent owner may be compelled to limit the scope of the allowed or granted claims thus attacked, or may lose the allowed or granted claims altogether.

We or any future strategic partners may become subject to third-party claims or litigation alleging infringement of patents or other proprietary rights or seeking to invalidate patents or other proprietary rights.

We or any future strategic partners may be subject to third-party claims for infringement or misappropriation of patent or other proprietary rights. If we, our licensors or any future strategic partners are found to infringe a third-party patent or other intellectual property rights, we could be required to pay substantial damages, potentially including treble damages and attorneys' fees, if we are found to have willfully infringed. In addition, we, our licensors or any future strategic partners may choose to seek, or be required to seek, a license from a third party, which may not be available on acceptable terms, if at all. Even if

a license can be obtained on acceptable terms, the rights may be non-exclusive, which could give our competitors access to the same technology or intellectual property rights licensed to us. If we fail to obtain a required license, we may be unable to effectively market product candidates based on our technology, which could limit our ability to generate revenue or achieve profitability and possibly prevent us from generating revenue sufficient to sustain our operations. Alternatively, we may need to redesign our infringing products, which may be impossible or require substantial time and monetary expenditure. In addition, we may find it necessary to pursue claims or initiate lawsuits to protect or enforce our patent or other intellectual property rights. The cost to us in defending or initiating any litigation or other proceeding relating to patent or other proprietary rights, even if resolved in our favor, could be substantial, and litigation would divert our management's attention. Some of our competitors may be able to sustain the costs of complex patent litigation more effectively than we can because they have substantially greater resources. Uncertainties resulting from the initiation and continuation of patent litigation or other proceedings could delay our research and development efforts and limit our ability to continue our operations.

We may be involved in lawsuits to protect or enforce our patents or the patents of our licensors, which could be expensive, time-consuming and unsuccessful.

Competitors may infringe our patents or the patents of our licensors. To counter infringement or unauthorized use, we may be required to file infringement claims, which can be expensive and time-consuming. If we were to initiate legal proceedings against a third party to enforce a patent covering one of our products or our technology, the defendant could counterclaim that our patent is invalid or unenforceable. In patent litigation in the United States, defendant counterclaims alleging invalidity or unenforceability are commonplace. Grounds for a validity challenge could be an alleged failure to meet any of several statutory requirements, for example, lack of novelty, obviousness or non-enablement. Grounds for an unenforceability assertion could be an allegation that someone connected with prosecution of the patent withheld relevant information from the USPTO, or made a misleading statement, during prosecution. The outcome following legal assertions of invalidity and unenforceability during patent litigation is unpredictable. With respect to the validity question, for example, we cannot be certain that there is no invalidating prior art, of which we and the patent examiner were unaware during prosecution. If a defendant were to prevail on a legal assertion of invalidity or unenforceability, we would lose at least part, and perhaps all, of the patent protection on one or more of our products or certain aspects of our platform technology. Such a loss of patent protection could have a material adverse impact on our business. Patents and other intellectual property rights also will not protect our technology if competitors design around our protected technology without legally infringing our patents or other intellectual property rights.

In addition, in an infringement proceeding, a court may refuse to stop the other party from using the technology at issue on the grounds that our patents do not cover the technology in question. An adverse result in any litigation or defense proceedings could put one or more of our patents at risk of being invalidated, held unenforceable, or interpreted narrowly and could put our patent applications at risk of not issuing. Defense of these claims, regardless of their merit, would involve substantial litigation expense and would be a substantial diversion of employee resources from our business.

Interference proceedings provoked by third parties or brought by the USPTO may be necessary to determine the priority of inventions with respect to our patents or patent applications or those of our licensors. An unfavorable outcome could result in a loss of our current patent rights and could require us to cease using the related technology or to attempt to license rights to it from the prevailing party. Our business could be harmed if the prevailing party does not offer us a license on commercially reasonable terms. Litigation or interference proceedings may result in a decision adverse to our interests and, even if we are successful, may result in substantial costs and distract our management and other employees. We may not be able to prevent, alone or with our licensors, misappropriation of our trade secrets or confidential information, particularly in countries where the laws may not protect those rights as fully as in the United States.

Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. In addition, there could be public announcements of the results of hearings, motions or other interim proceedings or developments. Obtaining and maintaining our patent protection depends on compliance with various procedural, document submission, fee payment and other requirements imposed by governmental patent agencies, and our patent protection could be reduced or eliminated for non-compliance with these requirements.

We have limited foreign intellectual property rights and may not be able to protect our intellectual property rights throughout the world.

We have limited intellectual property rights outside the United States. Filing, prosecuting and defending patents on product candidates in all countries throughout the world would be prohibitively expensive, and our intellectual property rights in some countries outside the United States can be less extensive than those in the United States. In addition, the laws of some foreign countries do not protect intellectual property rights to the same extent as federal and state laws in the United States. Consequently, we may not be able to prevent third parties from practicing our inventions in all countries outside the United States, or from selling or importing products made using our inventions in and into the United States or other jurisdictions. Competitors may use our technologies in jurisdictions where we have not obtained patent protection to develop their own products and further, may export otherwise infringing products to territories where we have patent protection, but enforcement is not as strong as that in the United States. These products may compete with our products and our patents or other intellectual property rights may not be effective or sufficient to prevent them from competing.

Many companies have encountered significant problems in protecting and defending intellectual property rights in foreign jurisdictions. The legal systems of certain countries, particularly certain developing countries, do not favor the enforcement of patents, trade secrets and other intellectual property protection, particularly those relating to oncology products, which could make it difficult for us to stop the infringement of our patents or marketing of competing products in violation of our proprietary rights generally. Proceedings to enforce our patent rights in foreign jurisdictions could result in substantial costs and divert our efforts and attention from other aspects of our business, could put our patents at risk of being invalidated or interpreted narrowly and our patent applications at

risk of not issuing and could provoke third parties to assert claims against us. We may not prevail in any lawsuits that we initiate and the damages or other remedies awarded, if any, may not be commercially meaningful. Accordingly, our efforts to enforce our intellectual property rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we develop or license.

We may be subject to claims that our employees, consultants or independent contractors have wrongfully used or disclosed confidential information of third parties.

We have received confidential and proprietary information from third parties.. We may be subject to claims that we or our employees, consultants or independent contractors have inadvertently or otherwise used or disclosed confidential information of these third parties or our employees' former employers. Litigation may be necessary to defend against these claims. Even if we are successful in defending against these claims, litigation could result in substantial cost and be a distraction to our management and employees.

Risks Related to Ownership of Our Units

We have broad discretion in the use of the net proceeds from our offering and may not use them effectively.

We have broad discretion in the application of the net proceeds from our offering, including for any of the purposes described in the prospectus related to our offering. Because of the number and variability of factors that will determine our use of the remaining net proceeds, their ultimate use may vary substantially from the use described in the prospectus related to our offering. The failure by our management to apply these funds effectively could harm our business.

We do not intend to pay distributions on our Units so any returns will be limited to the value of our Units.

We currently anticipate that we will retain future earnings for the development, operation and expansion of our business and do not anticipate declaring or paying any cash distributions for the foreseeable future. Any return to Members will therefore be limited to the appreciation of their Units.

Provisions in our operating agreement and Delaware law might discourage, delay or prevent a change in control of our company or changes in our management.

You will, as a Member, have little to no control over the day-to-day operations of our company in accordance with our operating agreement.

There is no public market for our Units and they are highly restricted.

There is presently no public market for the Units, and it is unlikely that a trading market will ever develop. Accordingly, there can be no assurance that purchasers will be able to resell the Units.

The Units have not been registered under the Securities Act or the securities laws of the various states. As a consequence, purchasers will be unable to transfer the Units unless and until such securities are subsequently registered under the Securities Act and appropriate state securities laws or an exemption from such registration is available. Accordingly, any purchaser of the Units must bear the economic risk of investment for an indefinite period of time.

The transferability of the Units is also restricted by the terms of the Operating Agreement.

Our Offering price is arbitrary and has no relation to book or market value.

The offering price of the Units has been arbitrarily determined with reference to the general status of the securities market and other relevant factors. The offering price for the Units should not be considered an indication of the actual value of the Units and is not based on the Company's net worth. No assurance can be provided that the Units may be resold at the offering price or at any other price.

The Company does not have a minimum raise amount.

If less than all of the Units are actually sold in this Offering, the net proceeds to the Company will be correspondingly diminished. Because the Offering is not subject to the sale of a minimum number of Units, subscription proceeds from investors will be available for the Company's use as soon as the Company accepts such subscriptions. Consequently, there can be no assurance that the funds the Company receives in this Offering will be adequate to pursue its intended activities. There can be no assurance that all 1,000,000 Units will be sold, and no investor can assume that any Units will be sold beyond those subscribed for by that individual investor.

Investors should consult their tax advisors prior to investing.

An investment in the Units involves certain material income tax risks. You are urged to consult with your own tax advisor with respect to the federal, as well as state and (and any foreign) tax consequences of an investment in the Units. The Company will not seek any rulings from the IRS or any legal opinion regarding any of the tax issues discussed herein.

Investors may realize taxable income without cash distributions.

A Unit holder is required to report such Unit holder's allocable share of the Company's taxable income on such Unit holder's personal income tax return, regardless of whether or not such Unit holder has received any cash distributions from the Company. A Unit holder will generally be allocated a portion of the Company's profits based on such

Unit holder's percentage ownership of Units in the Company. See the Summary of Operating Agreement for a more complete description. The Company is not required to make distributions to Unit holders. It is possible that the Company will not have cash or borrowing capacity in order to make distributions. As a result, it is possible that a Unit holder may have income tax liability as a result of such Unit holder's ownership of the Units which exceeds distributions, if any, made by the Company.

The deductibility of losses will be subject to passive loss limitations.

Section 469 of the Internal Revenue Code limits the allowance of deductions for losses attributable to "passive activities," which are defined generally as activities in which the taxpayer does not materially participate. Any tax losses allocated to Unit holders will generally be characterized as passive losses, and accordingly, the deductibility of such losses will be subject to these limitations.

The Company may be audited and additional tax, interest and penalties may be imposed.

The Company's federal income tax returns may be audited by the IRS. Any audit of the Company could result in an audit of your tax return causing adjustments of items unrelated to your investment in the Company, in addition to adjustments to various Company items. In the event of any such adjustments, you might incur attorneys' fees, court costs and other expenses contesting deficiencies asserted by the IRS. You may also be liable for any underpayment and certain penalties from the date your tax was originally due.

State and local taxes and a requirement to withhold state taxes may apply.

The state in which you are a resident may impose an income tax upon your share of the Company's taxable income. You are urged to consult with your own tax advisors with respect to the impact of applicable state and local taxes and state tax withholding requirements on an investment in the Units.

Legislative or regulatory action could adversely affect investors.

The present federal income tax treatment of an investment in the Units may be modified by legislative, judicial or administrative action at any time. The rules dealing with federal income taxation are constantly under review by the IRS, resulting in revisions of its regulations and revised interpretations of established concepts. Recent tax legislation has granted the IRS the right to promulgate legislative and/or interpretive regulations in many areas. In addition, the IRS is paying increased attention to the proper application of the tax laws to limited liability companies.

BUSINESS DESCRIPTION

Overview

The Company is operated in St. Paul, Minnesota by biochemist, patent attorney, and former cancer patient Dr. Hugh McTavish and the board of directors to develop proprietary and patentable agents and methods for more effectively treating cancer.

The Problem

Chemotherapy is one of the three primary ways – along with radiation therapy and surgical tumor removal – of treating cancer used today. As the death toll from cancer shows, chemotherapy is insufficiently effective against most types of cancer.

The defining feature of cancer is that a cancer cell divides, and it divides uncontrollably so that ultimately the tumor keeps growing and dividing until it consumes the patient. All chemotherapy agents act by selectively killing dividing cells more than non-dividing cells. Chemotherapy is non-specific, however, in the sense that it attacks dividing normal cells as well as cancer cells. This accounts for the debilitating side effects of chemotherapy. For instance, chemotherapy kills dividing gastrointestinal tract cells and thereby causes nausea. The side effects are not only unpleasant (to say the least) for the patient, but they also limit the effectiveness of chemotherapy. That is because the side effects limit the dose of chemotherapy used. If its side effects were reduced, a chemotherapy agent could be used with less time between doses or at higher doses, both of which would increase its effectiveness.

In addition to side effects, a second problem with chemotherapy is that some percentage of cancer cells, those that are non-dividing at the time of treatment, are insensitive or less sensitive to chemotherapy agents. The defining feature of a cancer cell is that it grows and divides inappropriately. However, cancer cells are not *constantly dividing*, and not all the cells of a tumor are dividing at the same time. Thus, when chemotherapy is administered, some percentage of the cancer cells will not be dividing, and therefore will be less sensitive to the chemotherapy agents. If a way could be found to stimulate cancer cells to divide at the time they take up chemotherapy drug, it would be likely to enhance the sensitivity of the cells to the drug. If you could in addition selectively stimulate cancer cells over healthy cells to divide, so much the better.

FIRST DRUG: IGF-METHOTREXATE

The company's first drug is a conjugate in which the standard cancer chemotherapy drug methotrexate is attached to an engineered form of protein called insulin-like growth factor-1 (IGF or IGF-1). The engineered form of IGF we use has been designated 765IGF and is covered by an allowed patent to the Company. The drug is known alternately as IGF-methoterexate, IGF-MTX, or 765IGF-MTX.

The technology targets cancer cells through a specific receptor that is 43-times more abundant on cancer cells than healthy cells (the insulin-like growth factor receptor, or

IGF receptor).[1] [2] We chemically attach existing chemotherapy drugs to a hormone called insulin-like growth factor, or IGF. IGF is very closely linked to cancer. The defining feature of a cancer cell is that the cell divides uncontrollably, and the natural biological role of the hormone IGF is to cause cells to divide. So perhaps it should not be surprising that one study found the IGF receptor is 43-times more abundant on breast cancer cells than on normal breast tissue. IGF has also been linked to most other types of cancer.[3] [4] The concept for the technology platform is supported by an abundance of scientific literature.

By targeting much more specifically to cancer cells, the company's drugs largely spare non-cancerous cells and have greatly reduced side effects compared to conventional chemotherapy drugs.

Not only do malignant cells have more IGF-1 receptors than healthy cells, but the most dangerous and aggressive cancer cells have been found to have the most IGF-1 receptors.[5] [6] Thus, not only does the company's technology target cancer cells over healthy cells, but it targets the most aggressive cancer cells more than the less important cancer cells.

The company's technology is illustrated in drawings on the following pages.

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[1] Peyrat JP, Bonneterre J. 1992. Type 1 IGF receptor in human breast diseases. *Breast Cancer Research and Treatment* 22:59-67.

[2] Stewart CE, Rotwein P. 1996. Growth, differentiation, and survival: multiple physiological functions for insulin-like growth factors. *Physiol. Revs*. 76:1005-1026.

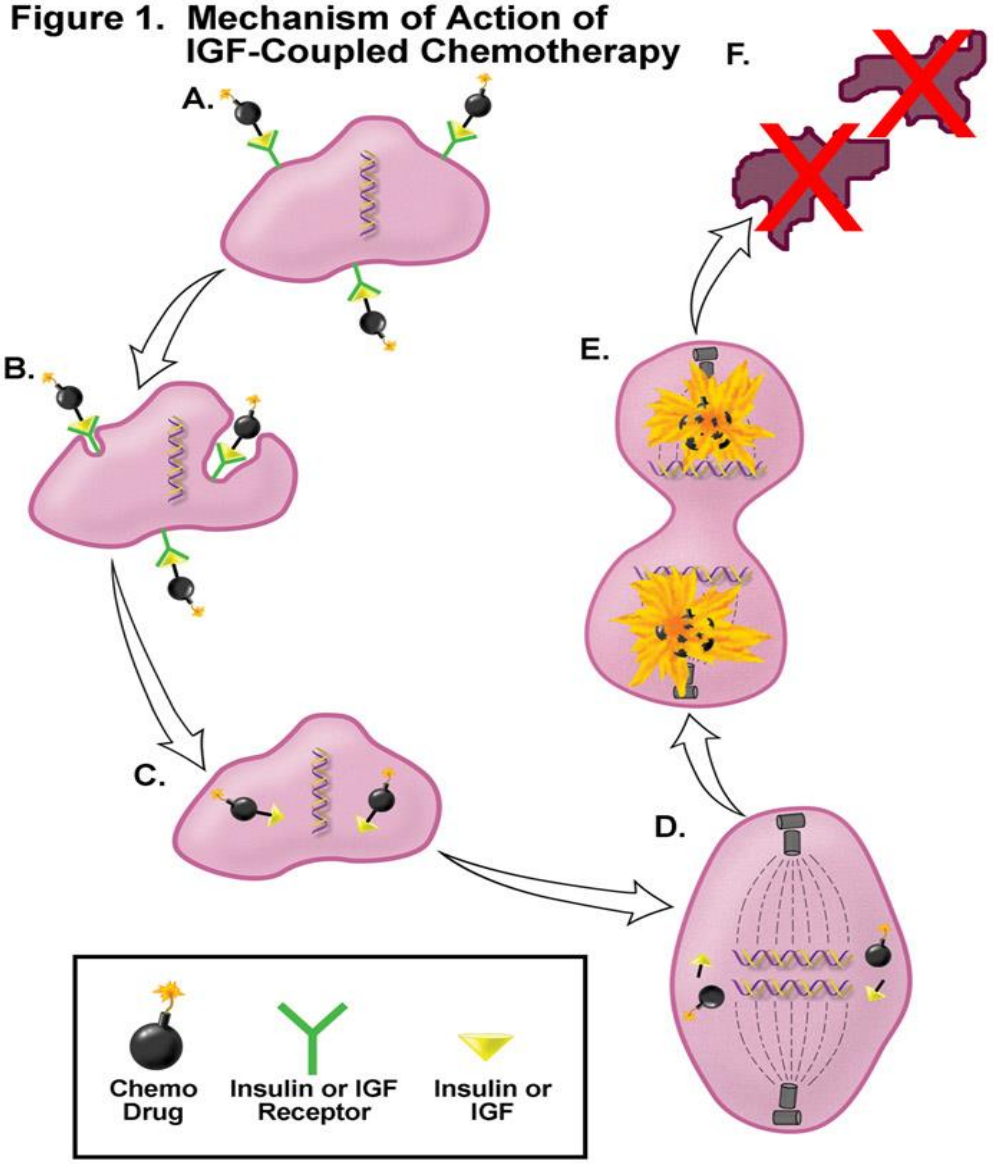
[3] Papa, V. et al. 1990. *J. Clin. Invest.* 86:1503-1510.

[4] Jammes, H. et al. 1992. *Br. J. Cancer* 66:248-253.

[5] Resnicoff M, Burgaud JL, Rotman HL, Abraham D, Baserga R. 1995. Correlation between apoptosis, tumorigenesis, and levels of insulin-like growth factor I receptors. *Cancer Res.* 55:3739-41.

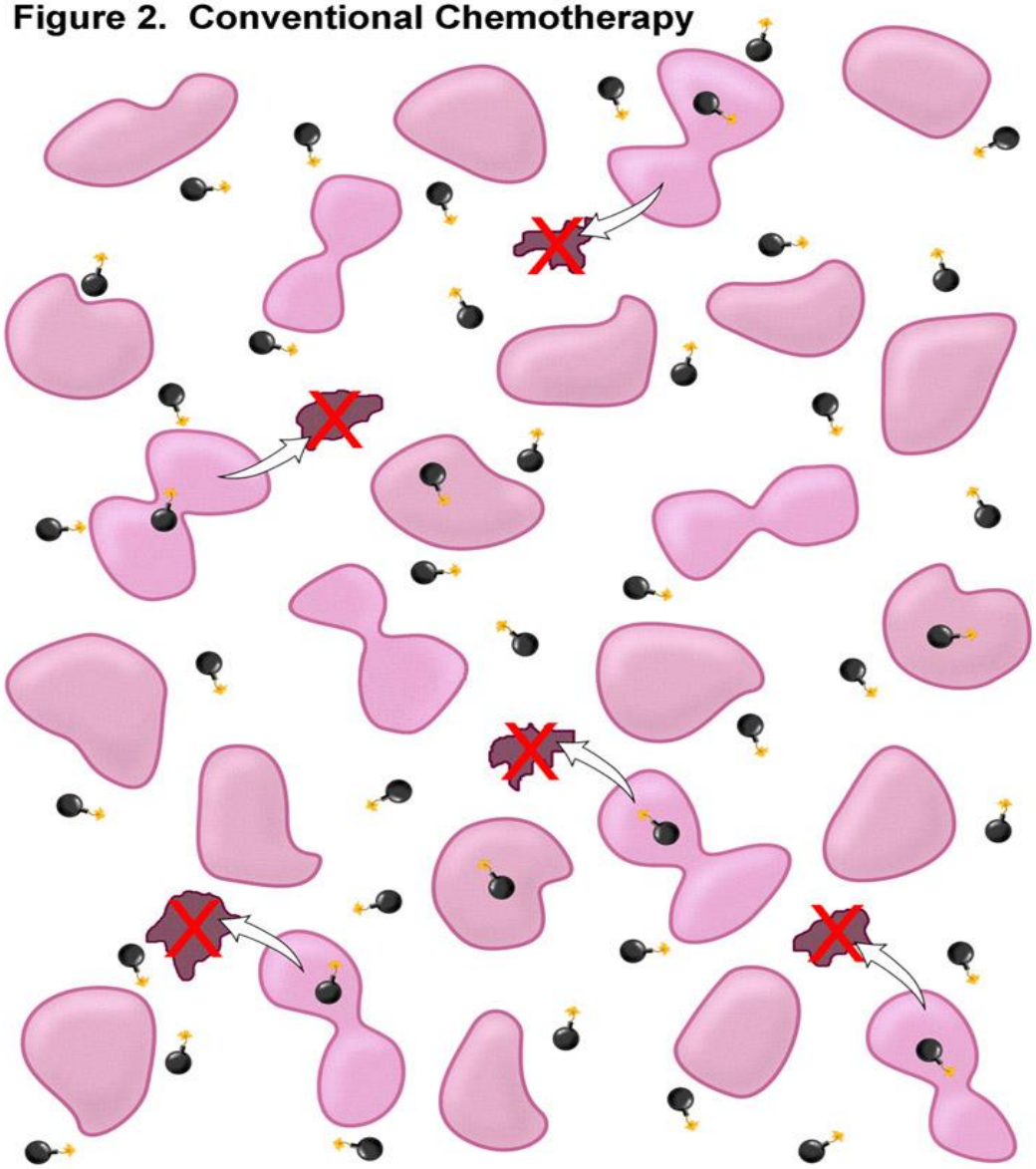
[6] Surmacz, E. 2000. Function of the IGF-I receptor in breast cancer. *J. Mammary Gland Biol. Neoplaisa* 5:95-105.

Figure 1. Mechanism of Action of IGF-Coupled Chemotherapy



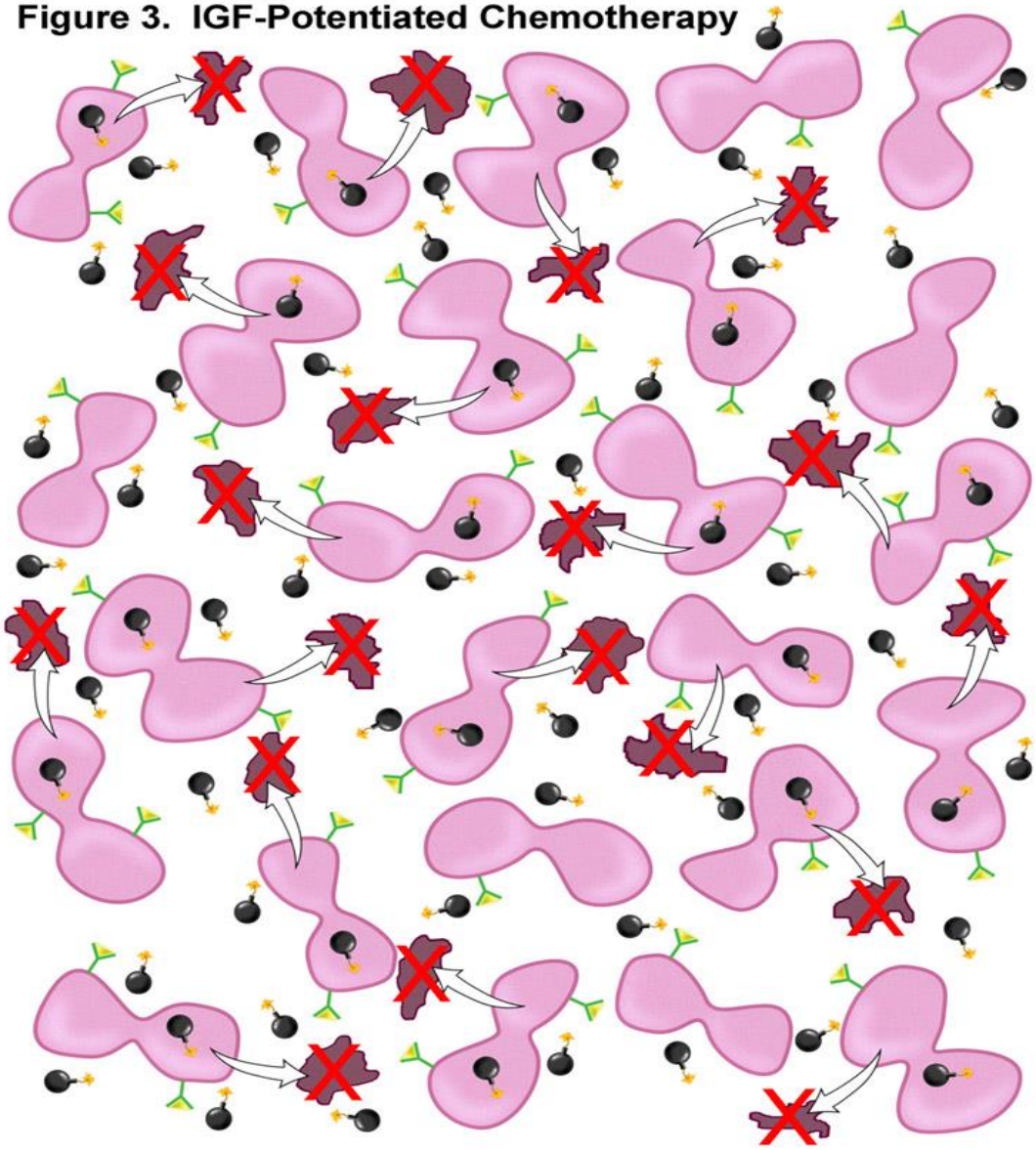
A conjugate of IGF-1 (or insulin) to a chemotherapy drug binds to the IGF-1 receptors (or insulin receptors) on the surface of a cancer cell in panel A. The conjugate then begins to be internalized to the cell by receptor-mediated endocytosis (panel B). In panel C the conjugate has been taken into the cell. The chemotherapy drug then is cleaved from IGF-1 (or insulin) in the cell, and the IGF-1 (or insulin) causes the cell to replicate its DNA and begin dividing (panel D). The chemotherapy drug then kills the dividing cell (panels E and F).

Figure 2. Conventional Chemotherapy



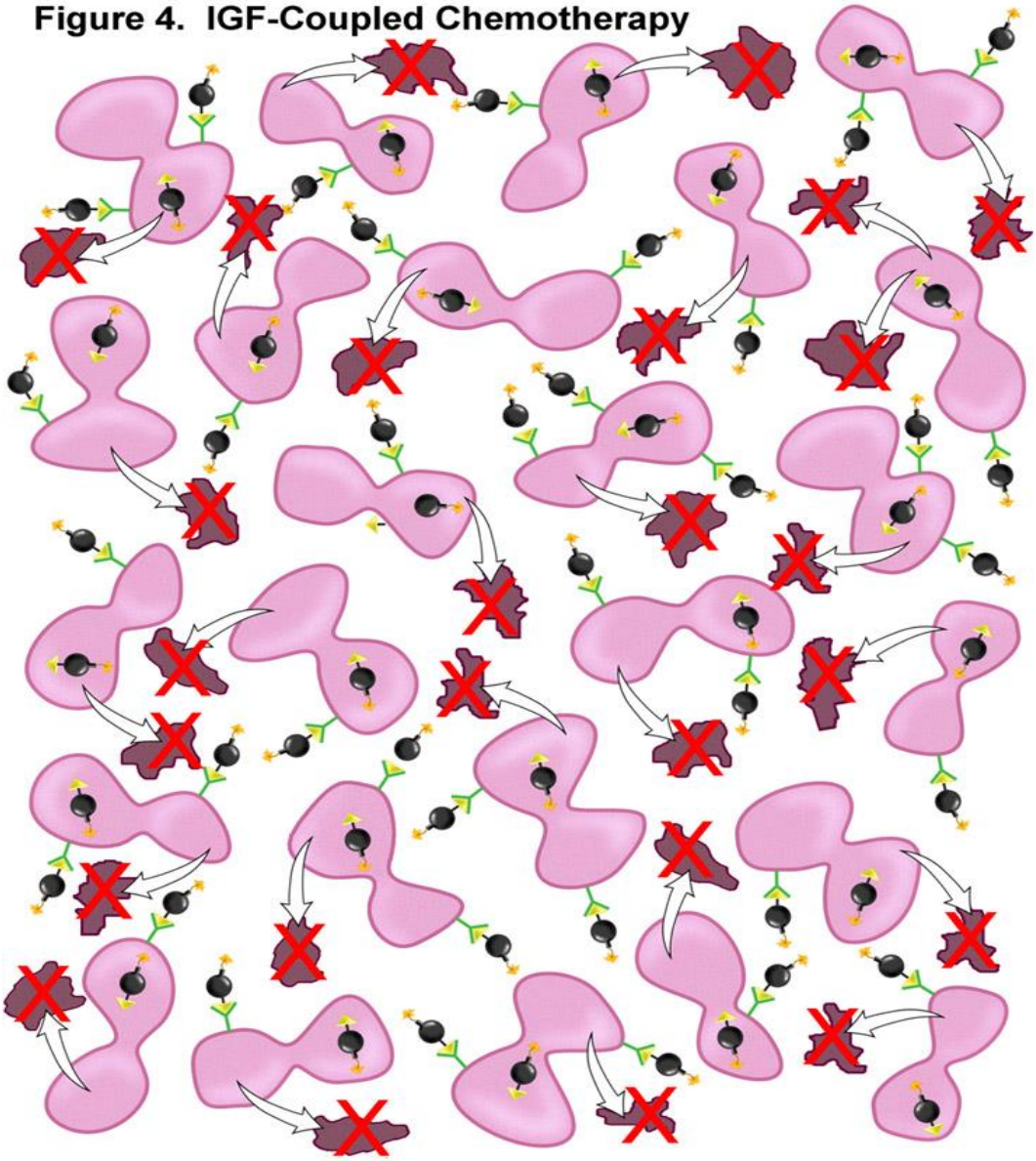
Cancer cells are surrounded by chemotherapy drug. Some cells take up some drug, others do not. Some of the cells that take up drug happen to divide soon and are killed by the drug. Other cells that take up drug happen not to be dividing and are not killed by the drug.

Figure 3. IGF-Potentiated Chemotherapy



IGF-1 and chemotherapy drug are added as separate molecules to cancer cells. The IGF-1 binds to the IGF-1 receptors on all of the cancer cells, and thereby causes the cells to divide. Thus, more of the cells are dividing. Many of the cells take up chemotherapy drug, and are killed as they divide. Other dividing cells do not take up any chemotherapy drug, and are not killed.

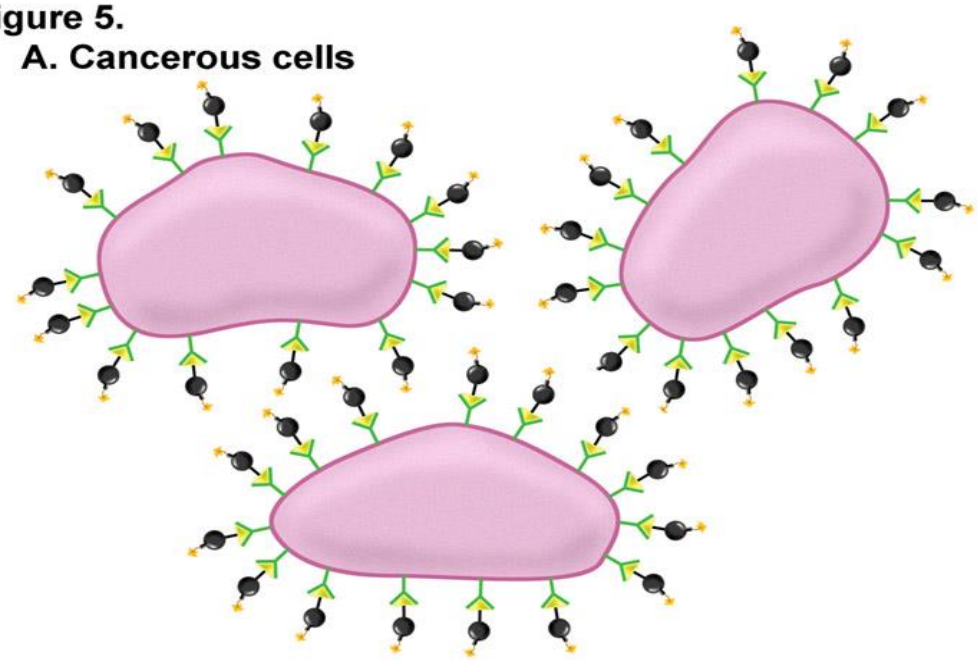
Figure 4. IGF-Coupled Chemotherapy



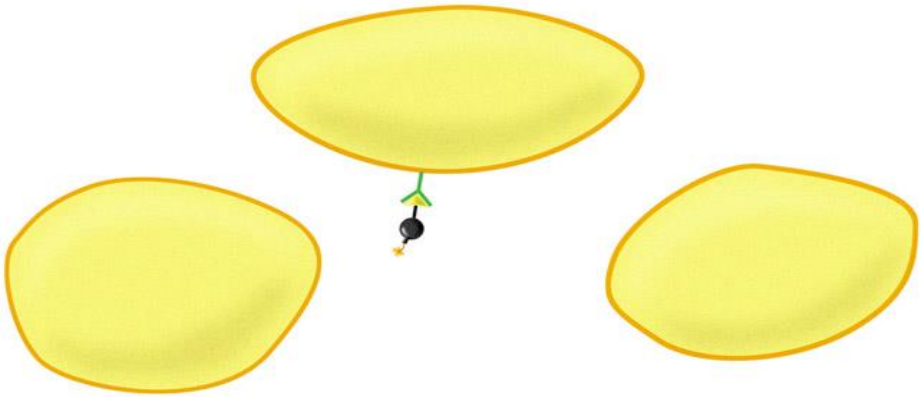
The IGF-chemotherapy drug conjugate binds to the IGF-1 receptors on all the cancer cells. The IGF stimulates the cells to divide, and more of the cells take up the chemotherapy drug because it is bound on the cell surface to the IGF receptors. Thus, the cells take up the chemotherapy drug, and more of the cells are dividing at the time they take up the chemotherapy drug. Since chemotherapy drugs kill dividing cells, more of the cells are killed.

Figure 5.

A. Cancerous cells



B. Healthy cells

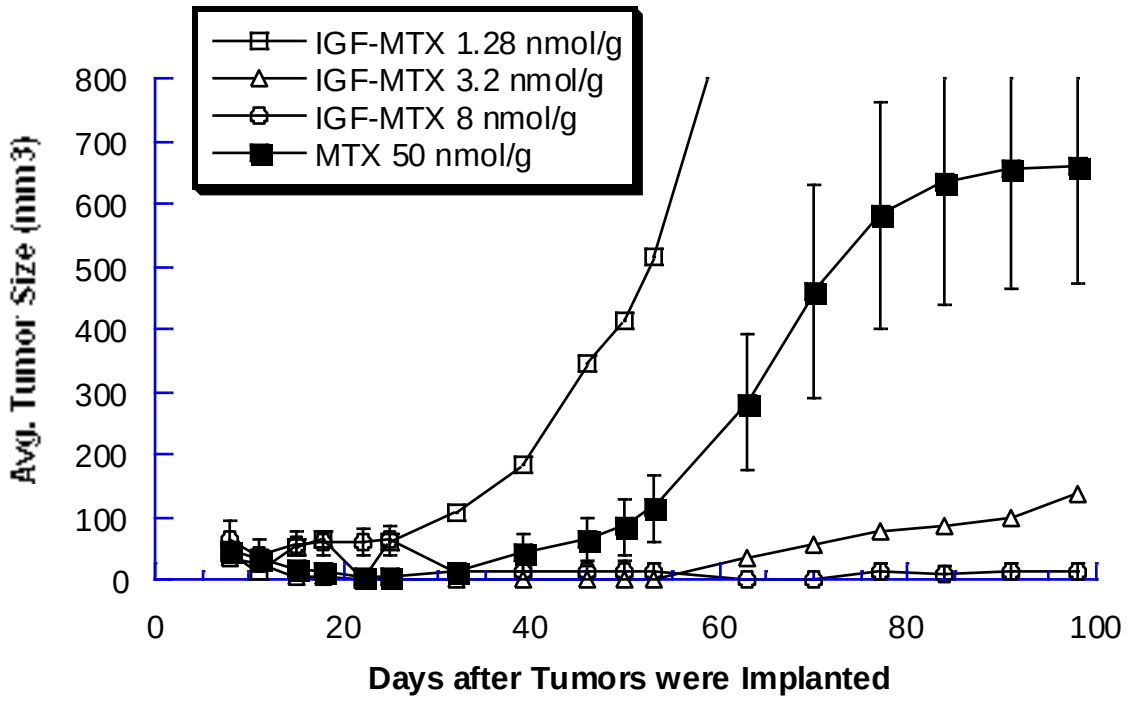


Cancerous cells have 43 times as many IGF-1 receptors as healthy cells. Thus, the IGF-chemotherapy drug conjugates will be targeted to cancer cells and largely spare healthy cells, drastically reducing side effects of chemotherapy.

Data in animals

The Company's first candidate drug – a proprietary conjugate containing methotrexate attached to an engineered form of IGF-1 – has now been tested against several types of human cancer cells, including prostate, breast, and lung, and against prostate and breast cancer in mice. The IGF conjugate kills the cancer cells in a petri dish, and in mice the IGF-methotrexate was more than 6 times more effective than unconjugated methotrexate, a widely used and effective chemotherapy drug (Fig. 6). A scientific paper reporting these results has been published in the journal *Translational Research* after peer review by scientific reviewers.

Figure 6



The IGF-methotrexate conjugate was also shown to bind very tightly to its target receptor, the IGF receptor, on cancer cells, as it is designed to do (data not shown).

Phase I clinical trial

We have completed a Phase 1 human clinical trial of 765IGF-MTX in treating solid tumors and lymphomas at the University of Illinois Chicago.

The eligible patients were persons with solid tumors or blood tumors whose tumors test positive for the presence of the IGF receptor and who have no other approved therapy

for their cancer. For nearly all the patients in the trial that means their tumors have progressed after first line therapy with approved drugs.

The clinical trial enrolled and treated 18 patients (one patient was treated at dose level 1 and dose level 5, and thus 19 patients are listed in the table below). The study design was for dose escalation in successive groups of patients from dose level 1 to dose level 7. It was stopped after dose level 5.

Dose level group	Dose level	Number of patients treated	Drug-related Serious Adverse events	Efficacy
1	0.05 uEquivalents/kg	1	0	
2	0.10 uEq/kg	1	0	
3	0.20 uEq/kg	7	1, note a	2, note c
4	0.40 uEq/kg	3	0	1, note d
5	0.80 uEq/kg	7	1, note b	1, note e
6	1.6 uEq/kg			
7	2.5 uEq/kg			

Table Notes:

a. One patient at dose level 3 had low blood pressure and rapid heart beat that began during the 1 hour the drug was infused and required hospitalization overnight. We think this was related to the drug but not related to the dosage of the drug. After that incident, patients were pre-treated with drugs designed to prevent these side effects, and those side effects did not happen thereafter in any patient. This occurred in the first patient at dose level 3, and then six more were treated successfully treated without serious adverse side effects.

b. One patient had very low blood sugar during the infusion of the drug. This is an expected side effect caused by the IGF, and can be easily avoided by feeding the patients or if necessary giving intravenous sugar. We do not expect it to be a problem with other patients, provided they are given sugar orally or intravenously.

c. A Hodgkin's lymphoma patient whose cancer recurred after conventional chemotherapy and then after an antibody treatment was treated at dose level 3 over 8 months and was then cancer free. An endometrial cancer patient (cancer of the uterus) had stable disease for 18 doses of the drug (6 months) at dose level 3, and then had slight progression of disease. She was then taken off the drug, and her disease progressed more rapidly.

d. A colon cancer patient had 12 doses of the drug (4 months) with stable disease.

e. Three of the six patients at dose level 5 were not considered evaluable for drug efficacy because their disease progressed after 3 to 5 doses before the planned 6 doses that were to be given before CT scans to monitor efficacy. The one patient with efficacy was a basal cell carcinoma patient with lung metastases who had his lung tumors shrink and become less dense.

Safety results: We went through dose level 5 without serious adverse events that cause dose-limiting toxicity. We are pleased with that. Dose level 5 was really the target dose for

this study. Dose level 5 represents a dose that is approximately 35% of the standard dose for free methotrexate. As noted above, in animal studies, IGF-MTX was more effective than methotrexate even at 1/6 the dose (it actually appeared to be more effective at 1/15 lower dose, but that did not reach statistical significance). So we were hoping to get to at least about 1/3 of the standard dose of methotrexate in this study without serious adverse events, and we did that.

Most importantly, even at dose level 5 we saw no evidence of the typical side effects of chemotherapy -- delayed nausea beginning a few hours after treatment and extending for one or more days, and a reduction in red and white blood cell numbers that causes tiredness and immune suppression. We have also did not see any hair loss.

Efficacy results to date: We are pleased that we saw evidence the drug was effective in two of six patients at dose level 3. This is a very low dose level, about 8% of the standard dose of methotrexate, and we anticipated that we might need to go to a higher dose to see efficacy. We also have found efficacy in one of three patients at dose level 4 and one of 3 evaluable patients at dose level 5. In addition, it should be noted that all of these patients have failed first line therapy with the approved drugs for their disease, so it is a very challenging group in which to show any success with the drug.

Phase Ib/II clinical trial in Myelodysplastic Syndrome (MDS) at Mayo Clinic: We have started a clinical trial at Mayo Clinic in MDS. We plan to treat 6-15 more patients at dose levels 3, 4, 5, 6, and possibly 7. The Mayo MDS clinical trial will be limited to patients with MDS. The rationale for selecting MDS as the disease we are pursuing is this:

1. MDS is a blood cancer, like leukemia and lymphoma, and methotrexate is generally effective against blood cancers and in our phase I at UIC, our best result was with a lymphoma patient who was disease free after treatment with IGF-MTX.
2. IGF-MTX was effective at low concentrations in our lab in vitro against an MDS cell line, and against myeloid leukemia cell lines, the cell lines most closely related to MDS.
3. Research reports show the MDS malignant cells very highly express the IGF receptor and are almost the only cells in bone marrow that express it. We have confirmed that in our own testing. Thus, the IGF-MTX drug should target the MDS cells quite specifically.
4. The main pathological consequence of MDS is low platelets and blood cell counts because the MDS cells crowd out the other blood cell progenitors in bone marrow. This makes MDS untreatable with standard chemotherapy, because standard chemotherapy has the side effect that it strongly decreases blood cell counts, and these patients cannot tolerate that because their blood cell counts are low to begin with. But IGF-MTX has the remarkable property in our clinical trial that it caused no decrease in blood cell counts at all.

The Mayo clinical trial opened in January 2018. We plan to complete the clinical trial by the 3rd quarter 2019.

Exit after Phase Ib/II clinical trial of 765IGF-MTX.

After completing the Phase Ib clinical trial, if convincing efficacy against MDS is shown, will seek to sell the rights to the IGF-MTX drug to another partner as an exit strategy. The current budget does not contemplate conducting a Phase II clinical trial of IGF-MTX.

Intellectual property

We have the following issued U.S. patents that cover the IGF-MTX drug and its use to treat cancer. They also cover any chemotherapeutic agent (not just methotrexate) coupled to IGF or its variants.

U.S. Patent Nos.
9,011,880
8,920,777
8,501,906
8,017,102
7,811,982.

These will expire in 2025 to about 2028, with further extensions possible for time in FDA review.

We also have issued patents in that family covering IGF-MTX in Europe, Canada, and Japan.

We have additionally U.S. Patent Nos. 9,675,671 and 9,801,923, which cover the 765IGF protein and the 765IGF-MTX drug specifically. This is the specific drug we are using in our clinical trials. These patents will not expire until 2035.

We have also a pending patent application for a method of treating MDS with IGF-MTX, optionally in combination with azacytidine, the most commonly used drug now, which we have shown in vivo in our lab acts synergistically with IGF-MTX.

Joint Venture in China

We have executed a Memorandum of Understanding and have begun working with a Chinese pharmaceutical company to create a joint venture that will conduct clinical trials of 765IGF-MTX in China and will seek approval to market the drug in China. The Chinese pharmaceutical company will provide all funding for the joint venture, but IGF Oncology will own a 49% stake and receive 49% of profits.

SECOND DRUG: CLOSTRIDIUM PERFRINGENS ENTEROTOXIN (CPE)

CPE is a bacterial toxin that binds specifically to a family of proteins on the surface of cells called claudins. Claudins happen to be greatly overexpressed on many types of cancer, particularly ovarian, pancreatic, and uterine. And in ovarian cancer at least, the expression of claudins happens to increase in more advanced ovarian cancers than earlier ovarian cancers, and this higher expression makes the cancers more sensitive to CPE. This is very exciting because it suggests some of the most difficult and deadly cancers – ovarian and pancreatic cancer – could be sensitive to CPE even in their latest stages.

Intellectual Property

We have licensed an issued patent for a method of treating cancer with CPE from Yale University.

We have also advanced this with Dr. McTavish's own invention for a specific engineered variant of CPE we call CPE-54 and for a novel method of using CPE to treat cancer that makes it more effective without increasing toxicity. We will file for patent applications on those inventions shortly and I am optimistic that it will issue as a patent in the U.S.

Phase I clinical trial for CPE.

We have manufactured CPE in a large amount under FDA-regulated quality standards for use in a Phase I clinical trial and for pre-clinical animal toxicology testing that will be required before we can enter a Phase I clinical trial. We have completed animal toxicology tests and filed an application with the FDA to conduct a Phase 1 clinical trial in ovarian cancer.

OTHER PIPELINE DRUGS

EGF-Y

We have attached a chemotherapy drug designated here as Y to epidermal growth factor (EGF). EGF is another growth factor similar to IGF whose receptor is overexpressed on cells of many types of cancers. We have tested this drug against a cancer cell line expresses high levels of the EGF receptor. Interestingly, this cell line was not killed at all by free drug Y, but was killed at rather low doses by EGF-Y. In a mouse model of cancer with the same cell line, EGF-Y reduced growth of the tumors and was curative (caused tumors to disappear) in some of the mice at the only dose tested.

Tumors that express the EGF receptor and thus might be sensitive to EGF-Y include some of the more difficult to treat cancers, including a large subset of lung cancers.

The EGF-Y conjugate is covered by claims of some of our issued patents, and further patent applications will be filed to cover this.

Other EGF and IGF conjugates

We plan to make conjugates to other drugs in the laboratory and test them against cancer cells in a dish and in mice with cancer.

USE OF PROCEEDS

The Use of Proceeds is an estimate based on the Company's current business plan. A portion of the proceeds from this Offering may ultimately be used to compensate or otherwise make payments to officers or directors of the Company. The Manager(s) of the Company may be paid salaries and receive benefits that are commensurate with similar companies, and a portion of the proceeds may be used to pay these ongoing business expenses.

The Company reserves the right to change the use of proceeds set out herein based on the needs of the ongoing business of the Company and the discretion of the Company's management. The Company may reallocate the estimated use of proceeds among the various categories or for other uses if management deems such a reallocation to be appropriate. Until sufficient funds are raised by the Company to sufficiently fund research activities, management may utilize some or all of the funds from this Offering for further capital raising efforts, rather than as set out in this Use of Proceeds section of the Offering Circular.

The Company has attempted to identify, in context, certain of the factors it currently believes may cause actual future experience and results to differ from its current expectations. The differences may be caused by a variety of factors, including but not limited to adverse economic conditions, lack of market acceptance, reduction of consumer demand, unexpected costs and operating deficits, lower sales and revenues than forecast, default on leases or other indebtedness, loss of suppliers, loss of supply, loss of distribution and service contracts, price increases for capital, supplies and materials, inadequate capital, inability to raise capital or financing, failure to obtain customers, loss of customers and failure to obtain new customers, the risk of litigation and administrative proceedings involving the Company or its employees, loss of government licenses and permits or failure to obtain them, higher than anticipated labor costs, the possible acquisition of new businesses or products that result in operating losses or that do not perform as anticipated, resulting in unanticipated losses, the possible fluctuation and volatility of the Company's operating results and financial condition, adverse publicity and news coverage, inability to carry out marketing and sales plans, loss of key executives, changes in interest rates, inflationary factors, and other specific risks that may be referred to in this Offering Circular or in other reports issued by us or by third-party publishers.

The Company is seeking up to $2,359,000 in this Offering to fund its working capital needs and a Phase 1b/2a human clinical trial of IGF-MTX in MDS. The costs include specifically:

Offering Proceeds (1)	**$2,359,000**	**100.00%**
Offering Expenses (2)	$235,000	9.96%
Proceeds Available for Investment	$2,124,000	90.04%
Payroll (3)	$105,000	4.45%
Insurance (4)	$25,000	1.06%

Lab Expense (5)	$100,000	4.24%
Office Expense (6)	$64,000	2.71%
Patent Legal Fees (7)	$100,000	4.24%
Consultants (8)	$175,000	7.42%
IGF MTX Expenses (9)	$1,250,000	52.99%
CPE-54 Expenses (10)	$305,000	12.93%
TOTAL USE OF PROCEEDS	$2,359,000	100.00%

(1) Total proceeds intended to be raised through this offering.
(2) Offering expenses including fees paid for legal, accounting, blue sky fees, fees to Manhattan Street Securities, and Hilton Advisors.
(3) Payroll expenses related to lab techs and the Senior Project Manager.
(4) Health insurance and liability insurance expenses.
(5) Supplies and equipment needed for the operation of a lab.
(6) Office expenses with the majority being for rent expense.
(7) Expenses related to filing patents with the USPTO and the expenses related to such filings.
(8) Includes the expenses related to paying our officers, directors, and other consultants for running the Company, including accounting expenses.
(9) Those expenses related to the development and trials of IGF MTX.
(10) Those expenses related to the development and trials of CPE-54 Drug.

MANAGEMENT AND OWNERSHIP OF THE COMPANY

President

Dr. McTavish, 56, the Company's founder and sole managing member, President, is a Ph.D. biochemist and a patent attorney. Dr. McTavish is the lead author of ten referenced scientific publications, the sole or joint inventor of many issued patents and pending patent applications. After receiving his Ph.D. in biochemistry from the University of Minnesota in 1992, he worked for six years as a researcher at Oregon State University and the University of Minnesota. In 2001, he graduated from law school at the University of Minnesota. From 2000 to 2003 he worked as a law clerk and patent attorney at Schwegman, Lundberg, Woessner & Kluth in Minneapolis. In 2003, he founded his own patent law firm, the McTavish Patent Firm. Dr. McTavish is also a former cancer patient, and out of that experience he developed the invention that is the foundation of the Company. Dr. McTavish has drafted and prosecuted numerous patent applications involving pharmaceuticals and biotechnology inventions, as well as other inventions in the chemical, biological and mechanical arts. He invented the lead drug IGF-MTX as an outgrowth of being a cancer patient himself.

Board of Directors

The Company has a Board of Directors consisting of Dr. McTavish and the following persons:

Arkadiusz Dudek, M.D., Chief Medical Officer, is a practicing Oncologist and Director of Oncology Clinical Trials, Regions Hospital, St. Paul, Minnesota.

Dr Dudek has over 18 years of cancer clinical research experience, over 18 years in the clinical management of mesothelioma, lung cancer, kidney cancer, and malignant melanoma, and over 13 years in the field of tumor angiogenesis, signal transduction, and cancer immunotherapy. His expertise is in design and execution of clinical trials for cancer therapy with a special interest in the development of novel cancer therapeutics. He has 17 years of serving in several leadership positions in clinical trial offices at the University of Minnesota and the University of Illinois. He chairs and manages a broad range of clinical trials (from phase 1 through phase 3, from cooperative group, investigator-initiated, and industry sponsored studies) that are either therapeutic or non-therapeutic studies.

Ronald Way. Director. Mr. Way is a Director of other pharmaceutical and medical device companies, and has previously worked in public relations and journalism, and as a staffer in the U.S. Senate.

Senior Project Manager, Clinical Operations and Development

Kathleen Littrell. Senior Project Manager, Clinical Operations and Development. Ms. Littrell has extensive experience in all roles in clinical trials, including monitoring, managing and overseeing clinical trials.

DESCRIPTION OF THE OFFERING

The Company is offering for sale up to 1,000,000 Units at the following prices:

Units will be offered on a "first-come, first-serve" basis at the following price points per unit:

Number of Units	Price Per Units	Total Capital
10,000	$2.00	$ 20,000
20,000	$2.05	$ 41,000
30,000	$2.10	$ 63,000
40,000	$2.15	$ 86,000
60,000	$2.20	$ 132,000
80,000	$2.25	$ 180,000
100,000	$2.30	$ 230,000
125,000	$2.35	$ 293,750
150,000	$2.40	$ 360,000
175,000	$2.45	$ 428,750
210,000	$2.50	$ 525,000
1,000,000		**$ 2,359,500**

Units will be offered only to "accredited investors" (as defined in Regulation D under the Act.) Units will be offered on a "first-come, first-serve" basis where the Units will be sold at the lowest price until the number of Units are no longer available. The Offering terminates when all 1 million Units offered hereby are sold or committed to or on February 15, 2019, whichever is earlier, provided that the Company may extend the Offering for up to 60 days in its sole discretion. No notice of extension is required to be given to investors who have already subscribed.

Prior to this Offering, there has been no public market for any of the Company's securities. Accordingly, the offering price of the Units has been determined arbitrarily by the Company. In determining the offering price, consideration was given to the general status of the securities market and other relevant factors. The offering price should not, however, be considered an indication of the actual value of the Units offered hereby and is not based on net worth or earnings of the Company. It is unlikely that a public market for any of the Company's securities will ever develop. Therefore, it may be difficult to resell the Units at the offering price or at any price.

PLAN OF DISTRIBUTION

The Units are being offered by the Company on a best efforts basis. The minimum subscription is $1,000. The Company may elect to take less than the minimum amount at the management's discretion.

The Company may accept or reject any subscription in whole or in part, in its sole discretion. In the event a subscription is rejected by the Company, all funds delivered to the Company with such subscription will be returned to the subscriber as soon as practicable following rejection, without Units. Further, the Company may discontinue the Offering at any time regardless of how many Units have been sold and may recommence the Offering at a later date. Both may be done without notice to previous investors or subscribers.

How to Invest

Prospective investors must agree to be bound by the terms of the Subscription Agreement enclosed with this Private Placement Memorandum. All investors are subject to the review, approval and acceptance by the Company, which decision shall be final. To purchase Units, a prospective investor must deliver to the Company a complete and signed Subscription Agreement, together with a check made payable to the order of "IGF Oncology, LLC" in the amount of Units purchased. In addition, each investor must execute the signature page to the Operating Agreement (a copy of the current Operating Agreement is enclosed herewith) and deliver it to the Company. By executing the Operating Agreement signature page, an investor who has been approved by the Company becomes a member of the Company and agrees to be bound by the terms of the Operating Agreement. An investor cannot invest in the Units without becoming a member of the Company and executing the Operating Agreement.

In order for the Company to confirm that a prospective investor meets the suitability standards set forth above, each prospective investor will be required in the Subscription Agreement to make certain representations regarding their income, net worth, knowledge and experience in financial and business matters and certain other matters, including the ability to withstand the loss of the total amount of their investment.

INVESTOR WILL BE NOTIFIED OF THEIR SUBSCRIPTION PRICE PER UNIT PRIOR TO THEIR SUBSCRIPTION AGREEMENT BEING ACCEPTED BY THE COMPANY.

SUMMARY OF OPERATING AGREEMENT

The Operating Agreement (the "Agreement") of the Company, which is attached hereto, generally governs the relations among the Company's investors as well as their duties and obligations relating to the control of the business and affairs of the Company, its liquidation, dissolution and termination. Prospective investors should study the Agreement carefully before making any investment decision with regard to a potential purchase of Units. The following statements are intended to supplement other statements in this memorandum concerning the Agreement and related matters. For the purposes of this Summary, the term "Member" refers to those persons or entities that purchase Units or otherwise acquire Units in exchange for services. Other Members of the Company may be governed by and subject to different terms of the Operating Agreement.

The following statements are intended to be a summary only and, since they do not purport to be complete, are qualified in their entirety by their reference to the Agreement itself. Terms not defined in the summary shall have the meaning set forth in the Agreement if defined therein.

The Company

The Company is a limited liability company under Delaware law. The period of the Company is perpetual until dissolved in accordance with the Agreement.

Members

Each purchaser of Units in this Offering shall become a Member of the Company upon acceptance by the Company of such purchaser's Subscription Agreement, payment for the Units, and execution of the Agreement. New Members and assignees of an existing Member's Units may be admitted as Members upon the approval by the President.

Units

Units represent a Member's share of the profits and losses of the Company and a Member's right to receive distributions of the Company's assets as provided in the Agreement.

Capital Accounts

The Company will maintain for each Member a separate capital account. Each Member's capital account will be increased by the cash amount or net agreed value of all capital contributions made by such Member, and all items of Company income and gain computed in accordance with and allocated to such Member pursuant to the Agreement. Each Member's capital account will be decreased by the cash amount or net agreed value of all actual and deemed distributions of cash or property made to such Member, and all items of Company deduction and loss computed and allocated to such Member pursuant to the Agreement.

Upon an investor's becoming a Member in the Company as provided in the Agreement, the capital account of such Member will have a balance reflecting the cash amount or net agreed value of the capital contribution that such Member made to the Company in exchange for Units in the Company.

Voting

The Members shall be entitled to vote on all matters to be voted on by the Members. Voting is proportional to Units.

Management Team

The Company is managed by the following position and people.

President:

The President is currently Hugh McTavish and he can only be removed for cause. The President has authority to manage the company, including entering into contracts and expending funds consistent with the then-in-effect Budget.

Board of Directors:

The Board of Directors consists of three Directors: The McTavish Director (Hugh McTavish), the Herberger Director elected by a major unit holder (the Herberger Director is currently Ronald Way), and a third Director elected by a majority vote of units (currently Dr. Arkadiusz Dudek). The Board has authority to approve the Budget and must approve expenditures inconsistent with the Budget then in effect. Board actions generally require approval of both the McTavish Director and the Herberger Director, and the majority of the Board.

Dr. Hugh McTavish's Compensation

See "COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS."

Allocations and Distributions

Allocation of Net Profit and Net Loss

Net Profit and Net Loss will be allocated to the Members in proportion to their respective Units. Notwithstanding the above, Net Profit and Net Loss will be allocated to comply with certain requirements of Section 704(b) of the Code and in compliance with the requirements of the treasury regulations as set forth in Sections 5.2 and 5.3 of the Agreement.

Distributions Prior to Liquidation

Distributions prior to liquidation may be distributed to the Members on a pro rata basis as they may be approved by the President from time to time.

Liquidating Distributions

On liquidation, the Company's assets shall be distributed first to the Company's creditors, including any Member or Manager, if they are creditors, and then to the Members in accordance with the Member's positive capital account balances.

Transfer of Units

The transfer of Units is highly restrictive. The Units have not been registered pursuant to the Securities Act of 1933. Units may only be transferred in accordance with the Operating Agreement and in compliance with Rule 144.

Termination of the Company

The Company shall wind up and terminate upon either the sale or other disposition of substantially all of the Company's assets; the written consent of the President and the Board of Directors; the termination of the legal existence of the last remaining Member of the Company or the occurrence of any other event that terminates the continued membership of the last remaining Member of the Company in the Company unless the business of the Company is continued in a manner permitted by the Operating Agreement or Delaware law; or the entry of a decree of judicial dissolution under Section 18-802 of the Delaware Limited Liability Company Act.

COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS

Currently, the Company has paid the following salaries to certain officers and directors:

Our President, Hugh McTavish, PhD, JD, receives an annual salary of $96,180;
Our Chief Medical Officer and Director, Dr. Dudek, receives an annual salary of $30,000;
For his services as a Director and bookkeeper, Ron Way receives an annual salary of $39,000.

Marketing Agreements

The Company has agreed to pay Manhattan Street Securities ("MSC") $90,000 for services related to this Offering. The Company has agreed to pay Hilton Advisors a one time fee of $5,000, $6,750 monthly, and 5% of the actual incurred advertising expenses.

Employment Agreements

The Company currently has the following agreements with employees, officers, managers, and directors of the company:

Dr. Hugh McTavish entered into an independent contractor agreement with the Company in 2016. In exchange for his services as inventor, patent holder, and President, Dr. McTavish will receive an annual salary (as discussed above), paid monthly.

Kathleen Litrell entered into an agreement in 2017 to provide services as a Senior Project Manager. In exchange for these services and invention, Ms. Litrell is entitled to an annual salary of $130,000 plus benefits.

Warrants

In the future, the Company may establish a management incentive plan pursuant to which warrants and awards may be authorized and granted to our President, Directors, employees and key employees or consultants. To date, 320,000 warrants have been issued to various persons.

Committees of the Board of Directors

We may establish an audit committee, compensation committee, a nominating and governance committee and other committees to our Board of Directors in the future, but have not done so as of the date of this Offering Circular. Until such committees are established, matters that would otherwise be addressed by such committees will be acted upon by the entire Board of Directors.

Director Compensation

We currently do not pay our directors any compensation for their services as board members, with the exception of reimbursing and board related expenses. In the future, we may compensate directors, particularly those who are not also employees and who act as independent board members, on either a per meeting or fixed compensation basis.

Limitation of Liability and Indemnification of Manager(s)

Our Operating Agreement limits the liability of the management of the Company. The Operating Agreement states that the Company shall indemnify, in accordance with and to the full extent now or hereafter permitted by law, any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (including, without

limitation, an action by or in the right of the Company), by reason of his or her acting as a director or officer of the Company (or a director or officer serving at the request of the corporation in any other capacity for or on behalf of the Company) against any expenses (including attorneys' fees, judgments, fines, ERISA or other excise taxes, penalties and amounts paid in settlement) actually and reasonably incurred by such Manager in respect thereof.

The provisions of this article of the Company's Operating Agreement shall be deemed to constitute a contract between the Company and each director or officer who serves in such capacity at any time while this article and the relevant provisions of Delaware law are in effect, and each such director or officer shall be deemed to be serving as such in reliance on the provisions of this article of the Company's Operating Agreement, and any repeal of any such provisions or of such article of the Company's Operating Agreement shall not affect any rights or obligations then existing with respect to any state of facts then or theretofore existing or any action, suit or proceeding theretofore or thereafter brought or threatened based in whole or in part upon any such state of facts.

There is no pending litigation or proceeding involving any of our Manager as to which indemnification is required or permitted, and we are not aware of any threatened litigation or proceeding that may result in a claim for indemnification.

For additional information on indemnification and limitations on liability of our directors and officers, please review the Company's Operating Agreement, which are attached to this Offering Circular.

CAPITALIZATION

IGF ONCOLOGY CAPITALIZATION TABLE
AS OF DECEMBER 31, 2017

NAME OF MEMBER	UNITS	CAPITAL CONTRIBUTIONS
Regular Units		
Dr. Hugh McTavish	666,667	$1,000,000
Judd R. Herberger Trust	1,812,500	$7,250,000
Norris Institute	0	$0
John E. McTavish Trust	10,000	$40,000
Thomas Barry	25,000	$25,000
John D. Offerman	10,000	$10,000
Jeffrey Cohen	10,000	$10,000
Arkadiusz Dudek, M.D., Ph.D.	20,000	$20,000
Ronald L. Way	59,375	$237,500
Martha T. McTavish	15,000	$15,000
Catherine G. Strubing	15,000	$15,000

Sandra L. McTavish*	333,333	$0
Profit units		
Arkadiusz Dudek, M.D., Ph.D.	10,000	0
Steven E. Prawer, M.D.	10,000	0
Robert J. Griffin, Ph.D.	10,000	0
Warrants		
Hugh McTavish	43,333	0
Judd R. Herberger	10,000	0
Arkadiusz Dudek	50,000	0
Ronald L. Way	75,000	0
Gary Hildebrand	10,000	0
Jay Zeller	25,000	0
Katherine Zerebiec	25,000	0
Sandra L. McTavish	6,667	0
Laurie Shekels	5,000	0
Alessandro Santin	20,000	0
Melody Pekarek	5,000	0
Kathleen Littrell	5,000	0
Hugh McTavish	20,000	0
Ronald L. Way	10,000	0
Arkadiusz Dudek	10,000	0
Total Regular Units	2,976,875	8,622,500
Total Profit Units	30,000	0
Total Warrants	320,000	0

DISQUALIFYING EVENTS DISCLOSURE

Recent changes to Regulation D promulgated under the Securities Act prohibit an issuer from claiming an exemption from registration of its securities under such rule if the issuer, any of its predecessors, any affiliated issuer, any director, executive officer, other officer participating in the offering of the Units, general partner or managing member of the issuer, any beneficial owner of 20% or more of the voting power of the issuer's outstanding voting equity securities, any promoter connected with the issuer in any capacity as of the date hereof, any investment manager of the issuer, any person that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with such sale of the issuer's Units, any general partner or managing member of any such investment manager or solicitor, or any director, executive officer or other officer participating in the offering of any such investment manager or solicitor or general partner or managing member of such investment manager or solicitor has been subject to certain "Disqualifying Events" described in Rule 506(d)(1) of Regulation D subsequent to September 23, 2013,

subject to certain limited exceptions. The Company is required to exercise reasonable care in conducting an inquiry to determine whether any such persons have been subject to such Disqualifying Events and is required to disclose any Disqualifying Events that occurred prior to September 23, 2013 to investors in the Company. The Company believes that it has exercised reasonable care in conducting an inquiry into Disqualifying Events by the foregoing persons and is aware of the no such Disqualifying Events.

It is possible that (a) Disqualifying Events may exist of which the Company is not aware and (b) the SEC, a court or other finder of fact may determine that the steps that the Company has taken to conduct its inquiry were inadequate and did not constitute reasonable care. If such a finding were made, the Company may lose its ability to rely upon exemptions under Regulation A, and, depending on the circumstances, may be required to register the Offering of the Company's Preferred Stock with the SEC and under applicable state securities laws or to conduct a rescission offer with respect to the securities sold in the Offering.

ERISA CONSIDERATIONS

Trustees and other fiduciaries of qualified retirement plans or IRAs that are set up as part of a plan sponsored and maintained by an employer, as well as trustees and fiduciaries of Keogh Plans under which employees, in addition to self-employed individuals, are participants (together, "ERISA Plans"), are governed by the fiduciary responsibility provisions of Title 1 of the Employee Retirement Income Security Act of 1974 ("ERISA"). An investment in the Units by an ERISA Plan must be made in accordance with the general obligation of fiduciaries under ERISA to discharge their duties (i) for the exclusive purpose of providing benefits to participants and their beneficiaries; (ii) with the same standard of care that would be exercised by a prudent man familiar with such matters acting under similar circumstances; (iii) in such a manner as to diversify the investments of the plan, unless it is clearly prudent not do so; and (iv) in accordance with the documents establishing the plan. Fiduciaries considering an investment in the Units should accordingly consult their own legal advisors if they have any concern as to whether the investment would be inconsistent with any of these criteria.

Fiduciaries of certain ERISA Plans which provide for individual accounts (for example, those which qualify under Section 401(k) of the Code, Keogh Plans and IRAs) and which permit a beneficiary to exercise independent control over the assets in his individual account, will not be liable for any investment loss or for any breach of the prudence or diversification obligations which results from the exercise of such control by the beneficiary, nor will the beneficiary be deemed to be a fiduciary subject to the general fiduciary obligations merely by virtue of his exercise of such control. On October 13, 1992, the Department of Labor issued regulations establishing criteria for determining whether the extent of a beneficiary's independent control over the assets in his account is adequate to relieve the ERISA Plan's fiduciaries of their obligations with respect to an investment directed by the beneficiary. Under the regulations, the beneficiary must not only exercise actual, independent control in directing the particular investment transaction, but also the ERISA Plan must give the participant or beneficiary a reasonable opportunity to exercise such control, and must permit him to choose among a broad range of investment alternatives.

Trustees and other fiduciaries making the investment decision for any qualified retirement plan, IRA or Keogh Plan (or beneficiaries exercising control over their individual accounts) should also consider the application of the prohibited transactions provisions of ERISA and the Code in making their investment decision. Sales and certain other transactions between a qualified retirement plan, IRA or Keogh Plan and certain persons related to it (*e.g.,* a plan sponsor, fiduciary, or service provider) are prohibited transactions. The particular facts concerning the sponsorship, operations and other investments of a qualified retirement plan, IRA or Keogh Plan may cause a wide range of persons to be treated as parties in interest or disqualified persons with respect to it. Any fiduciary, participant or beneficiary considering an investment in Units by a qualified retirement plan IRA or Keogh Plan should examine the individual circumstances of that plan to determine that the investment will not be a prohibited transaction. Fiduciaries, participants or beneficiaries considering an investment in the Units should consult their own legal advisors if they have any concern as to whether the investment would be a prohibited transaction.

Regulations issued on November 13, 1986, by the Department of Labor (the "Final Plan Assets Regulations") provide that when an ERISA Plan or any other plan covered by Code Section 4975 (*e.g.*, an IRA or a Keogh Plan which covers only self-employed persons) makes an investment in an equity interest of an entity that is neither a "publicly offered security" nor a security issued by an investment company registered under the Investment Company Act of 1940, the underlying assets of the entity in which the investment is made could be treated as assets of the investing plan (referred to in ERISA as "plan assets"). Programs which are deemed to be operating companies or which do not issue more than 25% of their equity interests to ERISA Plans are exempt from being designated as holding "plan assets." Management anticipates that we would clearly be characterized as an "operating company" for the purposes of the regulations, and that it would therefore not be deemed to be holding "plan assets."

Classification of our assets of as "plan assets" could adversely affect both the plan fiduciary and management. The term "fiduciary" is defined generally to include any person who exercises any authority or control over the management or disposition of plan assets. Thus, classification of our assets as plan assets could make the management a "fiduciary" of an investing plan. If our assets are deemed to be plan assets of investor plans, transactions which may occur in the course of its operations may constitute violations by the management of fiduciary duties under ERISA. Violation of fiduciary duties by management could result in liability not only for management but also for the trustee or other fiduciary of an investing ERISA Plan. In addition, if our assets are classified as "plan assets," certain transactions that we might enter into in the ordinary course of our business might constitute "prohibited transactions" under ERISA and the Code.

Under Code Section 408(i), as amended by the Tax Reform Act of 1986, IRA trustees must report the fair market value of investments to IRA holders by January 31 of each year. The Service has not yet promulgated regulations defining appropriate methods for the determination of fair market value for this purpose. In addition, the assets of an ERISA Plan or Keogh Plan must be valued at their "current value" as of the close of the plan's fiscal year in order to comply with certain reporting obligations under ERISA and the Code. For purposes of such requirements, "current value" means fair market value where available. Otherwise, current value means the fair value as determined in good faith under the terms of the plan by a trustee or other named fiduciary, assuming an orderly liquidation at the time of the determination. We do not have an obligation under ERISA or the Code with respect to such reports or valuation although management will use good faith efforts to assist fiduciaries with their valuation reports. There can be no assurance, however, that any value so established (i) could or will actually be realized by the IRA, ERISA Plan or Keogh Plan upon sale of the Units or upon liquidation of us, or (ii) will comply with the ERISA or Code requirements.

The income earned by a qualified pension, profit sharing or stock bonus plan (collectively, "Qualified Plan") and by an individual retirement account ("IRA") is generally exempt from taxation. However, if a Qualified Plan or IRA earns "unrelated business taxable income" ("UBTI"), this income will be subject to tax to the extent it exceeds $1,000 during any fiscal year. The amount of unrelated business taxable income in excess of $1,000 in any fiscal year will be taxed at rates up to 36%. In addition, such unrelated business taxable income may result in a tax preference, which may be subject to the alternative minimum tax. It is anticipated that income and gain from an investment in the Units will not be taxed as

UBTI to tax exempt Members, because they are participating only as passive financing sources.

TAX CONSIDERATIONS

The following discussion is intended to summarize federal income tax considerations material to an investment in the Units. This summary is based upon the Internal Revenue Code of 1986, as amended, Treasury Regulation, including Temporary and Proposed Regulation promulgated thereunder ("Regulations") current positions of the Internal Revenue Service (IRS) contained in Revenue Rulings and Revenue Procedures and other administrative action of the IRS and existing judicial decisions in effect as of the date of this Memorandum.

Investors should note that it is not feasible to comment on all aspects of federal, state and local tax laws that may affect each member in the Company. The federal income tax considerations discussed below are necessarily general in nature, and their application may vary depending upon the member's particular circumstances. Further, the discussion below is directed primarily to individual taxpayers who are citizens of the United States. Accordingly, persons who are trusts, corporate investors in general, corporations and any potential investor who is not a United States citizen are cautioned to consult their own tax advisors before investing in the Units.

No representations are made in this Memorandum as to state and local tax consequences. The Company does not intend to request a ruling from the IRS with respect to any of the federal income tax matters discussed below, and on certain matters no ruling could be obtained even if requested. Further, the Company has not obtained a legal opinion concerning the tax issues relating to an investment in the Units.

Investors should also note that a great deal of uncertainty exists with respect to certain recently enacted and amended provisions of the Internal Revenue Code of 1986. There can be no assurance that the present federal income tax laws applicable to Unit owners and the operation of the Company will not be further changed prospectively or retroactively by additional legislation, by new Regulations, by judicial decisions or by administrative interpretations, any of which could adversely affect a member of the Company, nor is there any assurance that there will not be a difference of opinion as to the interpretation or application of current federal income tax laws.

For the foregoing reasons, each prospective investor is urged to consult with such investor's own tax advisor with respect to the federal, state and local income tax consequences arising from the purchase of the Units. Nothing in this Memorandum should be construed as legal or tax advice to a potential investor in the Company. Investors should be aware that the IRS may not agree with all tax positions taken by the Company.

The Company will furnish to each member on an annual basis the information necessary for a member to prepare and timely file his federal income tax return. Investors should note that the information returns filed by the Company will be subject to audit by the IRS.

Partnership Status Generally

The ability to obtain the income tax attributes anticipated from an investment in the Units depends upon the classification of the Company as a partnership for federal income tax purposes and not as an association taxable as a corporation. Regulations regarding entity classification have been issued under Section 7701 of the Internal Revenue Code which, in effect, operate to allow a business entity that is not otherwise required to be classified as a corporation, *i.e.*, an "eligible entity," to elect its classification for federal income tax purposes. Under Section 301.7701-3(b) of the Regulations, an "eligible entity" that has at least two members will be treated as a partnership in the absence of an election. Accordingly, while the Company does not intend to request a ruling from the IRS as to the classification of the Company for income tax purposes, unless the Company is deemed to be taxable as a corporation pursuant to the application of the publicly traded partnership rules discussed below, the Company will qualify as an "eligible entity" and need not make any election to be treated as a partnership for federal income tax purposes.

In the event that the Company, for any reason, were to be treated for federal income tax purposes as an association taxable as a corporation, the members of the Company would be treated as Members with the following results, among others: (1) the Company would become a taxable entity subject to the federal income tax imposed on corporations; (2) items of income, gain, loss, deduction and credit would be accounted for by the Company on its federal income tax return and would not flow through to the members; and (3) distributions of cash would generally be treated as dividends taxable to the members at ordinary income rates, to the extent of current or accumulated earnings and profits, and would not be deductible by the Company in computing its income tax.

The remaining summary of federal income tax consequences in this section assumes that the Company will be classified as a partnership for federal income tax purposes.

General Principles of Partnership Taxation

Under the Internal Revenue Code, no federal income tax is paid by a partnership. Accordingly if, as anticipated, the Company is treated as a partnership for federal income tax purposes, the Company will not be treated as a separate taxable entity subject to federal income tax. Each Unit owner will, instead, be required to report on his federal income tax return for each year his distributive share of the Company's items of income, gain, loss, deduction or credit for that year, without regard to whether any actual cash distributions have been made to him. Investors should note that a Unit owner's share of the taxable income of the Company, and the income tax liability resulting therefrom, may exceed such owner's cash distributions from the Company.

Deductibility of Losses—Limitations

The deductibility of a Unit owner's distributive share of the Company's items of loss is subject to a series of limitations.

Basis Limitation

A Unit owner may not deduct his share of partnership losses and deductions in excess of the adjusted basis of his Units determined as of the end of the taxable year. Allocated losses which exceed a Unit owner's basis will not be allowed, however, they may be carried over indefinitely and claimed as a deduction in a subsequent year to the extent that such owner's adjusted basis in his Units has increased above zero. A member's adjusted basis in his Units will include his cash investment in the Units and will generally include his pro rata share of any Company liabilities as to which no member is personally liable. A member's basis will be increased by his distributive share of the Company's taxable income and decreased, but not below zero, by his distributive share of the Company's losses. Cash distributions which are made to a member, if any, will also decrease the basis in his Units and will generally constitute a return of capital to the extent of such basis. In the event that a member has no remaining basis in his Units, however, cash distributions will generally be taxable to him as gain from the sale of his Units.

Passive Loss Limitation

Section 469 of the Internal Revenue Code substantially restricts the ability of many taxpayers, including individuals, estates, trusts, certain closely-held corporations and certain personal service corporations, to deduct losses derived from so-called "passive activities." Passive activities generally include any activity involving the conduct of a trade or business in which the taxpayer does not materially participate. The Company believes that it is more likely than not that a member's interest in the Company will be treated as a passive activity. Accordingly, income and loss of the Company will generally constitute passive activity income and passive activity loss, as the case may be, to Unit owners.

Losses from passive activities are generally deductible only to the extent of a taxpayer's income or gains from passive activities and will not be allowed as an offset against other income, including salary or other compensation for personal services, active business income or "portfolio income," which includes non-business income derived from dividends, interest, royalties, annuities and gains from the sale of property held for investment. Passive activity losses that are not allowed in any taxable year are suspended and carried forward indefinitely and allowed in subsequent years as an offset against passive activity income in future years.

Upon a taxable disposition of a taxpayer's entire interest in a passive activity to an unrelated party, suspended losses with respect to that activity will then be allowed as a deduction against:

- first, income or gain from that activity, including gain recognized on such disposition;
- then, income or gain for the taxable year from other passive activities; and
- finally, non-passive income or gain.

At Risk Limitation

The deductibility of losses of the Company is limited further by the "at risk" limitations set forth in Section 465 of the Internal Revenue Code. Members who are individuals, estates, trusts and certain closely-held corporations are not allowed to deduct Company losses in excess of the amounts which such members are determined to have "at risk" at the close of the Company's year. Generally, a member's "amount at risk" will include only the amount paid for the Units. A member's "amount at risk" will be reduced by his allocable share of Company losses and by Company distributions and increased by his allocable share of Company income. Any deductions which are disallowed under this limitation may be carried forward indefinitely and utilized in subsequent years to the extent that a member's "amount at risk" is increased in those years.

Allocation of Profits and Losses

Allocations of net profits and net losses are described in this Memorandum in the section entitled "Summary of Operating Agreement— Allocations and Distributions – Allocation of Net Profit and Net Loss." The Company does not intend to request a ruling from the IRS with respect to whether the allocations of net profits and net losses in the Operating Agreement will be recognized for federal income tax purposes. The IRS may attempt to challenge the allocations of net profits and net losses made by the Company, which challenge, if successful, could adversely affect the members by changing their respective shares of taxable income or loss.

Taxable Income Without Tax Distributions

A partner in a partnership is required to report his allocable share of the partnership's taxable income on his personal income tax return regardless of whether or not he has received any cash distributions from the partnership. There are no assurances that a Unit owner will not be allocated items of Company income or gain in an amount which gives rise to an income tax liability in excess of cash, if any, received from the Company for the tax year in question, and investors are urged to consult with their personal tax advisors in this regard.

Signatures

Dated: February 15, 2018

By: IGF Oncology, LLC,
A Delaware limited liability company

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By: Dr. Hugh McTavish
its President