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Zacks Small-Cap Research

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Revelation Bios (REVB-NASDAQ)

REVB: Pursuing Important Treatments with Proven Science

Revelation Biosciences is a life sciences company whose focus is the development of immunologic-based therapies. We value REVB at $7.90 using the comparable method involving companies with similar characteristics.

OUTLOOK

Revelation Biosciences is a life sciences company whose development of immunologic-based therapies is based on the well-established biology of phosphorylated hexaacyl disaccharide (PHAD) and its effect on the innate immune system.

The company is entering an exciting time of testing that we believe will have the potential to provide a boost to the stock as positive results are achieved.

Current Price (06/21/23)	$1.05
Valuation	**$7.90**

SUMMARY DATA

52-Week High	**$47.90**
52-Week Low	**$0.99**
One-Year Return (%)	**-93.97**
Beta	**0.32**
Average Daily Volume (sh)	**196,098**
Shares Outstanding (mil)	**6**
Market Capitalization ($mil)	**$6**
Short Interest Ratio (days)	**N/A**
Institutional Ownership (%)	**16**
Insider Ownership (%)	**3**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**N/A**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/A**
P/E using 2023 Estimate	**N/A**
P/E using 2024 Estimate	**N/A**

Risk Level	**High**
Type of Stock	**Small-Value**

ZACKS ESTIMATES

Revenue
(in millions of $)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2022	NR	NR	NR	NR	0 A
2023	0 A	0 E	0 E	0 E	0 E
2024	0 E	0 E	0 E	0 E	0 E
2025	0 E	0 E	0 E	0 E	0 E

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2022	NR	NR	NR	NR	-20.09 A
2023	$1.96 A	-$0.25 E	-$0.26 E	-$0.27 E	$1.18 E
2024	-$0.25 A	-$0.27 E	-$0.33 E	-$0.29 E	-$1.14 E
2025	-$0.30 E	-$0.30 E	-$0.32 E	-$0.33 E	-$1.25 E

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Zacks is initiating coverage of Revelation Biosciences (REVB) with a price target of $7.90 per share. Revelation Biosciences is a life sciences company focused on the development of immunologic-based therapies for the prevention and treatment of disease. Revelation has multiple product candidates in development that we believe have promising potential and are based on the biology of phosphorylated hexaacyl disaccharide (PHAD) and its effect on the innate immune system. The impact of PHAD on the immune system has been studied over multiple years and has been shown to have a positive effect on the human immune system. Many of the company's current therapeutic candidates are based on the active ingredient PHAD , which is a synthetic version of MPLA, that is known to stimulate TLR-4. A more detailed explanation of the science behind PHAD is available later in the report, but briefly, PHAD stimulation of TLR-4 leads to the production of multiple types of cytokines and chemokines which modulate the activity of the innate and adaptive immune response. Modulated activities may include stimulation and recruitment of infection fighting immune cells, down-regulation of inflammation, and/or upregulation of inflammation depending on the degree and nature of the stimulation which enables the multiple potential product candidates in development.

As mentioned, the details and science explaining PHAD are below, but, given that research, we believe the company that can harness and direct that impact to the right conditions, in the proper dose, and in the correct manner, can have a large positive impact on an extensive patient population and stands to benefit greatly if and when those treatments reach the stage of commercialization. To that end, we are pleased to see that the company's cash on the balance sheet of almost $18 million as of the end 1Q 2023, up from just over $5 million at the end of 2022, largely due to a share offering early this year. Management believes this cash will be sufficient to fund operations through June 2024. Existing shareholders don't love dilution, but the need for funds to continue research and testing efforts justify such actions and new investors can get in after the dilution. Of course, a company at this stage of development will likely have to tap the capital market again, but we believe Revelation will be in a stronger position to do so as they receive results from Phase 1 trials that are scheduled to begin this year. As positive results emerge at each step of the process, investors typically become more willing, and in some cases anxious, to provide funding for a clinical-stage company to continue its progress. We believe the toughest fund raise of the process for Revelation has been completed, leaving the company's balance sheet in good shape and providing an opportunity, in our view, to get into REVB at a good time-right after a fund raise and just before testing on potentially exciting treatments begins.

We are under no illusions that it's easy to bring new therapies all the way to commercialization and Revelation will undoubtedly face challenges, but we believe that REVB is worth a look by investors due to the potential of the treatments being investigated, the science that has already been established behind those treatments, and the experienced management team the company has, headlined by the CEO who has overseen six INDs and two marketing approvals—experience we believe is needed to shepherd these treatments through the gauntlet of the FDA.

THE SCIENCE

As mentioned above, Revelation is a life sciences company whose development of immunologic-based therapies is based on the well-established biology of phosphorylated hexaacyl disaccharide (PHAD) and its effect on the innate immune system. With all of the products the company is developing based on PHAD, we believe it's important to start with the ways that PHAD has been shown to interact with the immune system. Phosphorylated hexaacyl disaccharide (PHAD) is a type of compound known as a Toll-like receptor 4 (TLR4) agonist. TLR4 is a pattern recognition receptor (PRR) found on immune cells, including macrophages and dendritic cells. Activation of TLR4 plays a crucial role in initiating innate immune responses and modulating adaptive immune responses. There are multiple ways PHAD can help the immune system:

1. Activation of Innate Immune Response: PHAD acts as an agonist, meaning it binds to and activates TLR4 on immune cells. This interaction triggers a signaling cascade that leads to the activation of several innate immune responses. Upon TLR4 activation by PHAD, immune cells produce pro-inflammatory cytokines, such as interleukin-1 (IL-1), interleukin-6 (IL-6), and tumor necrosis factor-alpha (TNF-α). These cytokines help initiate and amplify the innate immune response, recruiting other immune cells to the site of infection or inflammation.

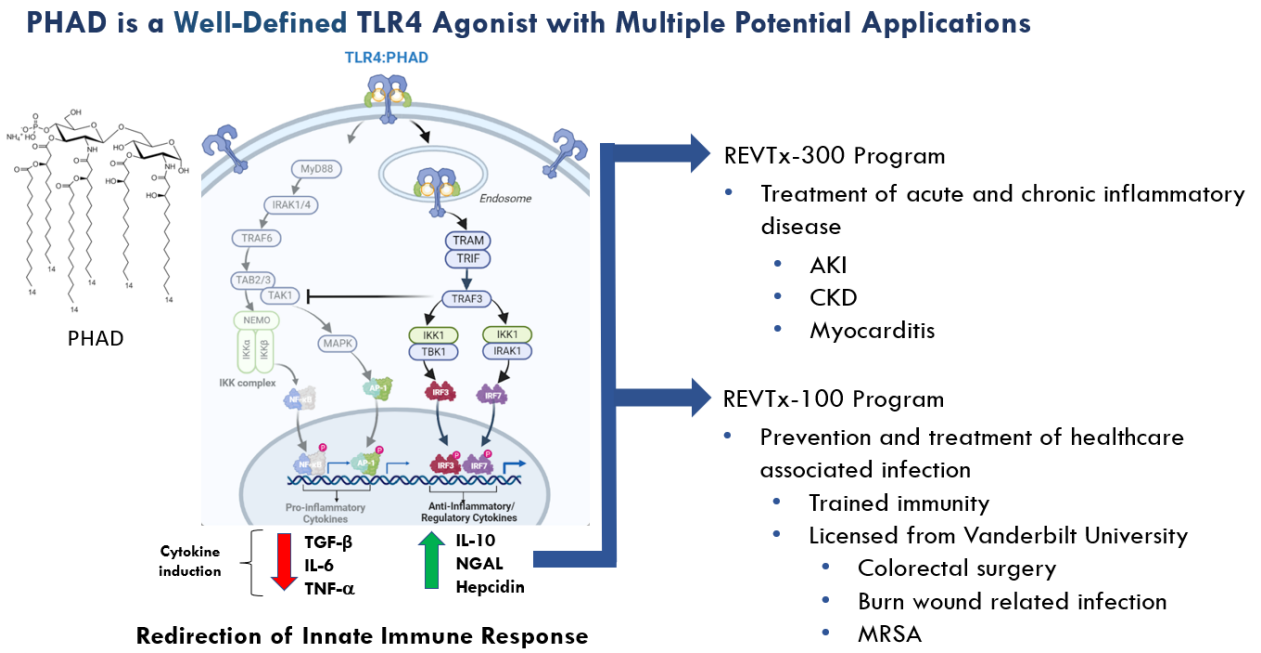
2. Enhanced Antigen Presentation: Activation of TLR4 by PHAD can also promote enhanced antigen presentation by antigen-presenting cells (APCs) such as dendritic cells. Antigen presentation is a crucial step in the adaptive immune response, as it allows immune cells to recognize and mount specific immune responses against pathogens or foreign antigens. PHAD-induced TLR4 activation on APCs can increase their antigen uptake, processing, and presentation to T cells, thereby enhancing the adaptive immune response.

3. Promotion of Th1 Immune Response: PHAD stimulation of TLR4 tends to bias the immune response towards a Th1 phenotype. Th1 responses are characterized by the production of specific cytokines, such as interferon-gamma (IFN-γ) and interleukin-12 (IL-12), which promote cell-mediated immunity. Th1 responses are particularly important in defense against intracellular pathogens and are involved in immune surveillance against cancer cells.

4. Adjuvant Activity for Vaccines: PHAD's ability to activate TLR4 and enhance immune responses makes it a valuable adjuvant for vaccines. Adjuvants are substances added to vaccines to enhance the immune response generated by the vaccine antigens. By incorporating PHAD into vaccines, it can improve the immunogenicity of the antigens, leading to enhanced antibody production, T-cell responses, and long-lasting immunity.

5. Given its immunomodulatory properties, PHAD has potential applications in the development of vaccines against infectious diseases, including viral, bacterial, and parasitic pathogens. Additionally, PHAD may have implications in cancer immunotherapy by enhancing the immune response against tumor cells.

   The company provides this visual representation of PHAD interactions, along with the therapies that may result—the details of which follows:



Source: Revelation Biosciences, June 15, 2023

We believe, as you can see, that the potential for PHAD is extensive and that Revelation is finding the correct combination of therapy to condition that will benefit both patients and shareholders.

The Therapies

After reading the description of PHAD and its potential impact on the immune system, the possibilities of uses seem endless, and may prove to be quite extensive in the future. For the present, Revelation has wisely focused its research on areas where the company believes it has the best opportunity to succeed and have the most positive impact on patients. We'll begin with a brief summary of the company's current pipeline is, followed by more detailed descriptions of the various therapies in development.

Revelation Biosciences Pipeline as of June 2023

Program Number	Discovery	Preclinical	Phase 1	Phase 2	Next Milestone
REVTx-300	Acute/chronic kidney disease				Initiate Phase 1a* study
REVTx-100	Prevention of post surgical infection				Initiate Phase 1a* study

Source: Revelation Biosciences, June 15, 2023

- REVTx-300 is being developed as a potential therapy for the treatment of acute and chronic organ disease including CKD, AKI, myocarditis, and NASH.

- REVTx-100 is being developed as a prevention and treatment of infection.

- REVTx-200 is a product that is on the bench for the company as they focus on REVTx-300 and REVTx-100, but we want to highlight the potential the compound has as an intranasal immunomodulator adjunct to be used in combination with an intramuscular vaccination for more complete immunity. We appreciate the focus the company has but also want to point out that the bench is strong as progress is made on the above products.

- REVTx-99b is similarly on the bench at the present time but has future potential as a treatment for food allergies.
  These are the therapies that the company is currently focused on but we project more therapies being added as test results come in and funding is more readily available. But this is an impressive list at the present stage of development of the company and we believe management has made the right decision in putting other possibilities on hold in order to focus resources on those most likely to get approval and impact the greatest needs. The following descriptions of the treatments, in our view, illustrates that position.

REVTx-300

Although REVTx-300 is aimed at fighting a different condition, it is similar enough to allow Revelation to use the same Phase 1a study regarding REVTx-100 for this drug—allowing the company to reduce expenses due to not having to conduct two separate trials in the beginning stages of the approval process.

REVTx-300 is being developed by Revelation as a potential therapy for the treatment of chronic organ disease including CKD (Chronic Kidney Disease) and NASH (nonalcoholic steatohepatitis). According to the company, chronic disease of an organ, due to chronic inflammation and subsequent fibrosis, follows a pattern of perpetual and ongoing destruction of living functional cells and subsequent replacement by the non-functional protein, collagen, resulting in fibrosis (scar tissue). The establishment of fibrosis and subsequent death of the organ is driven by ongoing inflammatory processes and reactive oxygen species associated with the innate immune response. The company believes redirection of the innate immune response with REVTx-300 from a pro-inflammatory state to an anti-inflammatory (protective) state may rebalance the innate immune response to slow down or halt the progressive destruction and scarring of organ tissue, allowing the healing process to take place.

In October 2022, the company announced positive results in a preclinical model of AKI (Acute Kidney Injury) and CKD. Treatment with REVTx-300 significantly reduced renal cortical fibrosis in a dose dependent manner in the medium and high dose groups (44% reduction ($p < 0.05$) and 58% ($p < 0.05$), respectively) and was comparable to a known TGF-β inhibitor of fibrosis used as a positive control (75% reduction ($P < 0.05$)).

TGF-b has been correlated with fibrosis in multiple clinical populations, including acute kidney injury, chronic kidney disease, NASH, and myocarditis. TGF-b is also a driver of tumor growth, and increased levels have been observed in cancer patients.

Given that correlation, Revelation isn't the first company targeting TGF-b and multiple therapies targeting the reduction in TGF-b have been pursued, with mixed results:

- ALK5 inhibitors
  - Effective in blocking TGF-b activity via binding to TGF-b receptor
  - Major safety hurdles - valvulopathy (disease of the heart)and bone dysplasia in preclinical models.
  - A drug from Eli Lilly known as Galunisertib was the furthest in development (targeting an oncology indication), but was discontinued in 2020 with no reason provided.

- Anti-TGF-b Mab
  - According to Revelation there are multiple ongoing studies although several have been halted due to futility.

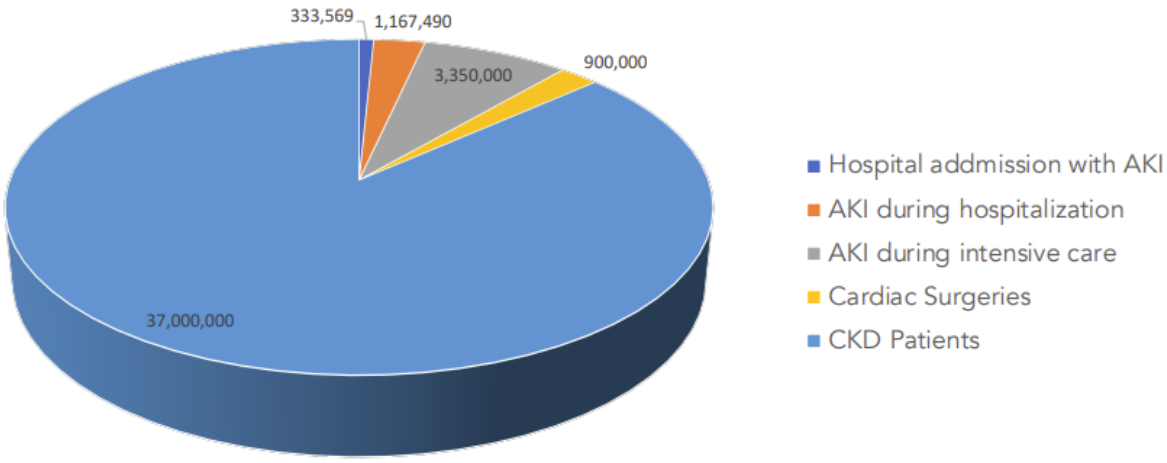
- Anti-sense oligonucleotides
  - According to Revelation there are multiple ongoing studies although several have been halted due to futility.

Revelation believes that its treatment targeting TGF-b has better prospects than the above attempts largely due to the safety profile of MPLA and observed tolerability of PHAD that the company believes may afford wider therapeutic window compared to other anti-fibrotic treatments that target reduction in TGF-b.

The market for this potential therapy is large with the CDC estimating 15% of US adults have CKD and the condition costs Medicare approximately $87 billion per year. Further, the company notes that acute kidney injury is a major medical problem that is of particular concern after cardiac surgery. Additionally, evidence suggests that even slight postoperative increases in serum creatinine levels are associated with a significant increase in the risk of death.

- Up to 31% of patients undergoing cardiac surgery with no prior CKD develop post operative AKI.
- The death rate of patients that develop post operative AKI is estimated at 50%.
- The average cost of treatment directly attributable to AKI is close to $43,000.

Again, as with REVTx-100, the potential market for REVTx-300 is extensive:



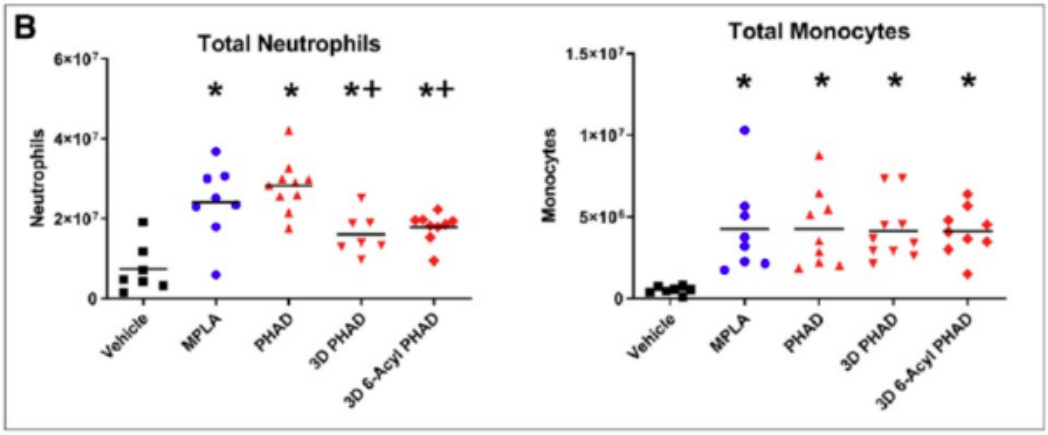
Source: Revelation Biosciences, June 15, 2023

REVTX-100

REVTx-100 is being developed, through a license agreement with Vanderbilt University, as a potential therapy for the prevention or treatment of healthcare-associated bacterial infection. This is, unfortunately, a common occurrence and includes, according to the company, post-surgical infection, post-burn infection, urinary tract infection (e.g. as a result of hospital-based or outpatient catheterization), sepsis, antibiotic-resistant infection, and several other similar conditions. In pursuing this therapy, the company notes that it believes controlled stimulation of TLR-4 will selectively prime the body's immune system to be able to better respond to subsequent pathogen exposure.

Revelation also reports that multiple preclinical studies conducted by third parties / have shown that systemic pretreatment with PHAD results in significantly increased immune response leading to significantly reduced duration and severity of infection following bacterial challenge with either gram-positive or gram-negative bacteria.

Mice Study Shows Increased White Blood Cell Count With Treatment

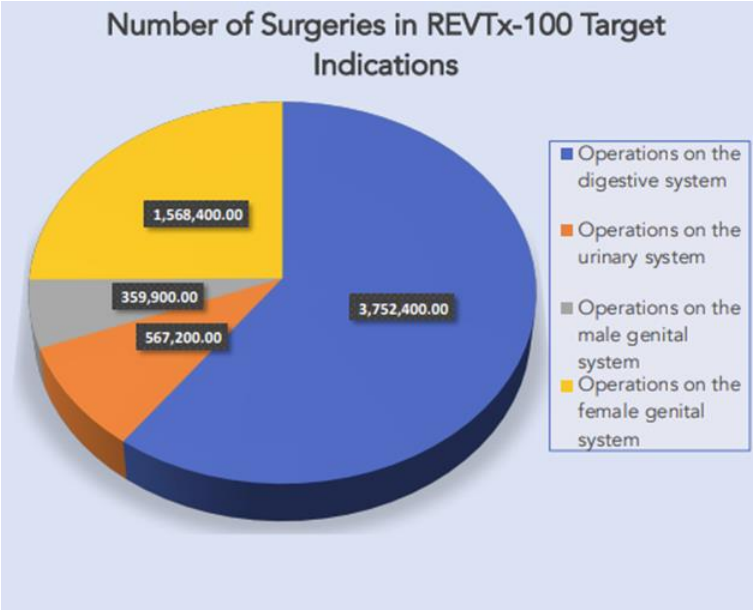


Pre-treatment with MPLA or PHAD(s) demonstrated TLR4-mediated increased leukocyte recruitment and reduced pro-inflammatory cytokines (IL-6, TNF-α) in peritoneal cavity

Source: Revelation Biosciences, June 15, 2023

This could be a game-changer in the hospital arena as the CDC reports surgical site infection (SSI) is the most common health care-associated infection following surgery and is associated with significant morbidity and mortality, transfer to an intensive care unit setting, prolonged hospitalizations, and hospital readmission:

- Up to 30% of patients undergoing colorectal surgery incur SSI.
- Patients with SSIs have to stay in the hospital 7-11 additional days on average.
- An SSI patient has a 2-11 times increased risk of death.
- The cost to treat each infection averages $11,000-26,000.
- Annual estimated hospital costs attributed to SSI-related issues are $10 billion.



Source: Revelation Biosciences, June 15, 2023

The potential for REVTx-100 appears to be virtually unlimited and the company notes that the drug has potential utility across multiple indications—expanding the potential market size. As such, the company states that it plans to develop REVTx-100 as a treatment for multiple indications through Phase 2 trials, which Phase 1a trials set to begin in 2023.

REVTx-200

The above two treatments are the current focus of the company and we are pleased that Revelation is focusing its resources on the products with the most potential. The company has other products that have been put on the bench for the time being and we want to highlight a couple of those that we believe have potential in the future. We are excited about the potential of REVTx-200, which is being developed as a potential intranasal therapy that will be administered concurrently with a commercially available traditional IM (intramuscular) vaccine. With all the discussion surrounding vaccinations in the public arena over the past couple of years, we believe investors will be more interested in a treatment that the company believes, with the concurrent stimulation of the nasal mucosa with REVTx-200 upon IM vaccination, may provide a more complete immunization.

As with the other drugs in the Revelation pipeline, there are multiple potential paths for REVTx-200 and the company believes that therapy may have use with multiple vaccines.

The company believes that some of the weak points of traditional IM immunizations such as weak mucosal antibodies (IgA), which results in poor mucosal protection and transmission still being active can be overcome with the inclusion of REVTx-200. With the addition of REVTx-200, the belief is that the combination will provide improved mucosal antibodies (IgA + IgM), which would result in robust mucosal protection and would blunt or block transmission.

REVTx-99b

REVTx-99b is also on the bench at the present time but it was being developed as a treatment for food allergies. According to research performed by the Food Allergy Research & Education group, approximately 11% of adults in the United States have one or more food allergies with different levels of severity (FARE 2020). Most food allergies are diagnosed early in life and sometimes resolve over time, while other allergies develop later in life.
Phosphorylated hexaacyl disaccharide (PHAD) has been studied by other entities for its potential to treat food allergies due to its immunomodulatory properties but to limited success at this point. While the

research in this area for Revelation is still evolving, here are some ways we have found in which PHAD may have the potential to address food allergies:

1. Modulation of Immune Responses: PHAD acts as a Toll-like receptor 4 (TLR4) agonist, which can modulate the immune response. In the case of food allergies, an exaggerated immune response occurs when the immune system identifies certain food proteins as harmful and mounts an allergic reaction. By activating TLR4, PHAD may help regulate and rebalance the immune response, potentially reducing the hypersensitivity associated with food allergies.
2. Induction of Tolerance: One approach to treating food allergies is to induce immune tolerance, where the immune system becomes desensitized to the specific food allergens. PHAD's immunomodulatory properties could potentially contribute to the induction of tolerance by promoting regulatory T cell responses and dampening excessive allergic responses. This could lead to a decreased allergic response upon exposure to food allergens.
3. Enhancement of Oral Immunotherapy: Oral immunotherapy (OIT) is a treatment approach for food allergies that involves gradually exposing individuals to increasing amounts of the allergenic food under medical supervision. This aims to desensitize the immune system to the allergen. PHAD has been investigated as an adjuvant to enhance the effectiveness of OIT by promoting immune tolerance and reducing the risk of adverse reactions during the desensitization process.
4. Development of Vaccines: PHAD's adjuvant properties make it a potential candidate for the development of food allergy vaccines. Vaccines could be designed to target specific food allergens and incorporate PHAD to enhance the immune response against these allergens. By promoting immune tolerance and modulating the immune response, such vaccines may provide long-term protection against allergic reactions upon exposure to allergenic foods.

According to research performed by the Food Allergy Research & Education group, approximately 11% of adults in the United States have one or more food allergies with different levels of severity, which equates to approximately 32 million Americans, including 5.6 million children under age 18, and these numbers are increasing (FARE 2020). Each year in the US, 200,000 people require emergency medical care for allergic reactions to food. Most food allergies are diagnosed early in life and sometimes resolve over time, while other allergies develop later in life. It is estimated that caring for children with food allergies costs US families nearly $25 billion annually (FARE 2022).

These last two treatments are products that the company has worked on and that we believe have great potential, but have wisely, from what we've seen, been put on the back burner in order to give the first two products the best chance of getting through the approval process.

THE COMPANY

Revelation Biosciences is a clinical-stage company that is pursuing immunologic-based therapies for the prevention and treatment of disease, the current pipeline of which is described in detail in the above sections. Revelation has taken upon itself to use a technology known as PHAD that has been known about in the scientific community for some time but hasn't had much interest as far as we can tell in advancing it. We are very pleased that Revelation has chosen to take upon themselves to figure out how to use the PHAD technology to benefit patients in a variety of ways. We have written before about the importance we place on management teams and leadership in companies, especially those at a clinical stage in the biotech industry. Without good leadership, a company at this stage, which often has little room for error due to capital constraints, is in danger of losing focus, seeing talent leave, having trouble raising capital, etc. When we have spoken with the management team at Revelation we came away impressed with their passion for the mission of the company as

well at their ability to rein in the vision to focus on the few treatments that will benefit the most patients and provide the fastest and greatest possible return to shareholders.

On that last point, we want to emphasize the importance of getting treatments to market as quickly as possible given the sometimes-tough job of raising additional capital. Company management has chosen to focus on treatments that they believe have the quickest and easiest path to approval, while putting some that may prove more difficult on the backburner in order to start bringing in revenue as soon as possible. James Rolke, the CEO of Revelation, is the head of the team making these decisions and we came away quite impressed after discussions with him. His experience in the biotech industry and shepherding projects through the FDA gauntlet should prove to be valuable to the company and, given the decisions made to this point, point the company toward success.

Additionally, and this is important when dealing with a publicly available technology such as PHAD, the company already has, as of March 31, 2023, three US Provisional patent applications, which will be converted to utility patent applications prior to their one-year anniversaries. And we like the look of the balance sheet, with almost $18 million in cash and no long-term liabilities as of March 31, 2023, the company notes that it expects to have funding to maintain operations through at least June of 2024. We believe that bodes well for potential shareholders as it both provides good lead time for trial results to start to come in, while also reducing the chance for near-term dilution—making this an opportune time for investors to look at getting into REVB in our view.

VALUATION

Putting a valuation on a clinical stage company can be an effort with the potential for a great amount of variation. Forecasting revenues for a product or products that are early in the approval process is at best a guessing game in most cases. While we tend to favor valuation methods such as discounted cash flows or dividend discount, Revelation has no near-term revenue from products that we could use to make a reasonable assumption and certainly doesn't pay a dividend. Therefore, we are going to turn to the comparable company valuation method, where we search for companies that are similar to Revelation and determine what valuation the market has placed on those—and then make some reasonable adjustments as needed to account for the differences between the companies. We looked for clinical-stage companies with treatments in the pipeline that have been acquired by larger pharmaceutical companies in order to find a comparable company to Revelation. We believe this is reasonable for the reasons mentioned above, and because we believe an acquisition of Revelation by a larger company is the most likely future scenario at this point. The first company we found was a company known as Forty Seven, which was acquired by Gilead Sciences for $4.9 billion. Forty Seven had several products in development using immune-oncology research, which puts them in the same general class as Revelation but with very different treatment targets, which we adjust for below.

The second acquisition that we are looking at for comparison purposes is the Sanofi acquisition of Synthorox for $2.5 billion. Synthorox was a company focusing on improving lives of people suffering from autoimmune diseases—again, not exactly what Revelation is doing, but among the closest comparisons we could find.

We are going to value on the conservative side for REVB at this stage of development in company and realize that very few companies are acquired at this point in the process, which is earlier in the FDA approval process than the two examples above. Additionally, drug companies have, in the past, been willing to pay a premium for companies that target cancer treatment, which Revelation does not. However, with proven technology at the heart of the company's treatment platform, we believe that gives them an advantage over the more speculative treatments being pursued by the above companies. Considering all of this, as well as the tighter financial conditions that exist at this point in the financial markets which could make acquisitions harder to come by, we apply a 95% discount to

the lower value from above--$2.5 billion—and come up with an initial value of $125 million. We then turn to the fact that Revelation is beginning Phase 1 trials compared to the above companies that had at least one product in Phase 2 trials. According to the National Institute of Health, the percentage of therapies that move from Phase 1 to Phase 2 is approximately 70%, so we apply that number to the $125 million and come up with $87.5 million for the initial valuation of the company.

However, we said we were going to be conservative in our valuation of REVB, so we want to look another way at this. Using the cash on the balance sheet at the end of the first quarter 2023 in the amount of $17.2 million, and reducing that amount of the liabilities that would be taken of that cash in the amount of $1.7 million, which gives us a liquidation value of $15.5 million. We certainly don't believe REVB is anywhere close to liquidation but that gives us a floor to work off of. We believe the prospects of success for REVB are quite high, given the technology and management in place, so we feel comfortable using the average between the liquidation level and the initial valuation in the above paragraph, which leaves us with an initial valuation of $51.5 million or $7.90 per share using fully diluted shares. This represents a premium to the recent trading price of REVB but we believe is still a very conservate valuation.

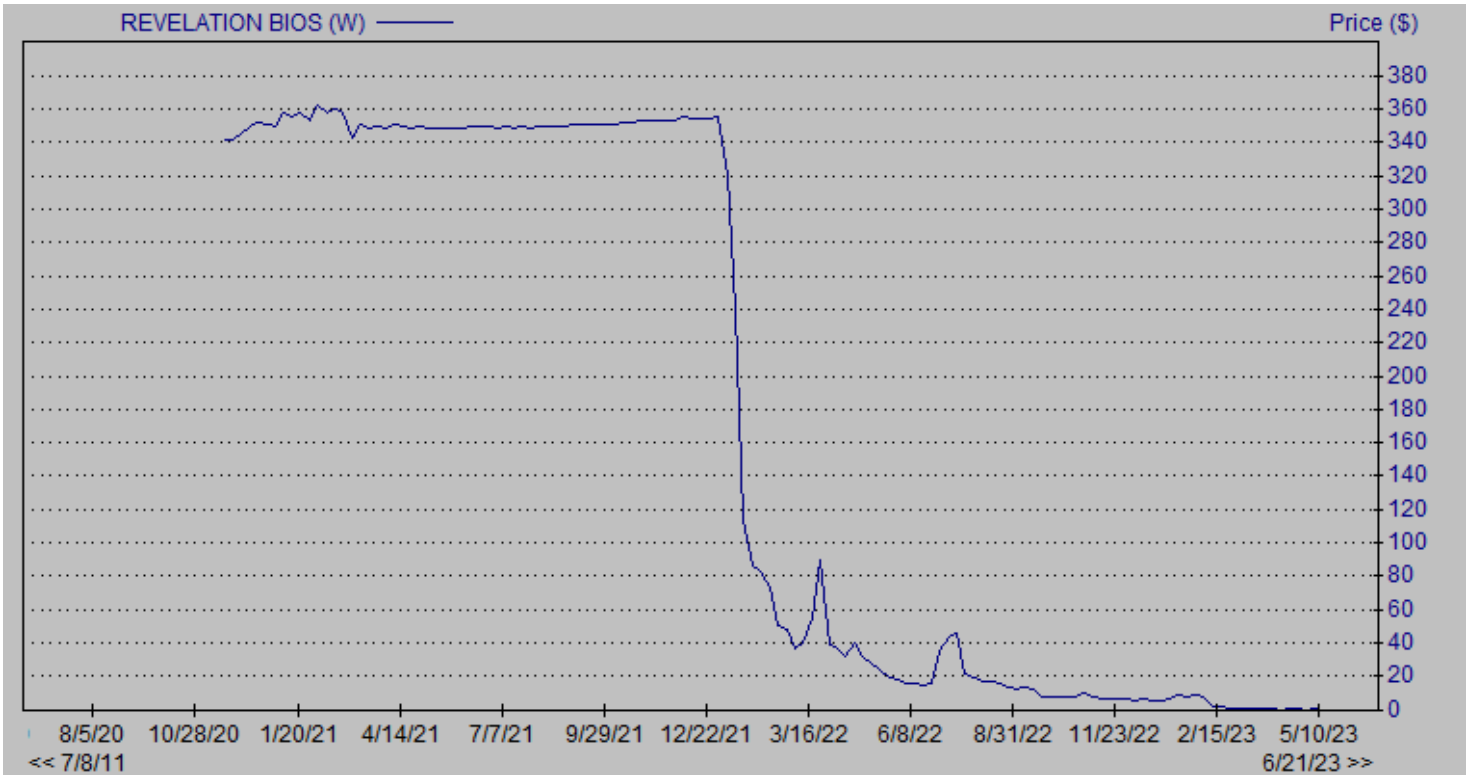
RISKS

- The company may not be able to gain approval for any of the treatments that it is pursuing.
- The company may not be able to get additional funding needed to move the testing process forward.
- Other, similar, drugs could come to market before Revelation's drugs, which would likely hurt the market value.
- The industry could become averse to acquisitions, which could hurt the potential value of Revelation.
- Key management or staff people could leave, removing important intellectual capital from the company.

PROJECTED INCOME STATEMENT & BALANCE SHEET

Revelation Income Statement and Balance Sheet						
	2022A	1Q2023A	2Q2023E	3Q2023E	4Q2023E	2024E
Revenues	0	0	0	0	0	0
Operating Expenses						
Research and Development	5,377,400	525,273	535,778	557,210	568,354	2,387,086
General and Administrative	5,487,111	1,094,574	1,116,465	1,161,124	1,284,347	5,394,256
Total Operating Expenses	10,864,511	1,619,847	1,652,244	1,718,334	1,852,700	7,781,342
Gain/(Loss) from Operations	(10,864,511)	(1,619,847)	(1,652,244)	(1,718,334)	(1,852,700)	(7,781,342)
Other Income/(Expense)						
Change in fv of warrant liab.	0	7,744,935	0	0	0	0
Other income/(expense)	34,962	34,107	34,789	35,485	36,195	147,674
Total other income/(expense)	34,962	7,779,042	34,789	35,485	36,195	147,674
Net Income/(Loss)	(10,829,549)	6,159,195	(1,617,455)	(1,682,849)	(1,816,506)	(7,633,668)
Net Income/(Loss) per share	($20.09)	$1.96	($0.25)	($0.26)	($0.27)	($1.14)
Shares Outstanding-diluted	539,037	3,135,916	6,492,167	6,557,089	6,622,660	6,688,886
Assets						
Current Assets:						
Cash and equivalents	5,252,979	17,702,818	16,050,574	14,332,240	12,479,540	4,698,198
Other current assets	160,303	332,387	345,682	359,510	373,890	388,846
Total current assets	5,413,282	18,035,205	16,396,257	14,691,750	12,853,430	5,087,044
Property and Equipment	90,133	83,870	82,193	80,549	78,938	77,359
Total Assets	5,503,415	18,119,075	16,478,449	14,772,299	12,932,368	5,164,403
Liabilities and SH Equity						
Current Liabilities:						
Accounts payable	554,205	705,089	712,140	719,261	726,454	733,718
Accrued expenses	985,497	973,925	983,664	993,501	1,003,436	1,013,470
Def. underwriting coms.	2,911,260	2,911,260	2,911,260	2,911,260	2,911,260	2,911,260
Warrant liabilities	0	3,511,155	2,106,693	2,148,827	2,191,803	2,235,639
Total current liabilities	4,450,962	8,101,429	6,713,757	6,772,849	6,832,953	6,894,088
Total Liabilities	4,450,962	8,101,429	6,713,757	6,772,849	6,832,953	6,894,088
Shareholder Equity						
Common Stock	683	4,730	4,730	4,730	4,730	4,730
Additional Paid-in Capital	26,398,618	29,200,569	30,660,597	32,193,627	33,803,309	35,493,474
Accumulated Deficit	(25,346,848)	(19,187,653)	(20,900,636)	(24,198,907)	(27,708,624)	(37,227,889)
Total Shareholder Equity	1,052,453	10,017,646	9,764,691	7,999,450	6,099,415	(1,729,685)
Total Liabilities and SE	5,503,415	18,119,075	16,478,449	14,772,299	12,932,368	5,164,403

HISTORICAL STOCK PRICE



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