

NUVILEX, INC.

NVLX Zooms Higher on News It Has Entered Medical Marijuana Space; Stock Could Continue to Be Under Accumulation

Rob Goldman
rob@goldmanresearch.com

February 12, 2013

Aaron Schweitzer
aaron@goldmanresearch.com

NUVILEX, INC. (OTC:QB – NVLX - \$0.0598)

Price Target: \$0.50

Rating: Speculative Buy

COMPANY SNAPSHOT

Nuvilex, Inc. has been a provider of all-natural products for many years, has expanded its company to increase its natural product based footprint through medical marijuana studies and is becoming an international biotechnology provider of live, therapeutically valuable, encapsulated cells and services for treatments, research and medicine. The company's offerings will ultimately include cancer, diabetes and other clinical treatments using the company's natural product knowledge, product base, cell and gene therapy expertise, and live-cell encapsulation technology in addition to other new products currently under development.

KEY STATISTICS

Price as of 2/11/13	\$0.0598
52 Wk High – Low	\$0.089 – 0.019
Est. Shares Outstanding	446.0M
Market Capitalization	\$26.6M
3 Mo Avg Vol	259,000
Exchange	OTC:QB

COMPANY INFORMATION

Meadows Corporate Park I
12510 Prosperity Blvd, Suite #310
Silver Spring MD 20904
(240) Own-NVLX or (240) 696-6859
www.nuvilex.com
investors@nuvilex.com
IR: Marlin Molinaro, Marmel Communications
(702) 434-8692
mmolinarofc@aol.com

INVESTMENT HIGHLIGHTS

Toward the end of trading yesterday, NVLX announced that it is entering the lucrative medical marijuana space. Needless to say, the stock roared 70% higher on the news and at one point was up 79%.

Specifically, NVLX announced that it has established new subsidiary, Medical Marijuana Sciences, Inc., to study the medical applications of marijuana (*Cannabis sativa*) and develop treatments for serious human diseases.

The Company plans to publish research demonstrating the therapeutic benefits of cannabinoids on a variety of indications. By leveraging its existing strengths and experience, the Company will be positioned at the forefront of the medical cannabis industry. The new subsidiary is a means to further employ our core technologies to capitalize on the rapidly growing medical cannabis industry and provide new products for unmet medical needs.

We expect management to provide greater clarity on the type of projects and products in which it will be involved later this week. Clearly, this news should serve as a jump-start to the stock price which has languished for some time. With additional development news on its core products expected soon as well, and details on the new business, we may be prompted to execute a re-valuation of the stock. We view NVLX as an undervalued and misunderstood company with great technology, a delivery system to treat a broad array of diseases, and a potential prime time player in medical marijuana. We rate NVLX Speculative Buy and **we would not be surprised to see the stock break through its 52-week high of \$0.089 in the near term.**



NUVILEX, INC. (OTC:QB NVLX)

Analyst: Robert Goldman

Rob Goldman has over 20 years of investment and company research experience as a senior research analyst and as a portfolio and mutual fund manager. During his tenure as a sell side analyst, Rob was a senior member of Piper Jaffray's Technology and Communications teams. Prior to joining Piper, Rob led Josephthal & Co.'s Washington-based Emerging Growth Research Group. In addition to his sell-side experience Rob served as Chief Investment Officer of a boutique investment management firm and Blue and White Investment Management, where he managed Small Cap Growth portfolios and *The Blue and White Fund*.

Analyst Certification

I, Robert Goldman, hereby certify that the view expressed in this research report accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the recommendations or views expressed in this research report.

Disclaimer

This *Opportunity Research* report was prepared for informational purposes only. *Goldman Small Cap Research*, (a division of Two Triangle Consulting Group, LLC) produces research via two formats: *Goldman Select Research* and *Goldman Opportunity Research*. The *Select* product reflects the Firm's internally generated stock ideas while the *Opportunity* product reflects sponsored research reports. It is important to note that while we may track performance separately, we utilize the same coverage criteria in determining coverage of all stocks in both research formats. While stocks in the *Opportunity* format may have a higher risk profile, they typically offer greater upside as well. *Goldman Small Cap Research* was compensated by the Company in 2011 in the amount of \$12,000 for a research subscription service. The Firm does not accept any equity compensation. All information contained in this report was provided by the Company. Our analysts are responsible only to the public, and are paid in advance to eliminate pecuniary interests, retain editorial control, and ensure independence. Analysts are compensated on a per report basis and not on the basis of his/her recommendations.

The information used and statements of fact made have been obtained from sources considered reliable but we neither guarantee nor represent the completeness or accuracy. *Goldman Small Cap Research* did not make an independent investigation or inquiry as to the accuracy of any information provided by the Company, or other firms. *Goldman Small Cap Research* relied solely upon information provided by the Company through its filings, press releases, presentations, and through its own internal due diligence for accuracy and completeness. Such information and the opinions expressed are subject to change without notice. A *Goldman Small Cap Research* report or note is not intended as an offering, recommendation, or a solicitation of an offer to buy or sell the securities mentioned or discussed.

This report does not take into account the investment objectives, financial situation, or particular needs of any particular person. This report does not provide all information material to an investor's decision about whether or not to make any investment. Any discussion of risks in this presentation is not a disclosure of all risks or a complete discussion of the risks mentioned. Neither *Goldman Small Cap Research*, nor its parent, is registered as a securities broker-dealer or an investment adviser with FINRA, the U.S. Securities and Exchange Commission or with any state securities regulatory authority.

ALL INFORMATION IN THIS REPORT IS PROVIDED "AS IS" WITHOUT WARRANTIES, EXPRESSED OR IMPLIED, OR REPRESENTATIONS OF ANY KIND. TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW, TWO TRIANGLE CONSULTING GROUP, LLC WILL NOT BE LIABLE FOR THE QUALITY, ACCURACY, COMPLETENESS, RELIABILITY OR TIMELINESS OF THIS INFORMATION, OR FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL OR PUNITIVE DAMAGES THAT MAY ARISE OUT OF THE USE OF THIS INFORMATION BY YOU OR ANYONE ELSE (INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, LOSS OF OPPORTUNITIES, TRADING LOSSES, AND DAMAGES THAT MAY RESULT FROM ANY INACCURACY OR INCOMPLETENESS OF THIS INFORMATION). TO THE FULLEST EXTENT PERMITTED BY LAW, TWO TRIANGLE CONSULTING GROUP, LLC WILL NOT BE LIABLE TO YOU OR ANYONE ELSE UNDER ANY TORT, CONTRACT, NEGLIGENCE, STRICT LIABILITY, PRODUCTS LIABILITY, OR OTHER THEORY WITH RESPECT TO THIS PRESENTATION OF INFORMATION.

For more information, visit our Disclaimer: www.goldmanresearch.com