

NUVILEX, INC.

NVLX & Other Small Cap Oncology Stocks on Fire Leading Up to ASCO Meeting

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April 26, 2013

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NUVILEX, INC. (OTC:QB – NVLX - \$0.0858)

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 4/25/13	\$0.08587
52 Wk High – Low	\$0.0949 – 0.019
Est. Shares Outstanding	460.0M
Market Capitalization	\$39M
3 Mo Avg Vol	1,360,000
Exchange	OTC:QB

COMPANY INFORMATION

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INVESTMENT HIGHLIGHTS

What may not have been obvious to some market watchers has become widely apparent to others. In fact, it cannot be denied. **Small cap oncology stocks are simply on fire of late**, leading up to the highly attended ASCO (American Society of Clinical Oncology) annual meeting during the first week of June.

It should not be a surprise since many of these stocks, such as Nuvilex, historically rise in the weeks leading up to the meeting, which is the source of some of the most important oncological development news of the year. In short, the word is just beginning to get out on the magnitude of Nuvilex's technology and its treatment potential on pancreatic cancer.

Still, investors have hopped on the Nuvilex bandwagon in droves due to the seasonality effect of ASCO, but also due to the unusually low valuation afforded a stock that appears to be preparing itself for a future Phase III clinical trial for its pancreatic cancer treatment.

Some of the stocks on the move are slated to meet with an FDA advisory panel regarding potential approval of their late stage drugs, which is common this time of year, so that they can present findings or provide news at ASCO. While a number of stocks in the space such as GTX, Inc., and Array Biopharm have enjoyed volume increases, shares of Nuvilex have by far enjoyed the biggest volume increase. In fact, the stock's average daily volume of the past week is up 150% over the previous month as greater attention has been turned to the Company's oncology treatment prospects.

Nuvilex completed two successful Phase II clinical trials using its live-cell encapsulation platform to treat advanced pancreatic cancer via a targeted approach at the site. The encapsulated cells are able to convert the inactive chemotherapy drug ifosfamide to its active (cancer-killing) form at the site in which they are placed. As a result, the encapsulated cells create a high level of drug in proximity to the pancreatic tumor where the treatment can provide for the greatest anti-tumor effect.

Furthermore, by using cell encapsulation in this way, a significant reduction in side-effects was seen since much lower doses (than normally used for cancer treatment) of the chemotherapeutic drug were to be used. Only a single implantation of encapsulated cells was needed and only two “rounds” of drug treatment were employed (usually ifosfamide is given multiple times during a “course” of chemotherapy). When the results were compared with those of the “standard” single agent (Gemzar) treatment for advanced pancreatic cancer, they demonstrated approximate doubling of both the patients’ median survival time and the percentage of 1-year survivors. In addition, Nuvilex’s treatment resulted in a lower side effect profile (improved quality of life) as compared to Gemzar.

Considering the difficulty of treating pancreatic cancer, it remains one of the most high profile types of cancer. Coupled with the upside valuation potential and the rise of small cap oncology stock development and their shares ahead of the ASCO meeting, it is likely that Nuvilex remains high on small stock investors’ radar screens for the foreseeable future.

As Nuvilex executes on milestone achievements the stock should continue to approach our \$0.50 price target. We rate these shares Speculative Buy.

NUVILEX, INC. (OTC:QB NVLX)

Recent Trading History For NVLX

(Source: Stockta.com)





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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

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