

TRENDS

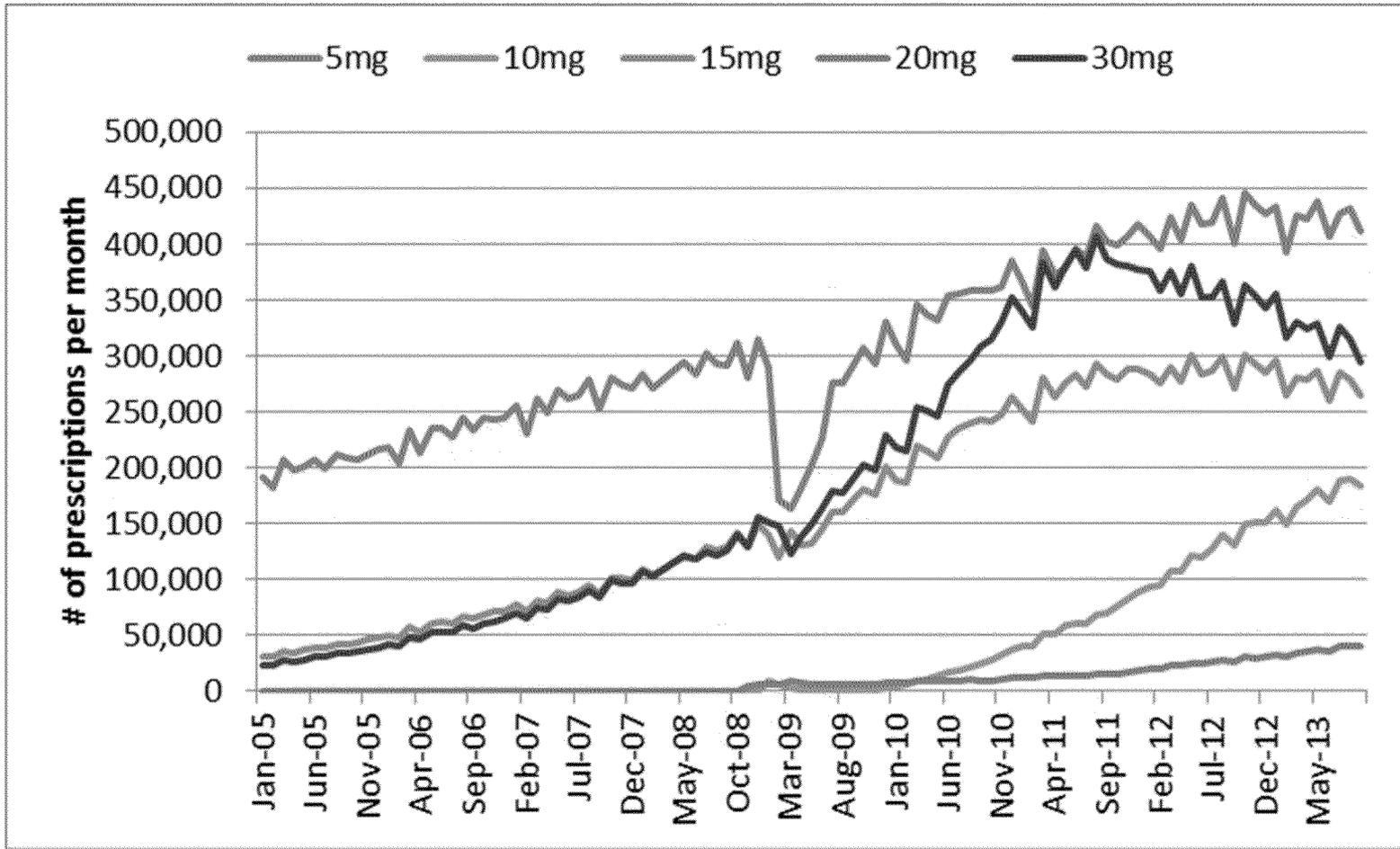
IR single-entity oxycodone prescriptions by dosage strengths between 2005-2013 (IMS data)

National and State-Specific Trends by Dosage Strength

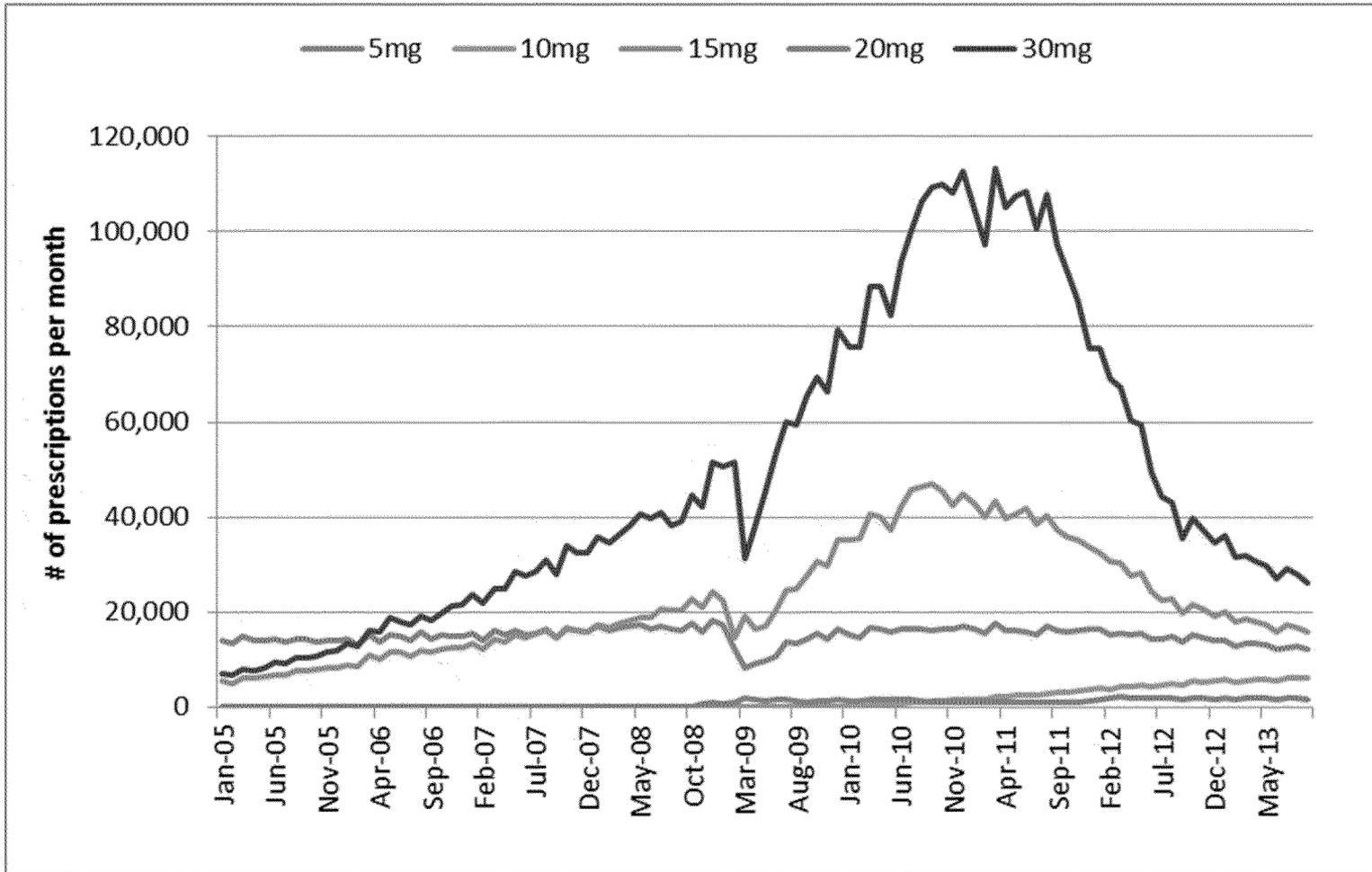
Note: States ordered by volume of 30 mg prescriptions

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- Risk Management & Epidemiology
- Purdue Pharma LP

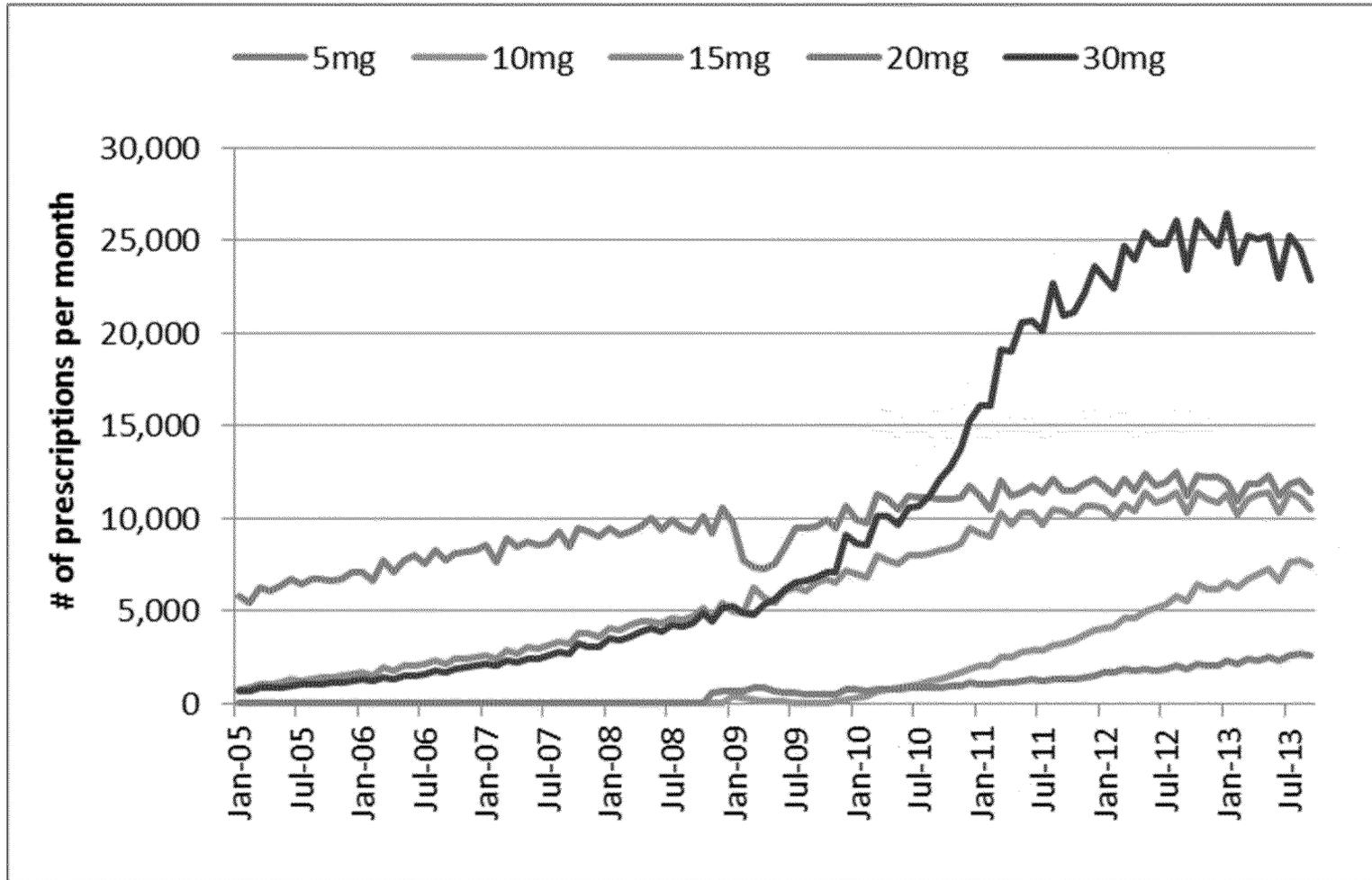
Nationwide single entity IR oxycodone prescriptions (Jan2005 - Sept2013)



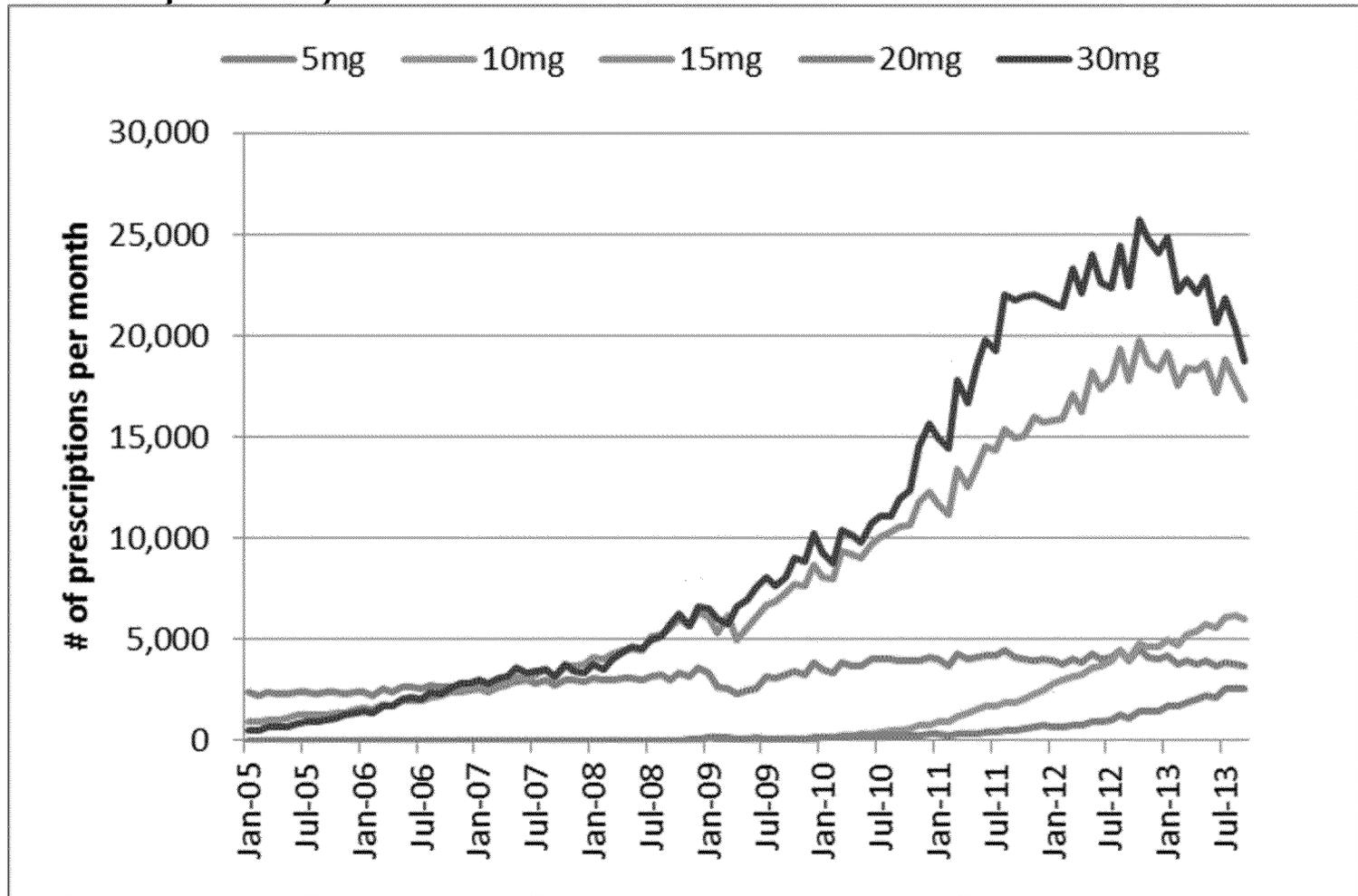
SE IR oxycodone prescriptions for Florida (2005-Sept2013)



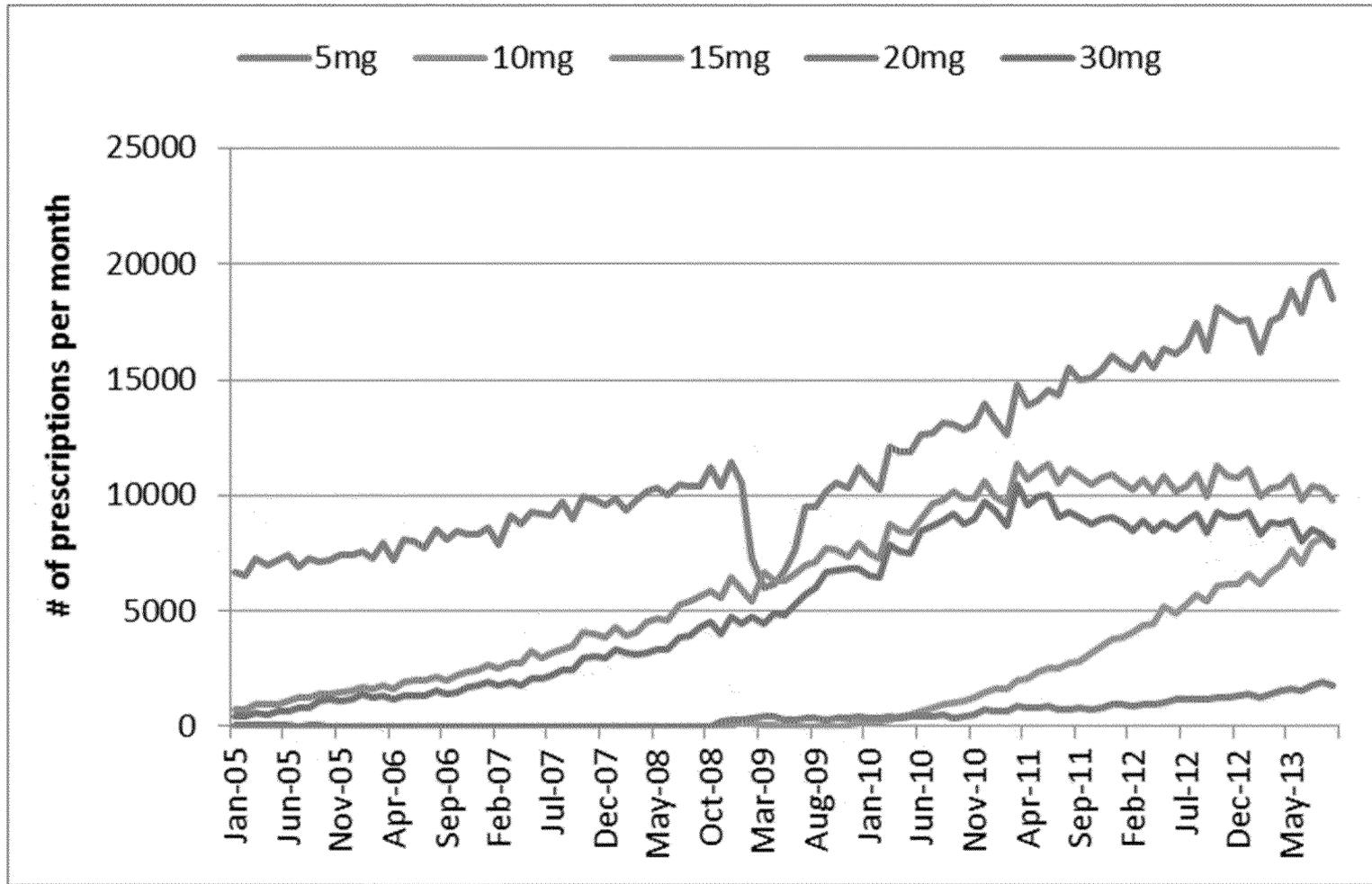
SE IR oxycodone prescriptions in California (2005 – Sept 2013)



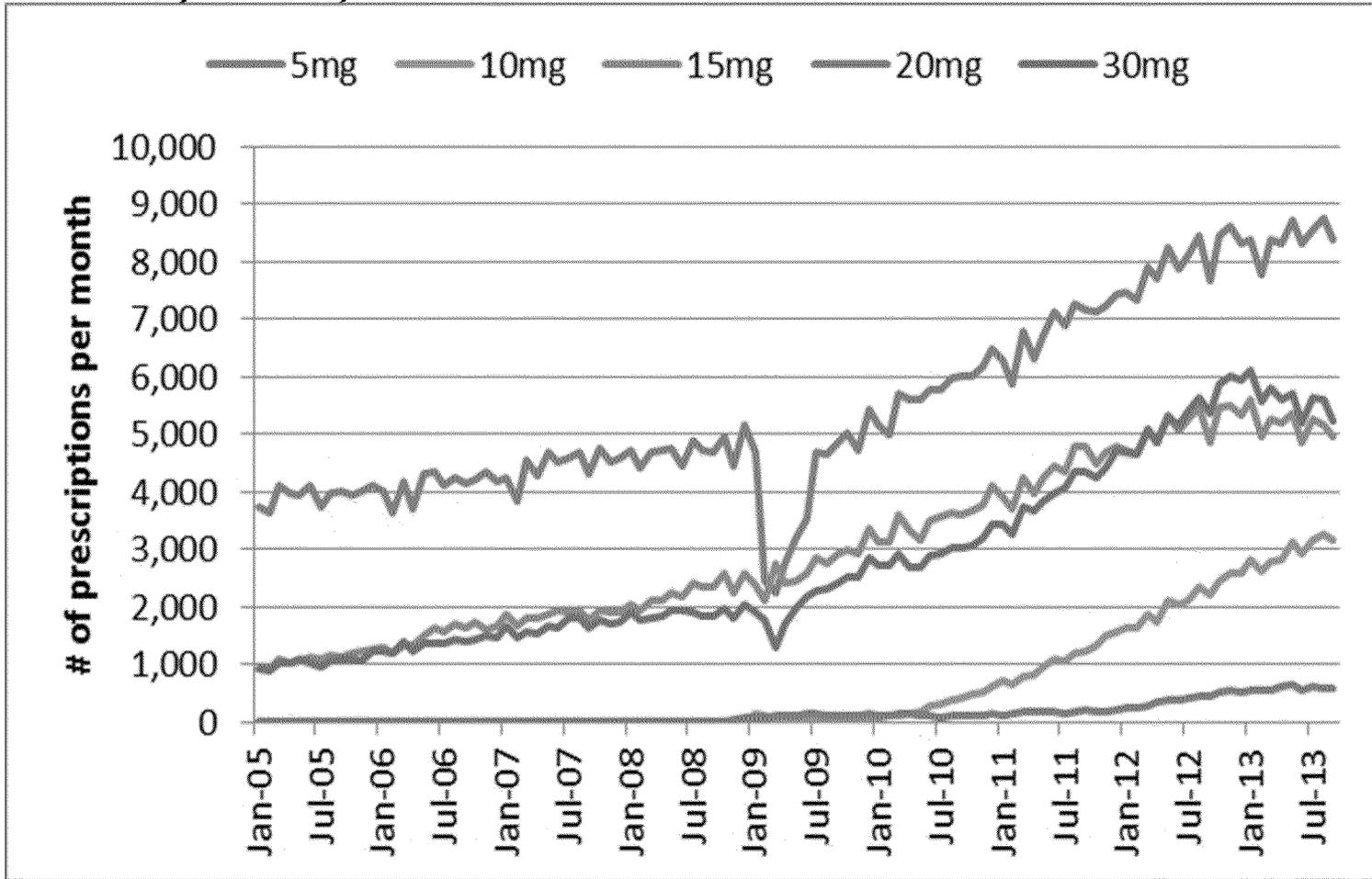
SE IR oxycodone prescriptions for Tennessee (2005-Sept2013)



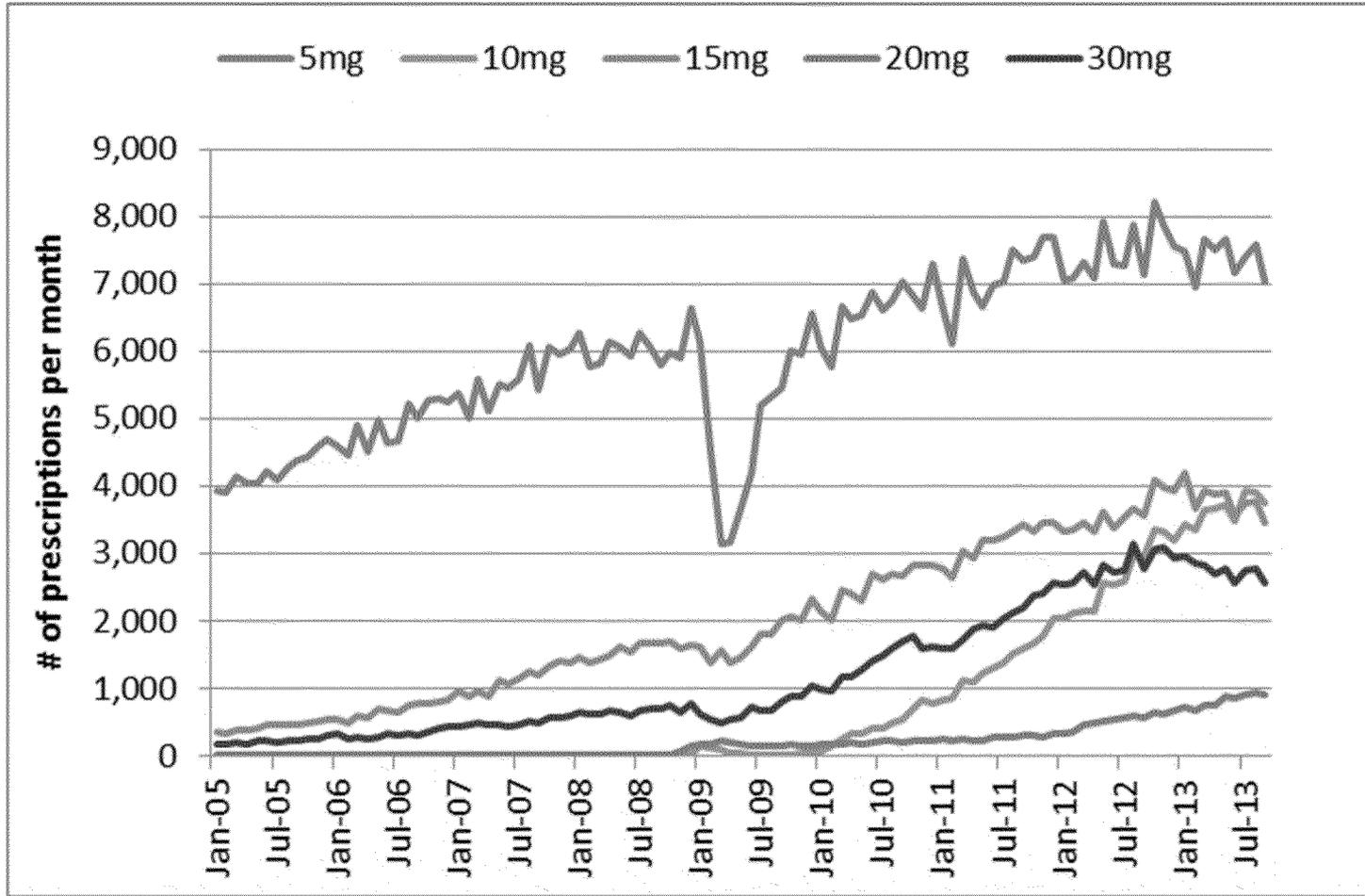
SE IR oxycodone prescriptions in Ohio (2005-Sept2013)



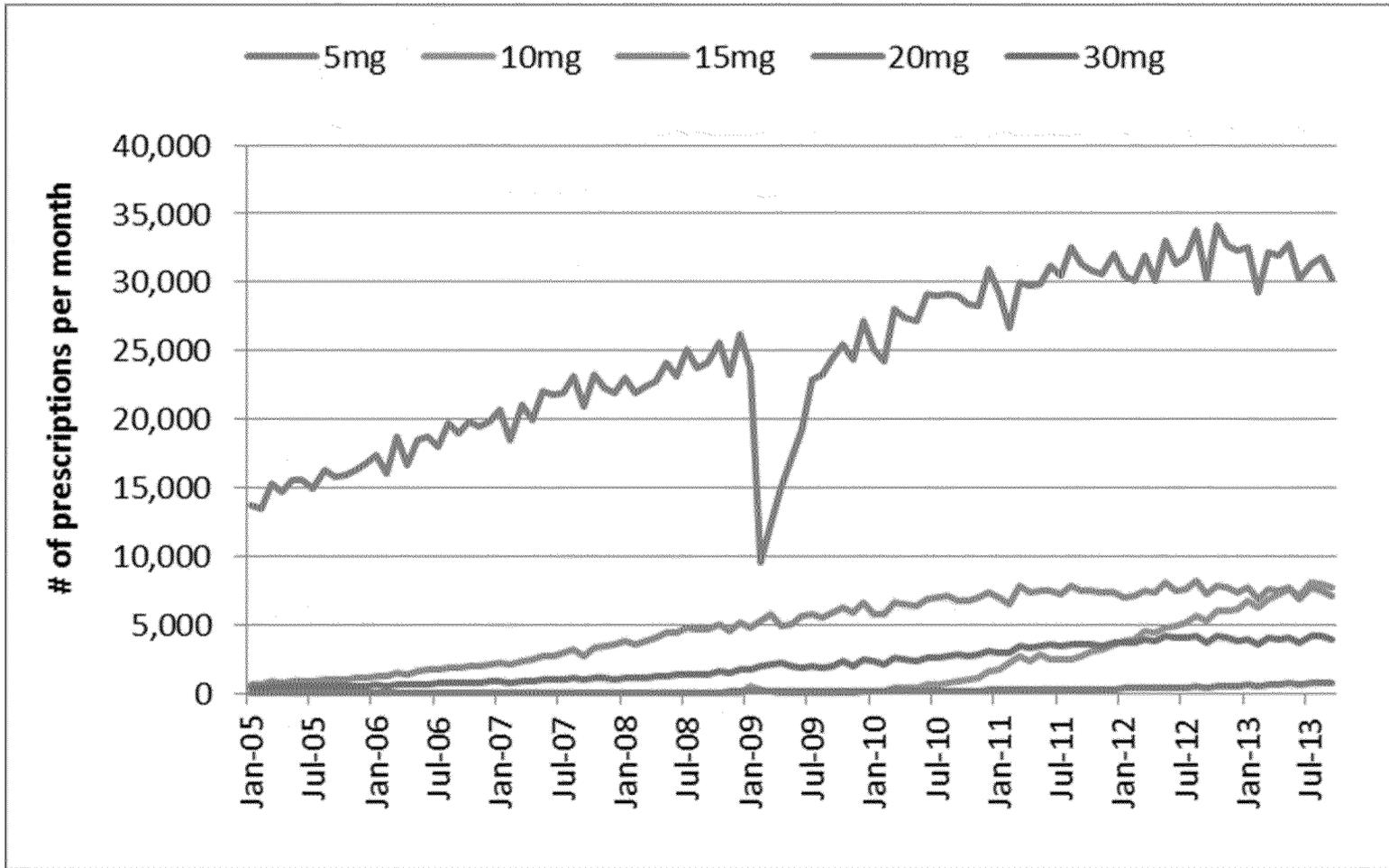
SE IR oxycodone prescriptions in Connecticut (2005-Sept2013)



SE IR oxycodone prescriptions for Missouri (2005-Sept2013)

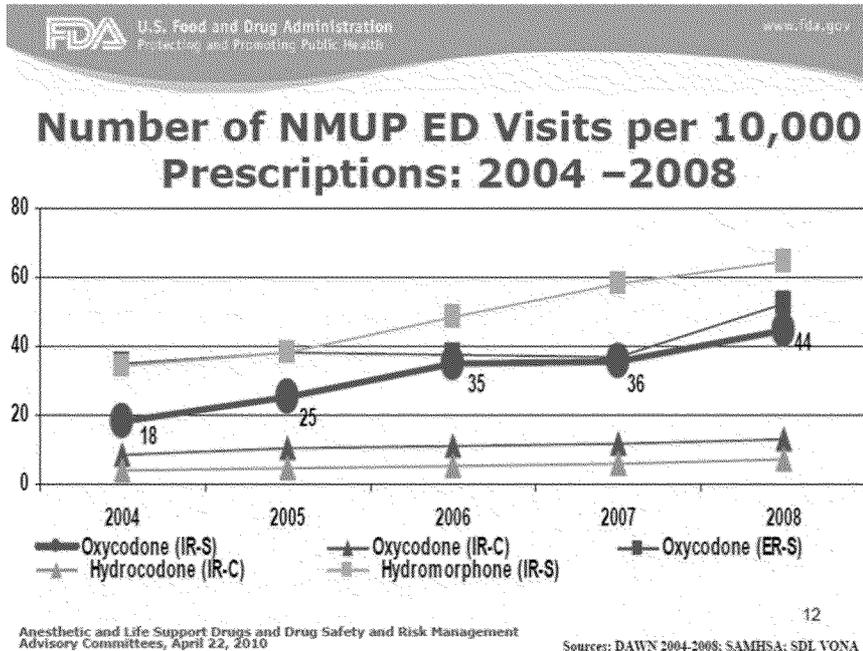


SE IR oxycodone prescriptions in Washington (2005-Sept2013)



DAWN Data Presented by FDA at Advisory Committees

April 2010 Ad Comm (Oxecta)



July 2010 Ad Comm (Class REMS)

NMUP Ratios	2004	2005	2006	2007	2008
IR					
Oxycodone IR	7.3	9.1	9.5	10.2	12.4
Hydrocodone	4.0	4.4	5.0	5.4	7.1
ER/LA					
Oxycodone ER	42.0	48.9	55.5	59.1	84.5
Fentanyl Transdermal	23.5	25.8	33.1	30.4	37.4
Hydromorphone	34.3	38.6	48.4	58.3	64.6
Morphine ER	17.0	6.9	12.5	13.9	11.8

*Source: SDI Vector One®; National (VONA). Extracted June, 2010

Rates of Opioid Overdose among Patients by Opioid Type

MarketScan Commercial Insurance Database (1Q2008 through 1Q2012)

Opioid	Immediate-Release Alone			Extended-Release Alone			Extended-Release + any Immediate-Release		
	Overdose cases ^a	Person-years (PY)	Incidence Rate per 100 PY	Overdose cases ^a	Person-years (PY)	Incidence Rate per 100 PY	Overdose cases ^a	Person-years (PY)	Incidence Rate per 100 PY
Hydrocodone	649	293997	0.22	NA	NA	NA	NA	NA	NA
Oxycodone	246	68801	0.36	23	5861	0.39	78	6884	1.13
Morphine	6	639	0.94	9	3485	0.26	70	4289	1.63
Oxymorphone	0	97	NC	4	669	0.60	7	1080	0.65
Hydromorphone	22	2845	0.77	0	42	NC	1	88	1.13
Tapentadol	3	1586	0.19	0	77	NC	2	54	3.71
Fentanyl	0	51	0.00	9	4014	0.22	79	4029	1.96
All opioids ^d	1413	542949	0.26	70	22561	0.31	313	19973	1.57

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Rates of abuse from the ASI-MV population during (10/1/2011 - 9/30/2012)

	Total abuse cases	Cases per 100 ASI-MV assessments (N = 67,561)			Cases per 100 prescription opioid abusers assessed (n = 13,833)			Cases per 100,000 prescriptions dispensed		
	n	Rate	95% CI		Rate	95% CI		Rate	95% CI	
OxyContin (reformulated)	1,732	2.56	2.44	2.68	12.52	11.97	13.07	38.60	36.79	40.42
OxyContin (original)	1,660	2.46	2.34	2.57	12.00	11.46	12.54	--	--	--
Single-entity oxycodone IR	1,951	2.89	2.76	3.01	14.10	13.52	14.68	13.80	13.19	14.42
Hydrocodone IR combination	6,092	9.02	8.80	9.23	44.04	43.21	44.87	5.65	5.51	5.80
Original oxymorphone ER	--	0.59 -1.95	0.56 - 1.74	0.62 - 2.15	3.17 - 9.28	3.02 - 8.34	3.32 - 10.22	65.48 - 116.68	62.32 - 104.25	68.63 - 129.11
Morphine ER	870	1.29	1.20	1.37	6.29	5.88	6.69	16.55	15.45	17.65

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FINANCIALS

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Coventry Technologies Projected Gross Profit

Coventry Technologies	RP Gross Profit	RT Gross Profit	Coventry Gross Profit Dollars
5 MG 100	5,912,570	738,046	6,650,616
10 MG 100	20,277,111	1,323,379	21,600,490
15 MG 100	6,192,364	1,400,283	7,592,648
20 MG 100	6,939,470	590,454	7,529,924
30 MG 100	16,226,476	4,162,611	20,389,087
5 MG HUD	3,043,301	217,551	3,260,852
10 MG HUD*	4,564,951	326,327	4,891,278
	63,156,244	8,758,652	71,914,896

** RP is the only company with the 10MG HUD. Assume volume at ~75% of the 5MG HUD.*

Rhodes Pharmaceuticals

Projected Net Sales

Net Sales	Units	Dead Net ASP	Dead Net Sales
5 MG 100	820,051	\$ 12.00	\$ 9,840,616
10 MG 100	735,211	\$ 34.00	\$ 24,997,164
15 MG 100	518,623	\$ 20.00	\$ 10,372,470
20 MG 100	164,015	\$ 52.00	\$ 8,528,775
30 MG 100	770,854	\$ 34.00	\$ 26,209,035
5 MG HUD	241,724	\$ 18.00	\$ 4,351,026
10 MG HUD*	181,293	\$ 36.00	\$ 6,526,539
	3,431,771		\$ 90,825,623

* RP is the only company with the 10MG HUD. Assume volume at ~75% of the 5MG HUD.

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Rhodes Pharmaceuticals

Projected Gross Profit

RP Cost of Goods + Distribution	RP Dead Net Sales	RP Total Cost of Goods	RP Total Gross Profit Dollars	RP Total Gross Profit %
5 MG 100	9,840,616	3,928,046	5,912,570	60%
10 MG 100	24,997,164	4,720,053	20,277,111	81%
15 MG 100	10,372,470	4,180,105	6,192,364	60%
20 MG 100	8,528,775	1,589,304	6,939,470	81%
30 MG 100	26,209,035	9,982,559	16,226,476	62%
5 MG HUD	4,351,026	1,307,725	3,043,301	70%
10 MG HUD*	6,526,539	1,961,587	4,564,951	70%
	\$ 90,825,623	\$ 27,669,379	\$ 63,156,244	70%
* RP is the only company with the 10MG HUD. Assume volume at ~75% of the 5MG HUD.				

Rhodes Technologies

Projected Gross Profit

RT Impact	# of Kilos	RT Net Sales	RT Gross Profit Dollars
5 MG 100	410	1,339,964	738,046
10 MG 100	735	2,402,669	1,323,379
15 MG 100	778	2,542,292	1,400,283
20 MG 100	328	1,072,001	590,454
30 MG 100	2,313	7,557,452	4,162,611
5 MG HUD	121	394,976	217,551
10 MG HUD	181	592,465	326,327
	4,866	\$ 15,901,819	\$ 8,758,652

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Current Market

- At present, there are four major competitors in the market: Endo, Mallinckrodt, KVK and Actavis

Units

12 Months Oct 2013

	5MG	10MG	15MG	20MG	30MG	Grand Total
MALLINCKRODT	3,363,436		747,299		1,630,945	5,741,680
KVK-TECH	476,920	1,995,355	216,599	464,782	273,361	3,427,017
ACTAVIS US			1,184,533		2,184,556	3,369,089
ENDO PHARM INC.	888,518		1,166,418		1,255,264	3,310,200
SUN PHARMA	719,841	975	234,649	432	215,557	1,171,454
MYLAN LABS, INC.	179,489		113,426		121,132	414,047
ZYDUS PHARM	4,450	252,341	1,328	54,931	983	314,033
ALVOGEN INC	13,865		31,812		47,099	92,776
MIDLOTHIAN LABS	8,114					8,114
Grand Total	5,654,633	2,248,671	3,696,064	520,145	5,728,897	17,848,410

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PURDUE ABUSE- DETERRENT PROGRAM

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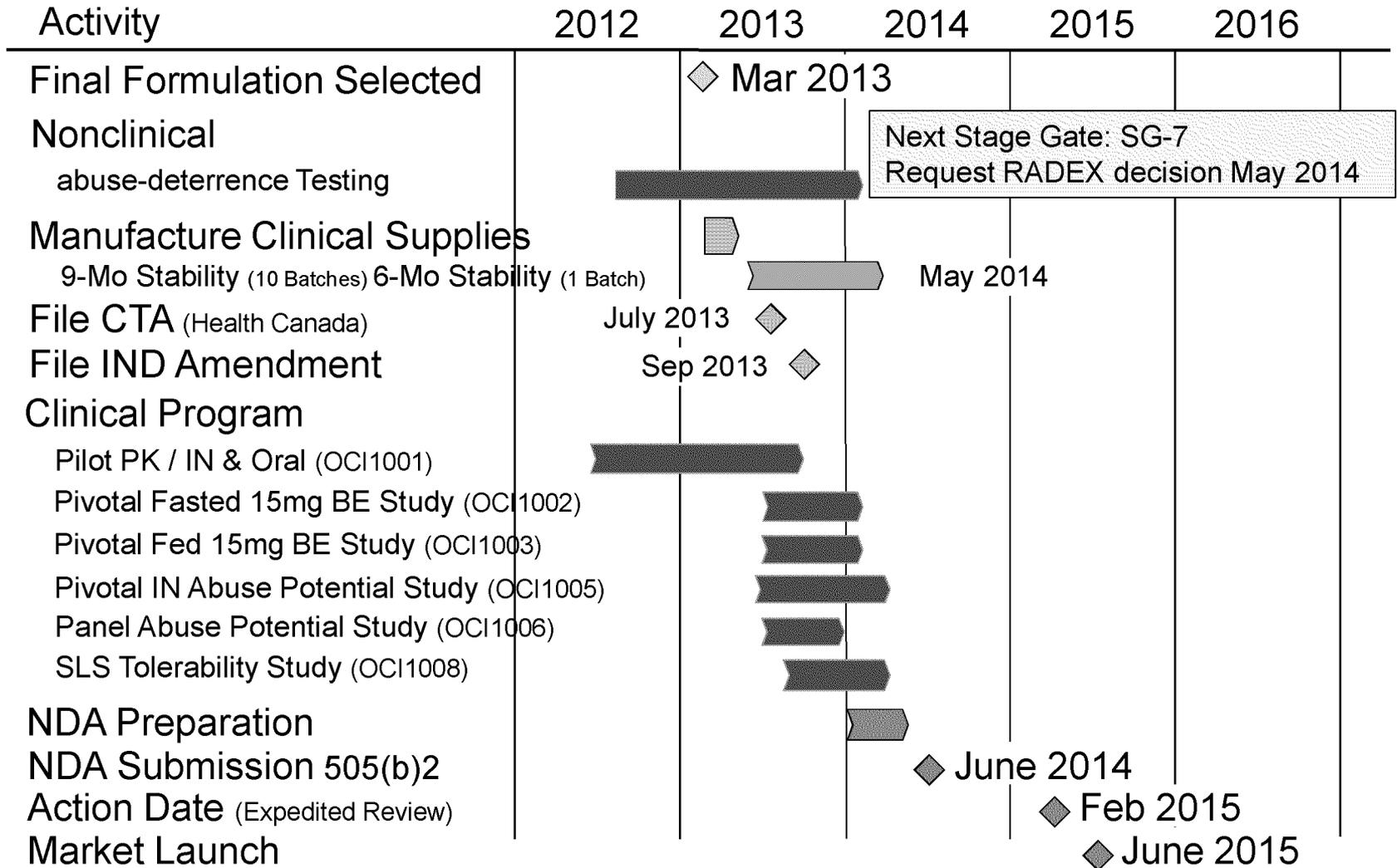
*Abuse-Deterrent Immediate Release
Oxycodone = OCI*



R&D Operating Committee
Project Update
2013-12-12

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OCI Project Timeline



OCI - Project Update Since Last Meeting

Tracking to Plan:

- Non-Clinical
- Clinical
- Regulatory
- Regulatory CMC - NDA Stability Plan

RHODES PHARMA TIMELINE

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Oxycodone abuse-deterrent IR Tablets

5, 7.5, 10, 15, 20, 30 mg

- ANDA submission delayed from 3Q 2014 to 4Q 2014
 - All six strengths for clinical /exhibit stability were manufactured and shipped for packaging
 - Clinical studies delayed due to friability and breakage issues during packaging
 - Formulation modification to overcome issues underway
- Next Steps
 - Work to increase physical robustness (friability) to be performed at Catalent – 1Q 2014
 - Try to diversify CMO/Manufacturing choices (Mancinelli/Lundie)
- Risk Assessment
 - Success depends on Catalent' ability to complete critical tasks to support 4Q 2014 ANDA submission
- **Revised Timeline**

Milestones	Timeline	Assumptions
Formulation modification work	1Q 2014	• Minor changes required
Exhibit batches	2Q 2014	• Catalent schedule and resources
Clinical Study – PK study	2Q 2014	
Abuse Liability study	2Q – 4Q 2014	
Stability program	2Q – 4Q	
ANDA submission	4Q 2014	

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Oxycodone abuse-deterrent IR Tablets

5, 7.5, 10, 15, 20, 30 mg

Milestone	Timeline	Assumptions
Formulation modification work	Jan – Feb, 2014	<ul style="list-style-type: none"> Catalent scheduling to allow for formulation modification work to be completed on time
Exhibit batches	March – April, 2014	<ul style="list-style-type: none"> EB to start on March 1, 2014
File CTA	April 1, 2014	<ul style="list-style-type: none"> COA for clinical material available by April 1, 2014
No Objection Letter Receipt	May 7, 2014	
DEA Export / OCS Import Receipt	May 15, 2014	
Abuse Liability Study	May 20, - November 20, 2014	<ul style="list-style-type: none"> AL study conducted in CANADA
Product Stability	April 15 – November 15, 2014	
Pivotal BE Study	April 15 - August 15, 2014	
ANDA Submission	December 2014	

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