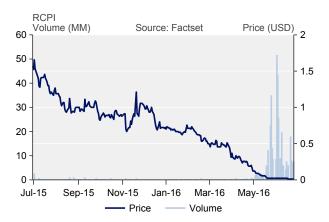
# MAXIM

### EQUITY RESEARCH TERMINATION

#### Biotechnology

#### **RCPI -** OTC June 27, 2016

Intraday Price 06/27/2016	<b>\$0.01</b>
Rating:	(prior Buy) Not Rated
12-Month Target Price:	(prior \$4.00) NA
52-Week Range:	\$0.01 - \$2.09
Market Cap (M):	0
Shares O/S (M):	24.2
Float:	97.5%
Avg. Daily Volume (000):	6,255
Dividend:	\$0.00
Dividend Yield:	0.00%
Risk Profile:	Speculative
Risk Profile:	Speculative
Fiscal Year End:	December



## Rock Creek Pharmaceuticals Not Rated

#### Termination of Coverage

Summary

• We are terminating coverage of the following company: Rock Creek Pharmaceuticals (RCPI).

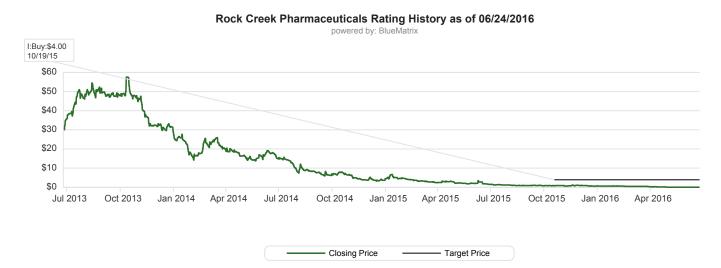
#### % Details

Effective immediately, Maxim Group is terminating coverage of Rock Creek Pharmaceuticals (RCPI) in order to reallocate resources. Please refer to our last note and/or initiation report for further details on our prior investment thesis. Our prior ratings, target prices, and investment thesis should no longer be used to make investment decisions.

Jason Kolbert (212) 895-3516 jkolbert@maximgrp.com

Jason McCarthy, Ph.D. (212) 895-3556 jmccarthy@maximgrp.com

#### DISCLOSURES



Maxim Group LLC Ratings Distribution As of: 06/26/16			
		% of Coverage Universe with Rating	% of Rating for which Firm Provided Banking Services in the Last 12 months
Buy	Fundamental metrics and/or identifiable catalysts exist such that we expect the stock to outperform its relevant index over the next 12 months.	86%	30%
Hold	Fundamental metrics are currently at, or approaching, industry averages. Therefore, we expect this stock to neither significantly outperform nor underperform its relevant index over the next 12 months.	12%	24%
Sell	Fundamental metrics and/or identifiable catalysts exist such that we expect the stock to underperform its relevant index over the next 12 months.	1%	33%
	*See valuation section for company specific relevant indices		

I, Jason Kolbert, attest that the views expressed in this research report accurately reflect my personal views about the subject security and issuer. Furthermore, no part of my compensation was, is, or will be directly or indirectly related to the specific recommendation or views expressed in this research report.

I, Jason McCarthy, Ph.D., attest that the views expressed in this research report accurately reflect my personal views about the subject security and issuer. Furthermore, no part of my compensation was, is, or will be directly or indirectly related to the specific recommendation or views expressed in this research report.

The research analyst(s) primarily responsible for the preparation of this research report have received compensation based upon various factors, including the firm's total revenues, a portion of which is generated by investment banking activities.

#### Maxim Group makes a market in Rock Creek Pharmaceuticals

## Maxim Group managed/co-managed/acted as placement agent for an offering of the securities for Rock Creek Pharmaceuticals in the past 12 months.

Maxim Group received compensation for investment banking services from Rock Creek Pharmaceuticals in the past 12 months.

Maxim Group expects to receive or intends to seek compensation for investment banking services from Rock Creek Pharmaceuticals in the next 3 months.

An affiliate of Maxim Group beneficially owns warrants/shares in Rock Creek Pharmaceuticals .

**RCPI:** For RockCreek we use the BTK as the relevant index

#### Valuation Methods

**RCPI:** Our therapeutic model assumes that anatabine citrate is approved and launched in 2020. We expect the initial indication to be for mild to moderate psoriasis. Our model assumes a risk adjustment due to the early stage of clinical development. We then apply a 30% discount to our free-cash-flow, discounted-EPS, and sum-of-the-parts models, which are equally weighted to arrive at our price target.

#### Price Target and Investment Risks

**RCPI:** Aside from general market and other economic risks, downward risks particular to our price target for RockCreek include: the pace and success of drug development activities; the possible out-licensing of any product candidates developed; obtaining regulatory approvals for any product candidates developed; the pace of development of new intellectual property for any product candidates developed; the company's ability to market and sell its products; and the ability to secure financing necessary to operate and grow the business. There can be no assurance that an IND filed with the FDA in the U.S. will result in the actual initiation of clinical trials in the U.S. or that the company's products will ultimately be approved, or achieve or maintain expected levels of market acceptance in the U.S. or anywhere else.

#### **RISK RATINGS**

Risk ratings take into account both fundamental criteria and price volatility.

**Speculative** – <u>Fundamental Criteria</u>: This is a risk rating assigned to early-stage companies with minimal to no revenues, lack of earnings, balance sheet concerns, and/or a short operating history. Accordingly, fundamental risk is expected to be significantly above the industry. <u>Price Volatility</u>: Because of the inherent fundamental criteria of the companies falling within this risk category, the price volatility is expected to be significant with the possibility that the investment could eventually be worthless. Speculative stocks may not be suitable for a significant class of individual investors.

**High** – <u>Fundamental Criteria</u>: This is a risk rating assigned to companies having below-average revenue and earnings visibility, negative cash flow, and low market cap or public float. Accordingly, fundamental risk is expected to be above the industry. <u>Price Volatility</u>: The price volatility of companies falling within this category is expected to be above the industry. High-risk stocks may not be suitable for a significant class of individual investors.

**Medium** – <u>Fundamental Criteria</u>: This is a risk rating assigned to companies that may have average revenue and earnings visibility, positive cash flow, and is fairly liquid. Accordingly, both price volatility and fundamental risk are expected to approximate the industry average.

Low – <u>Fundamental Criteria:</u> This is a risk rating assigned to companies that may have above-average revenue and earnings visibility, positive cash flow, and is fairly liquid. Accordingly, both price volatility and fundamental risk are expected to be below the industry.

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ADDITIONAL INFORMATION IS AVAILABLE UPON REQUEST



## **Corporate Headquarters**

The Chrysler Building 405 Lexington Ave., 2<sup>nd</sup> FL New York, NY 10174 Tel: 212-895-3500

Capital Markets/Syndicate: 212-895-3695 Corporate Finance: 212-895-3811 Equity/Options Trading: 212-895-3790 Equity Research: 212-895-3736 Event Driven/Risk Arb Group: 212-895-3878 Fixed Income Trading: 212-895-3875 Global Equity Trading: 212-895-3623 Institutional Sales: 212-895-3755 Institutional Sales Trading: 212-895-3873 Prime Brokerage: 212-895-3723 Wealth Management: 212-895-3624

## Woodbury, Long Island

20 Crossways Park Drive North Suite 304 Woodbury, NY 11797 Tel: 516-393-8300

## San Francisco, Bay Area

Lafayette, California 3732 Mt. Diablo Blvd Suite 158 Lafayette, CA 94549 Tel: 415-762-0114

## Red Bank, New Jersey

246 Maple Avenue Red Bank, NJ 07701 Tel: 732-784-1900

## Boca Raton, Florida

7900 Glades Road Suite 505 Boca Raton, FL 33434 Tel: 561-465-2605