

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

PHASERX, INC.,¹

Debtor.

Chapter 11

Case No. 17-12890 (CSS)

**NOTICE OF FILING OF BANKRUPTCY PETITION
AND FIRST DAY PLEADINGS AND NOTICE OF FIRST DAY HEARING**

PLEASE TAKE NOTICE that on December 11, 2017 (the “**Petition Date**”), PhaseRx, Inc. (the “**Debtor**”) filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code.

PLEASE TAKE FURTHER NOTICE that in connection with the filing of its petition, the Debtor filed the following (collectively, the “**First Day Pleadings**”):

1. Application of Debtor for Appointment of Donlin, Recano & Company, Inc. as Claims and Noticing Agent [Docket No. 4; Filed: 12/11/2017]
2. Motion of Debtor for Entry of an Order Extending Time for Filing Schedules of Assets and Liabilities and Statement of Financial Affairs [Docket No. 5; Filed: 12/11/2017]
3. Motion of Debtor for Interim and Final Orders Pursuant to 11 U.S.C. §§ 105(a), 345, 363, and 364, Fed. R. Bankr. P. 6003, and Del. Bankr. L.R. 2015-2 and 4001-3 (I) Authorizing Continued Use of Existing Cash Management System, Including Maintenance of Existing Bank Accounts, Checks, and Business Forms, and (II) Authorizing Continuation of Existing Deposit Practices [Docket No. 6; Filed: 12/11/2017]
4. Motion of Debtor for Entry of Interim and Final Orders (A) Authorizing Payment of Certain Prepetition Employee and Consultant Claims, Including Wages, Salaries, and Other Compensation, (B) Authorizing Payment of Certain Employee Benefits and Confirming Right to Continue Employee Benefits on Postpetition Basis, (C) Authorizing Payment of Reimbursement to Employees for Expenses Incurred Prepetition, (D) Authorizing Payment of Withholding and Payroll-Related Taxes, (E) Authorizing Payment of Workers’ Compensation Obligations,

¹ The Debtor’s last four digits of its U.S. federal tax identification number are 0620. The address for the Debtor’s headquarters is 410 West Harrison Street, Suite 300, Seattle, Washington 98119.

and (F) Authorizing Payment of Prepetition Claims Owing to Administrators and Third-Party Providers [Docket No. 7; Filed: 12/11/2017]

5. Motion of Debtor for Order Under 11 U.S.C. §§ 105(a), 363(b), 506(a), 507(a)(8), and 541, and Fed. R. Bankr. P. 6003 Authorizing Payment of Prepetition Taxes and Fees [Docket No. 8; Filed: 12/11/2017]
6. Motion of Debtor for Interim and Final Orders (A) Prohibiting Utility Providers from Altering, Refusing or Discontinuing Service; (B) Approving the Debtor's Proposed Adequate Assurance of Payment for Postpetition Services; and (C) Establishing Procedures for Resolving Requests for Additional Adequate Assurance of Payment [Docket No. 9; Filed: 12/11/2017]
7. Motion of Debtor for Interim and Final Orders Pursuant to 11 U.S.C. §§ 105, 361, 362, 363, and 364 (I) Authorizing Use of Cash Collateral, (II) Granting Adequate Protection to Secured Parties, (III) Scheduling a Final Hearing, and (IV) Granting Related Relief [Docket No. 10; Filed: 12/11/2017]
8. Declaration of Robert W. Overell, Ph.D., President and Chief Executive Officer of PhaseRx, Inc., in Support of Chapter 11 Petition and First Day Pleadings [Docket No. 11; Filed: 12/11/2017]

PLEASE TAKE FURTHER NOTICE that a hearing on the First Day Pleadings has been scheduled for **December 12, 2017 at 2:00 p.m. (ET)** before The Honorable Christopher S. Sontchi at the United States Bankruptcy Court for the District of Delaware, 824 N. Market Street, 5th Floor, Courtroom No. 6, Wilmington, Delaware 19801.

PLEASE TAKE FURTHER NOTICE that on the Petition Date, the Debtor also filed the *Motion of the Debtor for Entry of (I) An Order (A) Approving Bidding Procedures in Connection with the Sale of Substantially All of the Debtor's Assets, (B) Approving the Form and Manner of Notice Thereof, (C) Scheduling an Auction and Sale Hearing, (D) Approving Procedures for the Assumption and Assignment of Contracts, and (E) Granting Related Relief; and (II) An Order (A) Approving the Asset Purchase Agreement Between the Debtor and the Successful Bidder, (C) Authorizing the Sale of Substantially All of the Debtor's Assets Free and Clear of Liens, Claims, Encumbrances, and Interests, (C) Authorizing the Assumption and Assignment of Contracts, and (D) Granting Related Relief* [Docket No. 12] (the "**Bid**

Procedures Motion”) and will seek an expedited hearing on the relief requested in the Bid Procedures Motion.

Dated: December 11, 2017
Wilmington, Delaware

POLSINELLI PC

/s/ Shanti M. Katona

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