

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

In re:

PLX PHARMA INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 23-10456 (MFW)

(Jointly Administered)

Docket Ref. Nos. 19 & 53

**ORDER (I) APPROVING BIDDING PROCEDURES IN CONNECTION WITH SALE
OF ASSETS OF THE DEBTORS AND RELATED BID PROTECTIONS, (II)
APPROVING FORM AND MANNER OF NOTICE, (III) SCHEDULING AUCTION
AND SALE HEARING, (IV) AUTHORIZING PROCEDURES GOVERNING
ASSUMPTION AND ASSIGNMENT OF CERTAIN CONTRACTS AND
UNEXPIRED LEASES, AND (V) GRANTING RELATED RELIEF**

Upon the motion [Docket No. 19] (the “Motion”)² of the Debtors in the above-captioned chapter 11 cases (the “Chapter 11 Cases”) seeking, pursuant to sections 105, 363, 365, 503 and 507 of the Bankruptcy Code, Bankruptcy Rules 2002, 6004, 6006, and 9006 and Local Rules 2002-1, 6004-1 and 9006-1, an order (this “Order”) (a) approving certain bidding procedures attached hereto as **Exhibit 1** (the “Bidding Procedures”) for the sale of the Debtors’ assets (the “Sale”) and the form and manner of notice thereof, substantially in the form attached hereto as **Exhibit 2** (the “Sale Notice”), (b) authorizing the Debtors to designate the Stalking Horse Bidder and approving the Bid Protections³ in accordance with the Bidding Procedures, (c) approving the form and manner of notice of the Stalking Horse APA Sale Objection Deadline Notice in the form of the notice attached as **Exhibit 3** to this Order (the “Stalking Horse APA Sale

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: PLx Pharma Inc. (5704) and PLx Opco Inc. (6588). The mailing address for each of the Debtors is 9 Fishers Lane, Suite E, Sparta, NJ 07871.

² Capitalized terms not otherwise defined in this Order shall have the meanings given to them in the Motion or the Bidding Procedures, as applicable.

³ Any references in this Order and the Bidding Procedures to “Bid Protections” shall mean the Bid Protections as modified by this Order.

Objection Deadline Notice”), (d) scheduling an Auction and a Sale Hearing in connection with the Sale, (e) establishing certain assumption and assignment procedures and approving the form and manner of notice thereof, substantially in the form attached hereto as **Exhibit 4** (the “Assumption and Assignment Notice”), and (f) scheduling a hearing to authorize and approve the Debtors’ assumption and assignment of the Assumed Contracts; and the Court having reviewed the Motion and conducted a hearing to consider the relief requested therein regarding the Bidding Procedures and related matters (the “Bidding Procedures Hearing”); and the Court having considered the First Day Declaration, the Wein Declaration (as supplemented), and the statements of counsel in support of the Motion, and the evidence presented at the Bidding Procedures Hearing; and after due deliberation and sufficient cause appearing therefor, it is hereby **FOUND AND DETERMINED THAT**:⁴

A. The Court has jurisdiction over this matter and over the property of the Debtors and their bankruptcy estates pursuant to 28 U.S.C. §§ 157(a) and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated as of February 29, 2012. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), (M), (N), and (O). The statutory predicates for the relief sought herein are sections 105, 363, 365, 503 and 507 of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, 6006, 9007, 9008, and 9014. Venue of the Chapter 11 Cases and the Motion is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

⁴ The findings and conclusions set forth herein constitute the Court’s findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent that any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such. All findings of fact and conclusions of law announced by the Court at the Bidding Procedures Hearing are hereby incorporated herein to the extent not inconsistent herewith.

B. The Debtors have offered good and sufficient reasons for, and the best interest of their estates will be served by, the Court granting the Motion to the extent provided in this Order, including (i) approving the Bidding Procedures, attached hereto as **Exhibit 1**, and the form and manner of notice thereof substantially in the form of the Sale Notice, attached hereto as **Exhibit 2**, (ii) approving the form and manner of notice of the Stalking Horse APA Sale Objection Deadline in the form of the Stalking Horse APA Sale Objection Deadline Notice, attached hereto as **Exhibit 3**, (iii) approving the form and manner of notice of procedures governing the assumption and assignment of certain contracts and unexpired leases in the form of the Assumption and Assignment Notice, attached hereto as **Exhibit 4**, and (iv) scheduling a hearing to authorize and approve the Debtors' assumption and assignment of the Assumed Contracts.

C. Good and sufficient notice of the relief sought in the Motion has been given under the circumstances, and no further notice is required except as set forth herein with respect to the Auction and the Sale Hearing. Subject to the immediately preceding sentence, a reasonable opportunity to object or to be heard regarding the relief requested in the Motion was afforded to all interested persons and entities.

D. In accordance with Local Rule 6004-1, the Debtors have properly filed and noticed the Motion. The issuance and immediate effectiveness of this Order as of the date hereof, including approval of the Bidding Procedures, is supported by evidence of compelling business justifications and other circumstances demonstrating that the relief granted by this Order is necessary and appropriate.

E. The Sale Notice, the Stalking Horse APA Sale Objection Deadline Notice, and the Assumption and Assignment Notice, as set forth in the Motion and this Order, are appropriate, sufficient, and reasonably calculated to provide all interested parties with timely and

proper notice of the Auction, the Stalking Horse APA, the Sale Hearing, the Bidding Procedures, the Stalking Horse APA Sale Objection Deadline, the Non-Stalking Horse APA Sale Objection Deadline, and the assumption and assignment of the Assumed Contracts, and no other or further notice shall be required for the Sale, including the related objection deadlines, or the assumption and assignment of the Assumed Contracts.

F. The Bidding Procedures are fair, reasonable, and appropriate under the circumstances; were negotiated at arm's-length and in good faith by the Debtors and the Stalking Horse Bidder; and are reasonably designed to maximize the value to be achieved for the Assets.

G. Subject to approval at the Sale Hearing: (i) the Debtors have demonstrated a compelling business justification for the payment of the Bid Protections under the circumstances set forth in the Stalking Horse APA; and (ii) the Bid Protections, to the extent payable under the Stalking Horse APA, (a) shall be deemed an actual and necessary cost of preserving the Debtors' estate within the meaning of section 503(b) of the Bankruptcy Code, (b) are of substantial benefit to the Debtors' estates, (c) are reasonable and appropriate, including in light of the size and nature of the Sale and the efforts that have been and will be expended by the Stalking Horse Bidder, (d) have been negotiated by the parties and their respective advisors at arm's-length and in good faith, and (e) are necessary to ensure that the Stalking Horse Bidder will continue to pursue the Sale. The Bid Protections are a material inducement for, and condition of, the Stalking Horse Bidder's entry into the Stalking Horse APA. The Stalking Horse Bidder is unwilling to commit to purchase the Assets under the terms of the Stalking Horse APA unless the Stalking Horse Bidder is assured payment of the Bid Protections in accordance with the Stalking Horse APA.

H. The Assumption and Assignment Procedures provided for herein and the Assumption and Assignment Notice are reasonable and appropriate and consistent with the

provisions of section 365 of the Bankruptcy Code and Bankruptcy Rule 6006. The Assumption and Assignment Procedures and the Assumption and Assignment Notice have been tailored to provide an adequate opportunity for all counterparties to assert any objections to the assumption and assignment of Assumed Contracts and related Cure Costs.

I. The Debtors hereby stipulate that the Stalking Horse Bidder has valid, enforceable claims, secured on a first priority basis by the inventory in the Stalking Horse Bidder's possession and future payment obligations under the MPG Contracts, of up to \$7.5 million as of March 31, 2023, subject to further reconciliation (the "Allowed MPG Claim").

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED to the extent provided herein.
2. The Debtors are authorized to enter into and perform under the Stalking Horse APA, subject to higher or other better offers in accordance with this Order and the Bidding Procedures. The Stalking Horse APA is a valid agreement enforceable in accordance with its terms without further order of the Court.
3. The Bidding Procedures, attached as **Exhibit 1** to this Order, are hereby approved in their entirety, incorporated by reference as if fully set forth herein, and shall govern the auction and sale process relating to the Assets. The Debtors and Donlin, Recano & Company, Inc., their claims and noticing agent, are authorized to take any and all actions necessary to implement the Bidding Procedures and any notice contemplated by this Order or the Bidding Procedures.
4. On April 14, 2023, the Debtors provided due and adequate notice of the proposed Stalking Horse APA transactions contemplated under the Motion through the filing and service of the Stalking Horse APA Sale Objection Deadline Notice as provided for in the affidavit

of service filed on the docket of the Chapter 11 Cases at Docket No. 49 (the “Stalking Horse APA Sale Objection Deadline Notice AOS”).

5. Objections to approval of the Stalking Horse APA transaction must be in writing, state the basis of such objection with specificity, and be filed with this Court and served on or before **4:00 p.m. (prevailing Eastern Time) on May 18, 2023** (the “Stalking Horse APA Sale Objection Deadline”) on the Notice Parties (as defined herein).

6. Any objections to (i) the Sale of the Assets to a Successful Bidder, with the exception of objections related to the Stalking Horse APA transactions, (ii) the conduct of the Auction, (iii) the identity of any Successful Bidder other than the Stalking Horse Bidder, and (iv) adequate assurance of future performance by any Successful Bidder other than the Stalking Horse Bidder must be in writing, state the basis of such objection with specificity, and be filed with this Court and served on or before **4:00 p.m. (prevailing Eastern Time) on May 23, 2023** (the “Non-Stalking Horse APA Sale Objection Deadline”) on the following parties (collectively, the “Notice Parties”):

- (a) proposed counsel to the Debtors, Olshan Frome Wolosky LLP, 1325 Avenue of the Americas, New York, NY 10019 (Attn.: Adam H. Friedman (afriedman@olshanlaw.com) and Jonathan T. Koevary (jkoevary@olshanlaw.com));
- (b) proposed co-counsel to the Debtors, Young Conaway Stargatt & Taylor, LLP, 1000 N. King Street, Rodney Square Wilmington, DE 19801 (Attn. Robert F. Poppiti, Jr. (rpoppiti@ycst.com) and Shane M. Reil (sreil@ycst.com));
- (c) the Office of the United States Trustee for the District of Delaware (the “U.S. Trustee”), J. Caleb Boggs Federal Building, 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801 (Attn.: Joseph F. Cudia, Esq.);
- (d) counsel to any statutory committee appointed in the Chapter 11 Cases; and
- (e) counsel to the Stalking Horse Bidder, DLA Piper LLP (US), 444 West Lake Street, Suite 900, Chicago, IL 60606-0089 (Attn. W. Benjamin Winger (Benjamin.Winger@us.dlapiper.com) and Katie Allison (Katie.Allison@us.dlapiper.com), and DLA Piper LLP (US), 1201 N. Market St.,

Suite 2100, Wilmington, DE 19801 (Attn. R. Craig Martin (Craig.Martin@us.dlapiper.com) and Kaitlin W. MacKenzie (Kaitlin.MacKenzie@us.dlapiper.com)).

7. All objections to the entry of this Order or to the relief provided herein that have not been withdrawn, waived, resolved, or settled are hereby denied and overruled.

A. The Stalking Horse APA and the Bid Protections

8. Any obligations of the Debtors set forth in the Stalking Horse APA that are intended to be performed prior to the Sale Hearing and/or entry of the Sale Order are authorized as set forth herein.

9. Pursuant to sections 105, 363, 503, and 507 of the Bankruptcy Code, the Debtors are hereby authorized to pay the Expense Reimbursement, to the extent approved at the Sale Hearing and required under the Stalking Horse APA, pursuant to the terms and conditions set forth in the Stalking Horse APA. The Debtors and the Stalking Horse Bidder have agreed to modify the Stalking Horse APA as follows: (a) delete all references to the “Break-Up Fee” in sections 1.1, 6.7(g) and 8.2(c) of the Stalking Horse APA; and (b) delete all references to the “Second Deposit Payment” in sections 1.1 and 3.3(a) of the Stalking Horse APA. Prior to the Sale Hearing, the Stalking Horse Bidder shall provide information to the Court regarding the amount of reasonable and documented out-of-pocket costs, fees, and expenses incurred by the Stalking Horse Bidder since March 1, 2023, in connection with the Transactions (including, without limitation, attorney fees and any other amounts incurred to accountants and other professionals) in a manner consistent with the record of the Bidding Procedures Hearing, which information may be redacted or modified, to the extent necessary, without the need for relief from this Court, to delete any information subject to the attorney-client privilege, any information constituting attorney work product, or any confidential information, and the provision of such information shall

not constitute any waiver of the attorney-client privilege, the attorney work product doctrine or confidentiality.

10. Upon approval at the Sale Hearing, an amount of up to the amount of the Expense Reimbursement (if earned pursuant to the Stalking Horse APA) shall, until paid in full as set forth in the Stalking Horse APA, be entitled to administrative expense status pursuant to sections 503(b)(1) and 507(a)(2) of the Bankruptcy Code. Subject to approval at the Sale Hearing, the Debtors' obligation to pay an amount of up to the amount of the Expense Reimbursement pursuant to the terms of the Stalking Horse APA shall survive termination of the Stalking Horse APA.

11. Pursuant to Bankruptcy Code section 363(k), the Stalking Horse Bidder is authorized to credit bid on the inventory on which the Stalking Horse Bidder has possessory and statutory liens (the "Credit Bid Inventory") up to the amount of the Allowed MPG Claim, which, upon closing, shall reduce the Debtors' liability to the Stalking Horse Bidder on a dollar-for-dollar basis. A listing of the Credit Bid Inventory shall be prominently posted in the Data Room (as defined in the Bidding Procedures). For the avoidance of doubt, nothing in this Order is intended or shall be deemed to authorize the Stalking Horse Bidder to credit bid on any of the Assets other than the Credit Bid Inventory.

B. The Bidding Procedures, Auction, and Sale Hearing

12. The deadline for submitting a Qualified Bid shall be **May 19, 2023, at 10:00 a.m. (prevailing Eastern Time)**, unless extended by the Debtors pursuant to the Bidding Procedures (the "Bid Deadline").

13. For the purposes of the Bidding Procedures: (a) the Stalking Horse Bidder will be considered a Qualified Bidder, and the Stalking Horse APA is considered a Qualified Bid;

and (b) in determining whether the Potential Bidders constitute Qualified Bidders, the Debtors may consider a combination of bids for the Assets.

14. All bidders submitting a Qualified Bid are deemed to have submitted to the exclusive jurisdiction of this Court with respect to all matters related to the Auction and the terms and conditions of the transfer of the Assets.

15. The Debtors shall inform Qualified Bidders that their Bids have been designated as Qualified Bids no later than **May 19, 2023, at 9:00 p.m. (prevailing Eastern Time)**.

16. If no Qualified Bid other than the Stalking Horse Bid is submitted on or before the Bid Deadline, the Debtors will not hold an Auction.

17. If at least two Qualified Bids are received by the Bid Deadline with regard to any particular Assets, the Debtors will conduct the Auction. The Auction will take place on **May 22, 2023, starting at 10:00 a.m. (prevailing Eastern Time)** at the offices of Raymond James & Associates, Inc., located at 320 Park Ave. Floor 12, New York, NY 10022. Only the Debtors, the Qualified Bidders, the Consultation Parties, and each such parties' respective legal and financial advisors shall be entitled to attend the Auction, along with any other creditor, and any other party the Debtors deem appropriate (provided, however, that any party other than the Qualified Bidders, the Consultation Parties, and each such parties' respective legal and financial advisors shall be required to provide notice to the Debtors at least three (3) days prior to the Auction by sending an email to counsel to the Debtors, at sreil@ycst.com; the Debtors will provide copies of any such notices to the Qualified Bidders, the Consultation Parties, and / or each such parties' respective legal and financial advisors within two (2) days of receipt).

18. Each Qualified Bidder participating at the Auction will be required to confirm in writing, and on the record at the Auction, that (a) it has not engaged in any collusion

with respect to the Bidding Process, and (b) its Qualified Bid is a good faith *bona fide* offer that it intends to consummate if selected as the Successful Bidder or Back-Up Bidder.

19. Following the Auction, the Debtors will determine, in consultation with the Consultation Parties, which Qualifying Bid is the highest or otherwise best Bid for the Assets or subsets thereof and which Qualifying bid is the second highest or otherwise second highest bid for the Assets or subsets thereof.

20. The Court shall convene the Sale Hearing on **May 25, 2023, at 10:30 a.m. (prevailing Eastern Time)**, at which time the Court will consider approval of the Sale to the Successful Bidder(s) or Back-Up Bidder(s) and the entry of the Sale Order. Subject to consultation with the Consultation Parties, the Debtors may adjourn the Sale Hearing from time to time without further notice to creditors or other parties in interest other than by announcement of said adjournment at the Sale Hearing or in notice or agenda filed with the Court.

C. Assumption and Assignment Procedures

21. The Assumption and Assignment Notice, substantially in the form attached as **Exhibit 4** to this Order, which the Debtors filed and served on each of the non-Debtor parties listed therein by first class mail and/or email on April 21, 2023 as provided for in the affidavit of service filed on the docket of the Chapter 11 Cases at Docket No. 57, is hereby approved. The Assumption and Assignment Notice includes a schedule of cure obligations (the “Cure Schedule”). The Cure Schedule includes a description of each Assumed Contract potentially to be assumed and assigned in connection with the Sale and the amount, if any, the Debtors believe is necessary to cure, or compensate the non-Debtor parties for, any defaults under such agreements pursuant to section 365 of the Bankruptcy Code (the “Cure Costs”).

22. Objections to (a) the Cure Costs set forth in the Cure Schedule or (b) the assumption and assignment of any Assumed Contracts identified in the Cure Schedule must be in

writing, state the basis of such objection with specificity, be filed with the Court, and be served on the Notice Parties no later than **May 10, 2023, at 4:00 p.m. (prevailing Eastern Time)** (the “Assumption/Assignment Objection Deadline”); provided, however, that a counterparty to an Assumed Contract shall not be barred from seeking additional amounts on account of any defaults occurring under the Assumed Contract between the Assumption/Assignment Objection Deadline and the assumption of the Assumed Contract.

23. Unless a non-Debtor party to an Assumed Contract has timely and properly filed and served an objection to the assumption and assignment of its Assumed Contract, such non-Debtor counterparty shall (a) be forever barred from objecting to the Cure Costs and from asserting any additional cure or other amounts with respect to the Assumed Contract, and the Debtors and the Successful Bidder shall be entitled to rely solely upon the Cure Costs set forth in the Cure Schedule; (b) be deemed to have consented to the assumption and assignment of such Assumed Contract; and (c) be forever barred, estopped, and permanently enjoined from asserting or claiming against the Debtors, the Successful Bidder or their respective property that any additional amounts are due or other defaults exist, that conditions to assignment must be satisfied under such Assumed Contract or that there is any objection or defense to the assumption and assignment of such Assumed Contract. In addition, the Cure Costs set forth in the Cure Schedule shall be binding upon the non-Debtor parties to the Assumed Contracts for all purposes in these Chapter 11 Cases and will constitute a final determination of the total Cure Costs required to be paid by the Debtors in connection with the assumption and assignment of the Assumed Contracts.

24. Where a non-Debtor counterparty to an Assumed Contract timely and properly files an objection asserting a cure amount higher or different than the proposed Cure Amount (the “Disputed Cure Amount”), then (a) to the extent that the parties are able to

consensually resolve the Disputed Cure Amount, the Cure Amount shall be as agreed between the parties, or (b) to the extent the parties are unable to consensually resolve the dispute, then such objection, including payment of cure amounts (if any), will be heard at the Assumption/Assignment Hearing to be scheduled by the Court (which hearing may be the Sale Hearing), or at such other hearing or at such other date and time as may be agreed to by the parties or fixed by the Court; provided, however, that if the objection relates solely to a Disputed Cure Amount, the underlying Assumed Contract may be assumed by the Debtors and assigned to the Stalking Horse Bidder or in the event the Stalking Horse Bidder is not the Successful Bidder, then to the Successful Bidder or the Back-Up Bidder, provided that the cure amount that the counterparty asserts is required to be paid under section 365(b)(1)(A) and (B) of the Bankruptcy Code (or such lower amount as agreed to by the counterparty) is deposited in a segregated account by the Debtors, the Stalking Horse Bidder or, in the event the Stalking Horse Bidder is not the Successful Bidder, then the Successful Bidder or the Back-Up Bidder pending the Court's adjudication of the Disputed Cure Amount. The Stalking Horse Bidder shall be entitled to re-designate any "Assumed Contract" as an "Excluded Asset" at any time after the Court's determination of the Disputed Cure Amount or any other contested matter with the applicable contract counterparty.

D. Notice Procedures

25. The form of the Sale Notice, the Stalking Horse APA Sale Objection Deadline Notice, and the Assumption and Assignment Notice annexed hereto are hereby approved and appropriate and sufficient for all purposes and no other or further notice shall be required. No finding or ruling is made in this Order as to the merits of any motion for approval of the Sale.

26. As soon as reasonably practicable after entry of this Order, the Debtors shall cause the Sale Notice to be served upon, without limitation, (i) the U.S. Trustee; (ii) the United

States Securities and Exchange Commission; (iii) the United States Department of Justice; (iv) counsel to any statutory committee appointed in the Chapter 11 Cases; (v) all state attorneys' general and consumer protection agencies in jurisdictions in which the Assets are located; (vi) the parties included on the Debtors' list of twenty (20) largest unsecured creditors (excluding insiders); (vii) all parties who are known by the Debtors to assert liens against the Assets; (viii) all non-Debtor parties to the Assumed Contracts; (ix) any party known or reasonably believed to have expressed an interest in acquiring some or substantially all of the Debtors' assets; (x) all parties who, as of the service of such notice, have filed a notice of appearance and request for service of papers pursuant to Bankruptcy Rule 2002; and (xi) any other known creditors or parties in interest, including those reflected on the Debtors' creditor matrix filed in these Chapter 11 Cases (collectively, "Sale Notice Parties").

27. In addition, the Debtors shall publish the Sale Notice once in the national edition of USA Today, the Wall Street Journal, or similar national publication as soon as practicable after entry of this Order, and post the Sale Notice and this Order on the website of the Debtors' claims and noticing agent at www.donlinrecano.com/plx. Publication of the Sale Notice as described in this Order conforms to the requirements of Bankruptcy Rules 2002(l) and 9008, and is reasonably calculated to provide notice to any affected party, including any Potential Bidder(s), and to afford the affected party the opportunity to exercise any rights affected by the Motion and the relief granted by this Order.

28. The Stalking Horse APA Sale Objection Deadline Notice, which the Debtors filed and served on each of the Sale Notice Parties by first class mail and/or email on April 14, 2023 as provided for in the Stalking Horse APA Sale Objection Deadline Notice AOS, is hereby approved.

29. Failure to timely file an objection to the Sale in accordance with this Order shall forever bar the assertion of any objection to the Motion, entry of the Sale Order, or consummation of the Sale, and shall be deemed to constitute consent to entry of the Sale Order and consummation of the Sale and all transactions related thereto including, without limitation, for purposes of section 363(f) of the Bankruptcy Code.

30. All parties (whether or not Qualified Bidders) that participate in the Bidding Process shall be deemed to have knowingly and voluntarily (a) consented to the entry of a final order by this Court in connection with the Motion or this Order (including any disputes relating to the Bidding Process, the Auction and/or the Sale) to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution, and (b) waived any right to jury trial in connection with any disputes relating to the any of the foregoing matters.

E. Resolution of Informal Objection of Patheon Pharmaceuticals, Inc. and Patheon Manufacturing Services LLC

31. With the consent of the Stalking Horse Bidder, the informal objection to the Motion jointly asserted by Patheon Pharmaceuticals, Inc. and Patheon Manufacturing Services LLC (together, “Patheon”) is hereby resolved as follows, with such resolution conditioned upon the Stalking Horse Bidder being designated as the Successful Bidder for the Credit Bid Inventory for a credit bid on such inventory not less than the \$3,000,000 provided for in the Stalking Horse APA (the “Stalking Horse Credit Bid”) and the closing of such sale (the “Resolution Condition”):

(A) Patheon hereby forever waives, and shall forbear from filing, any and all objections to (i) the Sale of the Assets to the Stalking Horse Bidder on the terms and conditions set forth in the Stalking Horse APA, including the Stalking Horse Credit Bid, (ii) the entry of this Order and the relief provided for herein, including the Bidding Procedures, and (iii) the Stalking Horse Bidder’s asserted possessory and statutory liens on the Credit Bid Inventory;

- (B) Patheon agrees that upon closing of the Sale, the aggregate amount of Patheon's prepetition claims against the Debtors shall not exceed \$11,000,000 (the "Patheon Claims"), less any reductions set forth in this Order, with such amount being subject to further reconciliation;
- (C) The Stalking Horse Bidder agrees that upon closing of the Sale, the aggregate amount of the Allowed MPG Claim shall not exceed \$4,400,000, with such amount being subject to further reconciliation;
- (D) Patheon and the Stalking Horse Bidder shall have reciprocal consultation rights concerning the allowance and reconciliation of the Allowed MPG Claim and the Patheon Claims, respectively, which consultation rights shall be exercised in good faith;
- (E) On or prior to the closing of the Sale, the Stalking Horse Bidder shall purchase from Patheon and pay for the finished goods inventory of the Debtors' products that is owned by and currently in the possession of Patheon, as reflected in the documentation exchanged by email by counsel for the parties on April 28, 2023, for an aggregate purchase price of \$500,000, which price includes storage charges and related expenses, on mutually acceptable terms and conditions to the parties (the "Patheon Inventory Purchase"). Immediately upon the closing of the Patheon Inventory Purchase, without the need for any further action of the parties or this Court, the maximum amount of the Patheon Claims is hereby reduced in the amount of \$500,000 on account of the Patheon Inventory Purchase;
- (F) In the event that the Stalking Horse Bidder is the Successful Bidder for the encapsulator that is owned by the Debtors, currently in the possession of Patheon, and an Acquired Asset under the Stalking Horse APA (the "Encapsulator"), at the closing of the Sale, the Stalking Horse Bidder shall assign and transfer to Patheon all rights, title, and interest in the Encapsulator. Immediately upon such assignment and transfer, without the need for any further action of the parties or this Court, the maximum amount of the Patheon Claims is hereby reduced in the amount of \$100,000 on account of such assignment and transfer.

32. Notwithstanding any language to the contrary in this Order, in the event that the Resolution Condition is not satisfied, then Patheon's rights to challenge or otherwise object to any prepetition claims or liens asserted by the Stalking Horse Bidder are fully preserved.

F. Miscellaneous Provisions

33. In the event there is any conflict between this Order and the Bidding Procedures, the terms and conditions of this Order shall control and govern in all respects.

34. The requirements set forth in Local Rules 6004-1 and 9013-1 are hereby satisfied, modified, or waived.

35. Notwithstanding any applicability of Bankruptcy Rule 6004(h), 6006(d), 7052 or 9014, this Order shall be immediately effective and enforceable upon its entry. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

36. The Court shall retain jurisdiction over any matter or dispute arising from or relating to the implementation of this Order.

Dated: May 10th, 2023
Wilmington, Delaware

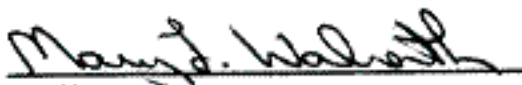

MARY F. WALRATH
UNITED STATES BANKRUPTCY JUDGE

Exhibit 1

Bidding Procedures

BIDDING PROCEDURES

On April 13, 2023, PLx Pharma Inc. and its wholly owned subsidiary PLx Opco Inc. (together, the “Debtors”) filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”). The Debtors are authorized to continue to operate their business and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

Set forth below are the bidding procedures (the “Bidding Procedures”)¹ to be used with respect to the sale (the “Sale”) of the Assets (as defined below) of the Debtors.

Any party interested in bidding on the Assets should contact Raymond James Financial, Inc. (“Raymond James”), the Debtors’ proposed investment banker in the chapter 11 cases (the “Chapter 11 Cases”), Attn: Geoffrey Richards (geoffrey.richards@raymondjames.com) and Simon Wein (simon.wein@raymondjames.com).

Summary of Key Sale Process Dates

<u>Date</u>	<u>Deadline/Event</u>
April 21, 2023	Deadline for Debtors to file and serve the Sale Notice and the Assumption and Assignment Notice and Cure Schedule
April 27, 2023, at 4:00 p.m. (prevailing Eastern Time)	Deadline for all objections related to the Motion as it pertains to the entry of the Bidding Procedures Order
May 8, 2023, at 10:30 a.m. (prevailing Eastern Time)	Bidding Procedures Hearing
As soon as reasonably practicable after entry of the Bidding Procedures Order	Deadline for Debtors to file and serve the Sale Notice
May 10, 2023, at 4:00 p.m. (prevailing Eastern Time)	Deadline to object to the Debtors’ proposed assumption and assignment of the Assumed Contracts and related Cure Costs

¹ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Debtors’ Motion For Entry of (A) Order (I) Approving Bidding Procedures in Connection With Sale of Assets of the Debtors and Related Bid Protections, (II) Approving Form and Manner of Notice, (III) Scheduling Auction and Sale Hearing, (IV) Authorizing Procedures Governing Assumption and Assignment of Certain Contracts and Unexpired Leases, and (V) Granting Related Relief; and (B) Order (I) Approving Asset Purchase Agreement, and (II) Authorizing Sale Free and Clear of All Liens, Claims, Encumbrances, and Other Interests.

<u>Date</u>	<u>Deadline/Event</u>
May 18, 2023, at 4:00 p.m. (prevailing Eastern Time)	Objection deadline for all objections related to the Stalking Horse APA transactions (the “<u>Stalking Horse APA Sale Objection Deadline</u>”). <i>For the avoidance of doubt, any objections related to the entry of the Bidding Procedures Order and the relief provided for therein, including approval of the Bid Protections and authorization for the Stalking Horse Bidder to credit bid under section 363(k) of the Bankruptcy Code, were due by the deadline to object to entry of the Bidding Procedures Order.</i>
May 19, 2023, at 10:00 a.m. (prevailing Eastern Time)	Bid Deadline
May 19, 2023, at 9:00 p.m. (prevailing Eastern Time)	Deadline for Debtors to notify Potential Bidders of whether their Bids are Qualified Bids
May 20, 2023, at 9:00 p.m. (prevailing Eastern Time)	Deadline for Debtors to notify the Stalking Horse Bidder and other Qualified Bidders of the Qualified Bids received and provide copies of the Starting Bid(s)
May 22, 2023, starting at 10:00 a.m. (prevailing Eastern Time)	Auction (if necessary)
As soon as reasonably practicable after the conclusion of the Auction	Deadline to file and serve Notice of Successful Bidder
May 23, 2023, at 4:00 p.m. (prevailing Eastern Time)	Objection deadline for all objections to (i) the Sale of the Assets to a Successful Bidder, with the exception of objections related to the Stalking Horse APA transactions, (ii) the conduct of the Auction, (iii) the identity of any Successful Bidder other than the Stalking Horse Bidder, and (iv) adequate assurance of future performance by any Successful Bidder other than the Stalking Horse Bidder

<u>Date</u>	<u>Deadline/Event</u>
May 25, 2023, at 10:30 a.m. (prevailing Eastern Time)	Sale Hearing
On or prior to May 30, 2023	Closing

I. Description of the Assets to Be Sold

The Debtors are seeking to sell all or substantially all of their assets, including, but not limited to, the equipment, intellectual property, unexpired leases, contract rights, and other assets related to or necessary to operate the business currently operated by the Debtors (the “Assets”), in each case free and clear of all liens, claims, and encumbrances thereon.

Pursuant to an order entered by the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”) on May *, 2023 [Docket No. *] (the “Bidding Procedures Order”), the Sale of the Assets shall be subject to a competitive Bidding Process (as defined below) as set forth herein and in the Bidding Procedures Order, pursuant to sections 105, 363, 365, 503 and 507 of the Bankruptcy Code, Bankruptcy Rules 2002, 6003, 6004, 6006, 9007, 9008 and 9014, and Local Rules 2002-1, 6004-1 and 9006-1. The Debtors may consider bids for the Assets (or any portion thereof) in a single bid from a single bidder, or in multiple bids from multiple bidders.

II. Confidentiality Agreement

Unless otherwise ordered by the Bankruptcy Court for cause shown, to participate in the Bidding Process (as defined below), each person or entity must enter into (unless previously entered into) with the Debtors, on or before the Bid Deadline (as defined below), a confidentiality agreement in form and substance reasonably satisfactory to the Debtors (the “Confidentiality Agreement”). Further, to participate in the diligence process and receive access to due diligence information, a party must submit to the Debtors, or their advisors, sufficient information, as reasonably determined by the Debtors, to allow the Debtors to determine that the interested party intends to access the Data Room (as defined below) for a purpose consistent with these Bidding Procedures. Each person or entity that enters into the Confidentiality Agreement with the Debtors on or before the Bid Deadline is hereinafter referred to as a “Potential Bidder.”

After a Potential Bidder (as defined below) enters into a Confidentiality Agreement with the Debtors, the Debtors shall deliver or make available (unless previously delivered or made available) to each Potential Bidder certain designated information (including, if applicable, financial data) with respect to the Assets.

III. Determination by the Debtors

As appropriate throughout the Bidding Process (as defined below), the Debtors will consult with any statutory committee appointed in the Chapter 11 Cases, if any (each a “Committee”), and any other party that the Debtors deem appropriate (the “Consultation Parties”) and shall (a) coordinate with Potential Bidders regarding the conduct of their respective due diligence;

(b) evaluate bids from Potential Bidders on any or all of the Assets; (c) following consultation with the Consultation Parties, negotiate any bid made to acquire any or all of the Assets; and (d) following consultation with the Consultation Parties, make such other determinations as are provided in these Bidding Procedures (collectively, the “Bidding Process”); provided that the Debtors shall not consult with a Consultation Party (or its advisors) that is actively participating as a Potential Bidder for the Assets. Neither the Debtors nor their representatives shall be obligated to furnish any information of any kind whatsoever relating to the Assets to any party that is not a Potential Bidder or a Consultation Party.

IV. Due Diligence

The Debtors have established a confidential electronic data room concerning the Assets (the “Data Room”) and will grant each Potential Bidder or Consultation Party, as applicable, access to such Data Room. Up to and including the Bid Deadline (as defined below), the Debtors shall afford any Potential Bidder such due diligence access or additional information as may be reasonably requested by the Potential Bidder that the Debtors, in their business judgment, determine to be reasonable and appropriate under the circumstances. The Debtors may designate a representative or representatives to coordinate all reasonable requests for additional information and due diligence access from such Potential Bidders and/or Consultation Parties, as applicable. In the event that any such due diligence material is prepared by the Debtors in written form and has not previously been provided to any other Potential Bidder, the Debtors will simultaneously provide access to such materials to (a) all Potential Bidders, and (b) all Consultation Parties. Each Potential Bidder shall be required to acknowledge that it has had an opportunity to conduct any and all due diligence regarding the Assets in conjunction with submitting its Bid (as defined below).

Neither the Debtors nor any of their representatives shall be obligated to furnish any information of any kind whatsoever relating to the Assets to any person or entity who is not a Potential Bidder who does not otherwise comply with the participation requirements set forth above.

V. Stalking Horse APA

On April 12, 2023, the Debtors entered into the Stalking Horse APA pursuant to which the Stalking Horse Bidder proposes to acquire substantially all of the Assets of the Debtors of every kind and description, wherever located, real, personal or mixed, tangible or intangible, to the extent owned, leased, licensed, used or held for use in or relating to the Debtors’ business, as the same shall exist on the Closing Date (but, for the avoidance of doubt, excluding any Excluded Assets, including cash on hand), all as further defined in the Stalking Horse APA.

Pursuant to the Stalking Horse APA, the Stalking Horse Bidder has agreed to purchase the Assets from the Debtors for consideration in the aggregate amount of the Purchase Price (as set forth in the Stalking Horse APA) and the assumption of Assumed Liabilities. The Bidding Procedures Order, pursuant to which the Court approved the Bidding Procedures, entitles the Stalking Horse Bidder to certain bid protections in the form of the Expense Reimbursement, to the extent approved at the Sale Hearing and required under the terms of the Stalking Horse APA. Subject to approval at the Sale Hearing, the Expense Reimbursement shall be payable on the terms

and conditions set forth in the Stalking Horse APA, the Bidding Procedures Order and any order of the Court approving the Expense Reimbursement. The transaction contemplated by the Stalking Horse APA is subject to competitive bidding, as set forth herein, and approval by the Court pursuant to sections 363 and 365 of the Bankruptcy Code.

VI. Marketing

The Debtors shall be able to solicit, encourage, initiate, market, and seek competing bids in accordance with the qualified bid requirements herein from and after the Petition Date.

VII. Bid Deadline

A Potential Bidder that desires to make a Bid shall deliver written copies of its Bid (as defined below) in both Portable Document Format (.pdf) and Microsoft Word (.doc/.docx) to Raymond James, Attn.: Geoffrey Richards and Simon Wein at geoffrey.richards@raymondjames.com and simon.wein@raymondjames.com **by no later than May 19, 2023, at 10:00 a.m. (prevailing Eastern Time)** (the “Bid Deadline”). As soon as reasonably practicable following the Bid Deadline, the Debtors will provide to the Consultation Parties copies of all Qualified Bids (with such distribution permissible by electronic means).

VIII. Bid Requirements²

All bids (each hereinafter, a “Bid”) may offer to purchase all or substantially all of the Assets, any portion of the Assets, or any combination of the Assets, and also must comply with the following requirements (collectively, the “Bid Requirements”):

- (a) be accompanied by a letter or email:
 - (i) fully disclosing the identity of the Potential Bidder and providing the contact information of the specific person(s) whom the Debtors or their advisors should contact (including any equity holder or other financial backer if the Potential Bidder is an entity formed for the purpose of consummating the proposed Sale) in the event that the Debtors have any questions or wish to discuss the Bid submitted by the Potential Bidder;
 - (ii) setting forth the purchase price to be paid by such Potential Bidder and forms of consideration the Potential Bidder intends to use to pay such purchase price;
 - (iii) stating with specificity the Assets (including the specific executory contracts and unexpired leases) such Potential Bidder wishes to bid on and

² The Debtors will also consider proposals to acquire any and all of the Assets through a plan of reorganization. Should any such proposal be received prior to the Bid Deadline that the Debtors, in consultation with the Consultation Parties, conclude is in the best interest of the estates and their stakeholders, then the Debtors reserve the right to postpone the Auction and proceed toward the confirmation of a plan.

the liabilities and obligations (including applicable cure costs) to be assumed by the Potential Bidder in the Sale;

- (iv) providing, other than as may be exclusively applicable to the Stalking Horse Bidder, that the Bid is not subject to any bidding, break-up fee, termination fee, transaction fee, expense reimbursement or any similar type of reimbursement, and including an express waiver of any substantial contribution administrative expense claim under section 503(b) of the Bankruptcy Code related to bidding for the Assets;
- (v) all bids must provide consideration to the Debtors of at least the sum of (i) the Stalking Horse Bid, (ii) the Expense Reimbursement, and (iii) a minimum overbid amount equal to or greater than \$100,000 or such other amount determined by the Debtors in consultation with the Consultation Parties (the “Incremental Overbid”) over the Starting Bid or Leading Bid (as defined below);
- (vi) agreeing that the Potential Bidder’s offer is binding, unconditional, and irrevocable until two (2) business days after the closing of the Sale;
- (vii) containing a commitment to close the contemplated transaction(s) by a Closing Date (as defined below) of no later than May 30, 2023;
- (viii) providing that such Bid is not subject to contingencies of any kind, including, without limitation, contingencies related to financing, internal approval, or due diligence;
- (ix) containing an acknowledgment that the Potential Bidder (i) has had an opportunity to conduct any and all due diligence regarding the Assets prior to making its offer; (ii) has relied solely upon its own independent review, investigation, and/or inspection of any documents and/or the Assets in making its Bid; (iii) did not rely upon any written or oral statements, representations, promises, warranties, or guaranties whatsoever, whether express, implied by operation of law, or otherwise, regarding the Assets or the completeness of any information provided in connection therewith or the Auction, except as expressly stated in the Qualified Bid; and (iv) understands and agrees that, except as otherwise expressly provided in the applicable Purchase Agreement, the Debtors make no representations or warranties whatsoever, express or implied, with respect to any matter relating to the Assets, and that the Buyer will accept the acquired assets at the closing “as is,” “where is,” and “with all faults”;
- (x) providing that the Potential Bidder agrees to serve as a backup bidder (the “Back-Up Bidder”) and the Potential Bidder’s Qualified Bid (as defined below) is the next highest or best bid after the Successful Bid (as defined below) (the “Back-Up Bid”) with respect to the relevant Assets through the Closing Date; and

(b) be accompanied by (i) an executed Purchase Agreement in form and substance reasonably satisfactory to the Debtors (a “Qualified Bid Purchase Agreement”), and (ii) a redline of the executed Qualified Bid Purchase Agreement to reflect any proposed amendments and modifications to the Stalking Horse APA and the applicable schedules and exhibits;

(c) be accompanied by sufficient information, as reasonably determined by the Debtors, to allow the Debtors to determine that the Potential Bidder has the financial wherewithal to consummate the applicable Sale;

(d) be accompanied by adequate assurance of future performance information (the “Adequate Assurance Information”), which may include (i) information about the Potential Bidder’s financial condition, such as federal tax returns for two years, a current financial statement, or bank account statements, (ii) information demonstrating (in the Debtors’ reasonable business judgment) that the Potential Bidder has the financial capacity to consummate the proposed Sale, (iii) evidence that the Potential Bidder has obtained authorization or approval from its board of directors (or comparable governing body) with respect to the submission of its Bid, and (iv) such additional information regarding the Potential Bidder as the Potential Bidder may elect to include. By submitting a Bid, Potential Bidders agree that the Debtors may disseminate their Adequate Assurance Information to affected counterparties to any contracts or leases potentially being assumed and assigned in connection with the Sale and the Consultation Parties in the event that the Debtors determine such bid to be a Qualified Bid (as defined below); and

(e) be accompanied by (i) a deposit in the form of a certified check or wire transfer, payable to the order of the Debtors, in the amount of ten percent (10%) of the cash consideration of the Bid, which funds will be held in escrow by the Debtors (a “Good Faith Deposit”), and (ii) written evidence, documented to the Debtors’ satisfaction, that demonstrates the Potential Bidder has available cash, a commitment for financing if selected as the Successful Bidder (as defined below) with respect to the relevant Assets (provided, however, that the closing shall not be contingent in any way on the Successful Bidder’s financing) and such other evidence of ability to consummate the transaction(s) as the Debtors may request, including proof that such funding commitments or other financing are not subject to any internal approvals, syndication requirements, diligence or credit committee approvals (provided further that such commitments may have covenants and conditions acceptable to the Debtors). The Debtors reserve the right to increase the Good Faith Deposit for one or more Qualified Bidders (as defined below) in their sole discretion after consulting with the Consultation Parties.

The Debtors, in consultation with the Consultation Parties, will review each Bid received from a Potential Bidder to determine whether it meets the requirements set forth above. A bid received from a Potential Bidder for any portion of the Assets that is determined by the Debtors, in consultation with the Consultation Parties, to meet the above requirements will be considered a “Qualified Bid” and each Potential Bidder that submits such a Qualified Bid will be considered a “Qualified Bidder.” The Debtors shall inform Qualified Bidders that their Bids have been designated as Qualified Bids no later than May 19, 2023, at 9:00 p.m. (prevailing Eastern Time). The Debtors shall inform the Stalking Horse Bidder of the Qualified Bids received and shall provide copies of the Starting Bid(s) (as defined below) no later than May 20, 2023, at 9:00 p.m. (prevailing Eastern Time).

A Qualified Bid will be valued by the Debtors based upon any and all factors that the Debtors deem pertinent in their reasonable business judgment, including, among others, (a) the amount of the Qualified Bid; (b) the risks and timing associated with consummating the transactions(s) with the Qualified Bidder; (c) any excluded assets or executory contracts and leases; and (d) any other factors that the Debtors, in consultation with the Consultation Parties, may reasonably deem relevant.

The Debtors, in their business judgment and in consultation with the Consultation Parties, reserve the right to reject any Bid if such Bid, among other things:

- (a) requires any indemnification of the Potential Bidder;
- (b) is not received by the Bid Deadline;
- (c) does not comport with the Bid Requirements;
- (d) is subject to any contingencies (including representations, warranties, covenants and timing requirements) of any kind or any other conditions precedent to such party's obligation to acquire the relevant Assets; or
- (e) does not, in the Debtors' determination (after consultation with the Consultation Parties), include a fair and adequate price or the acceptance of which would not be in the best interests of the Debtors' estates.

Any Bid rejected pursuant to the foregoing shall not be deemed to be a Qualified Bid; provided that the Debtors have the right to work with the parties to any rejected Bid to cure any such defects. In the event that any Bid is so rejected, the Debtors shall cause the Good Faith Deposit of such Potential Bidder (including all accumulated interest thereon) to be refunded to it as soon as reasonably practicable, but no later than five (5) business days after the Bid Deadline.

The Debtors may, in consultation with the Consultation Parties, among other things, (y) extend such Bid Deadline with respect to the subject Assets and postpone the Auction, or (z) cancel the Auction; provided, that nothing contained herein shall be deemed to modify any rights or remedies available to the Stalking Horse Bidder under the Stalking Horse APA, including, without limitation, with respect to any breach thereunder.

IX. No Qualified Bids

If no Qualified Bids other than a Stalking Horse Bid are received by the Bid Deadline, then the Debtors, after consultation with the Consultation Parties, may cancel the Auction, and shall designate the Stalking Horse Bid as the Successful Bid and pursue entry of the Sale Order approving the Sale of the Debtors' Assets to the Stalking Horse Bidder pursuant to the Stalking Horse APA.

X. Auction

At least one (1) day prior to the start of the Auction, each Qualified Bidder must inform the Debtors in writing whether it intends to participate in the Auction. If the Debtors receive only one Qualified Bid with regard to any particular Assets (or all of the Assets), (a) the Debtors shall not hold an Auction with respect to such Assets; (b) the Qualified Bid, as applicable, will be deemed the Successful Bid with respect to such Assets; and (c) the Qualified Bidder will be named the Successful Bidder with respect to such Assets. At any point and at their sole discretion but subject in all respects to the terms of the Stalking Horse APA, the Debtors shall have the right to remove any Assets from the Auction.

If at least two Qualified Bids are received by the Bid Deadline, the Debtors will conduct an auction (the “Auction”) and shall determine, after consultation with the Consultation Parties, which Qualified Bid is the highest or otherwise best Qualified Bid for purposes of constituting the opening bid at the Auction (the “Starting Bid(s)”). The determination of which Qualified Bid constitutes the Starting Bid and which Qualified Bid constitutes the Successful Bid shall take into account any factors the Debtors (in consultation with the Consultation Parties) reasonably deem relevant to the value of the Qualified Bid to the Debtors’ estates, including, among other things, the following: (i) the amount and nature of the consideration, including any obligations to be assumed; (ii) the executory contracts and unexpired leases of the Debtors, if any, for which assumption and assignment or rejection is required, and the costs and delay associated with any litigation concerning executory contracts and unexpired leases necessitated by such bid; (iii) the number, type and nature of any changes to the Stalking Horse APA, as applicable, requested by each Qualified Bidder; (iv) the extent to which such modifications are likely to delay closing of the sale of the Assets and the cost to the Debtors of such modifications or delay; (v) the likelihood of the Qualified Bidder being able to close the proposed transaction (including obtaining any required regulatory approvals) and the timing thereof; (vi) the net benefit to the Debtors’ estate (including after taking account of the Bid Protections); and (vii) the tax consequences of such Qualified Bid. The Starting Bid(s) will be provided to Qualified Bidders on or before May 20, 2023, at 9:00 p.m. (prevailing Eastern Time).

The Auction, if required, will be conducted on May 22, 2023, starting at 10:00 a.m. (prevailing Eastern Time) at the offices of Raymond James & Associates, Inc., 320 Park Ave. Floor 12, New York, NY 10022. Only the Debtors, the Qualified Bidders, the Consultation Parties, and each such parties’ respective legal and financial advisors shall be entitled to attend the Auction, along with any other creditor, and any other party the Debtors deem appropriate (provided, however, that any party other than the Qualified Bidders, the Consultation Parties, and each such parties’ respective legal and financial advisors shall be required to provide notice to the Debtors at least three (3) days prior to the auction by sending an email to counsel to the Debtors, at sreil@ycst.com; the Debtors will provide copies of any such notices to the Qualified Bidders, the Consultation Parties, and / or each such parties’ respective legal and financial advisors within two (2) days of receipt). Each Qualified Bidder participating in the Auction will be required to confirm, in writing, and on the record at the Auction, that (a) it has not engaged in any collusion with respect to the Bidding Process, and (b) its Qualified Bid is a good faith *bona fide* offer that it intends to consummate if selected as the Successful Bidder.

Bidding at the Auction for the Assets (or subset thereof) that are subject to Qualified Bids will begin with the Starting Bid and continue, in one or more rounds of bidding, so long as during each round at least one Subsequent Bid (defined below) is submitted by a Qualified Bidder that (i) improves on such Qualified Bidder's immediately prior Qualified Bid (a "Subsequent Bid") and (ii) the Debtors reasonably determine, in consultation with the Consultation Parties, that such Subsequent Bid is (A) for the first round, a higher or otherwise better offer than the Starting Bid, and (B) for subsequent rounds, a higher or otherwise better offer than the Leading Bid (as defined below). Each Subsequent Bid at the Auction shall provide net value to the estate in an amount equal to or greater than \$100,000 ("Incremental Overbid") over the Starting Bid or the Leading Bid (as defined below). After the first round of bidding and between each subsequent round of bidding, the Debtors shall announce the bid that it believes to be the highest or otherwise best offer for the subject Assets (the "Leading Bid"). A round of bidding will conclude after each participating Qualified Bidder has had the opportunity to submit a Subsequent Bid with full knowledge of the Leading Bid.

The Debtors may, in consultation with the Consultation Parties, announce at the Auction additional procedural rules (*e.g.*, the amount of time to make Subsequent Bids, the amount of the Incremental Overbid (provided that such amount is not less than \$100,000), or the requirement that parties submit "best and final" Bids) for conducting the Auction or otherwise modify these Bidding Procedures; provided that such rules (i) are not materially inconsistent with these Bidding Procedures, the Bankruptcy Code, or applicable orders of the Bankruptcy Court, and (ii) are disclosed to each Qualified Bidder during the Auction; provided, further, that nothing contained herein shall be deemed to modify any rights or remedies available to the Stalking Horse Bidder under the Stalking Horse APA. The bidding at the Auction shall be transcribed and the Debtors shall maintain a transcript of all Bids made and announced at the Auction.

Immediately prior to the conclusion of the Auction, the Debtors, in consultation with the Consultation Parties, will, for the Assets that were subject to the Auction: (a) determine, consistent with the Bidding Procedures, which bid constitutes the highest or otherwise best bid (the "Successful Bid"); and (b) notify all Qualified Bidders at the Auction for the subject Assets, prior to its conclusion, of the name of the maker of the Successful Bid (the "Successful Bidder") with respect to the subject Assets, and the amount and other material terms of the Successful Bid and the name of the maker of the Back-Up Bid (the "Back-Up Bidder"). The Debtors shall not consider any Bids or Subsequent Bids submitted after the conclusion of the Auction and any and all such Bids and Subsequent Bids shall be deemed untimely and shall under no circumstances constitute a Qualified Bid.

As soon as practicable following the conclusion of the Auction, the Debtors shall file a notice on the Bankruptcy Court's docket identifying (with specificity) the Successful Bidder(s) for the Assets (or subset thereof) and any applicable Back-Up Bidder(s).

All bidders will be deemed to have consented to the core jurisdiction and constitutional authority of the Bankruptcy Court and waived any right to jury trial in connection with any disputes relating to the Auction, the Sale and all agreements entered into in connection with any proposed sale transaction.

XI. Acceptance of Qualified Bids

The Debtors may reject at any time, before entry of an order of the Bankruptcy Court approving the Sale, any Bid other than the Stalking Horse Bid that, in the Debtors' business judgment, upon considering any comments of the Consultation Parties, is (i) inadequate or insufficient, (ii) not in conformity with the requirements of the Bankruptcy Code or the Bidding Procedures, or (iii) contrary to the best interests of the Debtors' and their estates.

The Debtors' presentation to the Bankruptcy Court for approval of a selected Qualified Bid as a Successful Bid does not constitute the Debtors' acceptance of such Bid. The Debtors will have accepted a Successful Bid only when such Successful Bid has been approved by the Bankruptcy Court at the Sale Hearing.

XII. No Fees for Potential Bidders or Qualified Bidders

Potential Bidders or Qualified Bidders, other than the Stalking Horse Bidder, shall not be allowed any fee as a precondition to, or in consideration of, presenting any bid or participating in the Bidding Process reflected herein.

XIII. Sale Hearing

Each Successful Bid and any Back-Up Bid shall be subject to approval by the Bankruptcy Court. The hearing to approve a Successful Bid and any Back-Up Bid shall take place on May 25, 2023, at 10:30 a.m. (prevailing Eastern Time) (the "Sale Hearing"). The Sale Hearing may be adjourned by the Debtors from time to time without further notice to creditors or other parties in interest other than by announcement of the adjournment in open court on the date scheduled for the Sale Hearing or by filing a notice, which may be a hearing agenda stating the adjournment, on the docket of the Chapter 11 Cases, provided, that nothing contained herein shall be deemed to modify any rights or remedies available to the Stalking Horse Bidder under the Stalking Horse APA, including, without limitation, with respect to any breach thereunder.

XIV. Return of Good Faith Deposit

The Good Faith Deposits of all Qualified Bidders shall be held in escrow, but shall not become property of the Debtors' estates absent further order of the Bankruptcy Court. The Debtors shall retain any Good Faith Deposit submitted by each Successful Bidder. At the closing of a Sale contemplated by a Successful Bid, the applicable Successful Bidder will be entitled to a credit for the amount of its Good Faith Deposit to the extent such a deposit was provided. The Good Faith Deposits of any Back-Up Bidder shall be retained until three (3) business days after the applicable closing date (the "Closing Date"). The Good Faith Deposits of any other Qualified Bidders will be returned as soon as reasonably practicable, but no later than five (5) business days following the Auction.

If a Successful Bidder (or, if the Sale is to be closed with a Back-Up Bidder, then the Back-Up Bidder) fails to consummate the Sale because of a breach or failure to perform on the part of such bidder, then, subject to the terms of the applicable Purchase Agreement, the Debtors and their estates shall be entitled to retain the Good Faith Deposit of such Successful Bidder (or, if the Sale

is to be closed with the Back-Up Bidder, then such Back-Up Bidder) as part of the damages resulting to the Debtors and their estates for such breach or failure to perform. For the avoidance of doubt, the Debtors' retention of a Good Faith Deposit shall not constitute a waiver of any of the Debtors' legal or equitable rights relating to such breach or failure to perform, and all such rights and remedies are preserved.

XV. Fiduciary Out

Nothing in these Bidding Procedures shall require the board of directors, board of managers, or similar governing body of the Debtors to take any action, or to refrain from taking any action, to the extent such board of directors, board of managers, or such similar governing body determines, or reasonably believes based on the advice of external legal counsel, that taking such action, or refraining from taking such action, as applicable, is required to comply with applicable law or its fiduciary obligations under applicable law; provided, that nothing contained herein shall be deemed to modify any rights or remedies available to the Stalking Horse Bidder under the Stalking Horse APA, including, without limitation, with respect to any breach thereunder.

XVI. Reservation of Rights and Modifications

The Debtors, in consultation with the Consultation Parties, reserve the right to modify these Bidding Procedures at or prior to the Auction, including, without limitation, to increase bidding increments, impose additional terms and conditions with respect to any or all potential bidders, adjourn or cancel the Auction at or prior to the Auction, and/or adjourn the Sale Hearing; provided, that nothing contained herein shall be deemed to modify any rights or remedies available to the Stalking Horse Bidder under the Stalking Horse APA, including, without limitation, with respect to any breach thereunder.

The Debtors shall consult with the Consultation Parties as explicitly provided for in these Bidding Procedures; provided, however, that the Debtors shall not be required to consult with any Consultation Party (or its advisors) if the Debtors determine, in their reasonable business judgment, that consulting with such Consultation Party regarding any issue, selection, or determination is (y) likely to have a chilling effect on the potential bidding or (z) otherwise contrary to the goal of maximizing value from the Sale process for the Debtors' estates, their creditors, and all other parties in interest.

Notwithstanding anything to the contrary herein, nothing contained in the Bidding Procedures shall be construed to modify, impair, curtail, or otherwise limit the Stalking Horse Bidder's rights and remedies under the Stalking Horse APA in any respect, including, without limitation, with respect to any breach thereunder. Nor shall the inclusion or exercise of any provision set forth in the Bidding Procedures that conflicts with the Stalking Horse APA be construed as consent, implied or otherwise, by the Stalking Horse Bidder.

XVII. Back-Up Bidder

Notwithstanding any of the foregoing, in the event that a Successful Bidder fails to close a Sale prior to such date as specified in the applicable Purchase Agreement (or such date as may be

extended by the Debtors), the Debtors, upon written notice to the Back-Up Bidder, may designate the applicable Back-up Bid as the Successful Bid for the Assets (or subset thereof), the Back-Up Bidder will be deemed to be the Successful Bidder for such Assets, and the Debtors will be authorized, but not directed, to close the Sale to the Back-Up Bidder subject to the terms of the Back-up Bid as approved by further order of the Bankruptcy Court.

Exhibit 2

Sale Notice

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

In re:

PLX PHARMA INC. *et al.*,¹

Debtors.

Chapter 11

Case No. 23-10456 (MFW)

(Jointly Administered)

Docket Ref. Nos. 19 & [•]

NOTICE OF AUCTION, SALE HEARING AND CERTAIN RELATED DEADLINES

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. On April 13, 2023, the above-captioned debtors and debtors-in-posessions (the “Debtors”) filed voluntary petitions for relief pursuant to chapter 11 of Title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”), in the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”).

2. On April 13, 2023, the Debtors filed a motion [Docket No. 19] (the “Bidding Procedures and Sale Motion”), pursuant to sections 363, 365, 503 and 507 of the Bankruptcy Code and Rules 2002, 6004, and 6006 of the Federal Rules of Bankruptcy Procedure (“Bankruptcy Rules”), seeking entry of an order (the “Bidding Procedures Order”) (a) scheduling an auction (the “Auction”) for the sale of the Debtors’ assets (the “Assets”) and a hearing to approve the sale of the Assets (the “Sale Hearing”), (b) approving procedures (the “Bidding Procedures”) ² for submitting competing bids for the Assets, (c) authorizing the Debtors to designate the Stalking Horse Bidder and approving the Bid Protections in accordance with the Stalking Horse APA and Bidding Procedures Order, (d) subject to final Court approval at the Sale Hearing, authorizing and approving the Debtors to enter into and perform under the Stalking Horse APA, as applicable, subject to higher or otherwise better offers submitted in accordance with the Bidding Procedures, (e) approving the form and manner of the notice of the Auction and the Sale Hearing, (f) establishing procedures for the assumption and assignment of the Assumed Contracts (as defined in the Bidding Procedures Order) to any purchaser(s) of the Assets and approving the form and manner of notice thereof, and (g) scheduling a hearing to approve the Debtors’ assumption and assignment of the Assumed Contracts, payment of the applicable cure amounts (if any), and/or resolve any objections thereto.

3. On May [•], 2023, the Bankruptcy Court entered the Bidding Procedures Order [Docket No. •]. Pursuant to the Bidding Procedures Order, if at least two (2) Qualified Bids with

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: PLx Pharma Inc. (5704) and PLx Opco Inc. (6588). The mailing address for each of the Debtors is 9 Fishers Lane, Suite E Sparta, NJ 07871.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Bidding Procedures.

regard to any particular Assets (as defined in the Bidding Procedures Order) are received by the Bid Deadline (as defined below), the Debtors will conduct the Auction. **The Auction shall be held at the offices of Raymond James & Associates, Inc. located at 320 Park Ave. Floor 12, New York, NY 10022, on May 22, 2023, starting at 10:00 a.m. (prevailing Eastern Time) or such other time as the Debtors shall designate and notify to all Qualified Bidders.** Only the Debtors, the Qualified Bidders, the Consultation Parties, and each such parties' respective legal and financial advisors shall be entitled to attend the Auction, along with any other creditor, and any other party the Debtors deem appropriate (provided, however, that any party other than the Qualified Bidders, the Consultation Parties, and each such parties' respective legal and financial advisors shall be required to provide notice to the Debtors at least three (3) days prior to the auction by sending an email to counsel to the Debtors, at sreil@ycst.com. **Only parties that have submitted a Qualified Bid, as set forth in the Bidding Procedures Order, by no later than May 19, 2023, at 10:00 a.m. (prevailing Eastern Time) (the "Bid Deadline") may bid at the Auction. Any party that wishes to take part in this process and submit a Bid (as defined in the Bidding Procedures) for any portion of the Assets must submit their competing Bid prior to the Bid Deadline and in accordance with the Bidding Procedures.**

4. **The Sale Hearing to consider approval of the Sale of the Assets to the Successful Bidder(s), free and clear of all liens, claims and encumbrances, will be held before the Honorable Mary F. Walrath, United States Bankruptcy Judge, in the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, Wilmington, Delaware 19801, on May 25 2023, at 10:30 a.m. (prevailing Eastern Time).** The Sale Hearing may be adjourned by the Debtors from time to time without further notice to creditors or parties in interest other than by announcement of the adjournment in open court on the date scheduled for the Sale Hearing or by including such adjournment on any agenda filed with the Bankruptcy Court or by the filing of a notice with the Bankruptcy Court.

5. Notwithstanding anything to the contrary set forth in the notice filed by the Debtors on the docket of the Chapter 11 Cases on April 14, 2023 at Docket No. 38 and served contemporaneously therewith on the parties receiving this notice, objections to approval of the Stalking Horse APA transaction are required to be in writing, state the basis of such objection with specificity, and be filed with the Bankruptcy Court and served **on or before 4:00 p.m. (prevailing Eastern Time) on May 18, 2023** (the "**Stalking Horse APA Objection Deadline**") on the following parties (collectively, the "**Notice Parties**"):

- (a) proposed counsel to the Debtors, Olshan Frome Wolosky LLP, 1325 Avenue of the Americas, New York, NY 10019 (Attn.: Adam H. Friedman (afriedman@olshanlaw.com) and Jonathan T. Koevary (jkoevary@olshanlaw.com));
- (b) proposed co-counsel to the Debtors, Young Conaway Stargatt & Taylor, LLP, 1000 N. King Street, Rodney Square Wilmington, DE 19801 (Attn.: Robert F. Poppiti, Jr. (rpoppiti@ycst.com) and Shane M. Reil (sreil@ycst.com));

- (c) the Office of the United States Trustee for the District of Delaware, J. Caleb Boggs Federal Building, 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801 (Attn.: Joseph F. Cudia, Esq.);
- (d) counsel to the Stalking Horse Bidder, DLA Piper LLP (US), 444 West Lake Street, Suite 900, Chicago, IL 60606-0089 (Attn. W. Benjamin Winger (Benjamin.Winger@us.dlapiper.com) and Katie Allison (Katie.Allison@us.dlapiper.com), and DLA Piper LLP (US), 1201 N. Market St., Suite 2100, Wilmington, DE 19801 (Attn. R. Craig Martin (Craig.Martin@us.dlapiper.com) and Kaitlin W. MacKenzie (Kaitlin.MacKenzie@us.dlapiper.com)); and
- (e) counsel to any statutory committee that has been appointed in the Chapter 11 Case.

6. Objections related solely to (i) the Sale of the Assets to a Successful Bidder, with the exception of objections related to the Stalking Horse APA transactions (which are due by the Stalking Horse APA Objection Deadline), (ii) the conduct of the Auction, (iii) the identity of any Successful Bidder other than the Stalking Horse Bidder, and (iv) adequate assurance of future performance by any Successful Bidder other than the Stalking Horse Bidder must be in writing, state the basis of such objection with specificity, and be filed with the Bankruptcy Court and served on or before May 23, 2023, at 4:00 p.m. (prevailing Eastern Time) on the Notice Parties.

UNLESS AN OBJECTION IS TIMELY SERVED AND FILED IN ACCORDANCE WITH THIS NOTICE, IT MAY NOT BE CONSIDERED BY THE BANKRUPTCY COURT AND THE BANKRUPTCY COURT MAY GRANT THE RELIEF REQUESTED WITHOUT FURTHER HEARING AND NOTICE.

7. This Sale Notice is subject to the fuller terms and conditions of the Bidding Procedures and Sale Motion and the Bidding Procedures Order, with such Bidding Procedures Order controlling in the event of any conflict. The Debtors encourage all parties-in-interest to review such documents in their entirety. Parties interested in receiving more information regarding the sale of the Assets and/or copies of any related document, including the Bidding Procedures and Sale Motion, the Bidding Procedures Order, or the proposed form of Sale Order may make a written request to Jonathan T. Koevary at jkoevary@olshanlaw.com or Heather P. Smillie at hsmillie@ycst.com. In addition, copies of the Bidding Procedures and Sale Motion, the Bidding Procedures Order and this Notice are on file with the Clerk of the Bankruptcy Court, Third Floor, 824 North Market Street, Wilmington, Delaware 19801, and are available on the Debtors' claims and noticing agent's website free of charge at www.donlinrecano.com/plx.

Dated: May [●], 2023
Wilmington, DE

YOUNG CONAWAY STARGATT & TAYLOR, LLP

/s/ DRAFT

Robert S. Brady (No. 2847)
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Proposed Counsel to the Debtors

Exhibit 3

Stalking Horse APA Sale Objection Deadline Notice

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

In re:

PLX PHARMA INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 23-10456 (MFW)

(Jointly Administered)

Stalking Horse APA Sale Objection Deadline:
May 4, 2023 at 4:00 p.m. (ET)

Docket Ref. No. 19

**NOTICE OF PROPOSED SALE PURSUANT TO
STALKING HORSE APA AND RELATED DATES AND DEADLINES**

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. On April 13, 2023, the above-captioned debtors and debtors in possession (the “**Debtors**”) filed voluntary petitions for relief pursuant to chapter 11 of Title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the District of Delaware (the “**Bankruptcy Court**”).

2. On April 13, 2023, the Debtors also filed a motion [Docket No. 19] (the “**Bidding Procedures and Sale Motion**”), pursuant to sections 363 and 365 of the Bankruptcy Code and Rules 2002, 6004, and 6006 of the Federal Rules of Bankruptcy Procedure (“**Bankruptcy Rules**”), requesting entry of an order (the “**Bidding Procedures Order**”): (a) scheduling an auction (the “**Auction**”) for the sale (the “**Sale**”) of the Debtors’ assets (the “**Assets**”) on or about May 22, 2023, at 10:00 a.m. (ET); (b) scheduling a hearing to approve the sale of the Assets (the “**Sale Hearing**”) on or about May 25, 2023, if the Auction occurs or, subject to the availability of the Court, on or about May 22, 2023, if the Auction is cancelled; (c) approving procedures (the “**Bidding Procedures**”)² for submitting competing bids for the Assets; (d) authorizing the Debtors to designate the Stalking Horse Bidder, approving the Bid Protections, and authorizing the Stalking Horse Bidder to credit bid under section 363(k) of the Bankruptcy Code, in accordance with the Stalking Horse APA and Bidding Procedures Order; (e) subject to final Court approval at the Sale Hearing, authorizing and approving the Debtors to enter into and perform under the Stalking Horse APA, as applicable, subject to higher or otherwise better offers submitted in accordance with the Bidding Procedures; (f) approving the form and manner of the notice of the Auction and the Sale

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: PLx Pharma Inc. (5704) and PLx Opco Inc. (6588). The mailing address for each of the Debtors is 9 Fishers Lane, Suite E Sparta, NJ 07871.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Bidding Procedures.

Hearing and certain other dates and deadlines in connection with the Sale; (g) establishing procedures for the assumption and assignment of the Assumed Contracts (as defined in the Bidding Procedures Order) to any purchaser(s) of the Assets and approving the manner of notice thereof; and (h) scheduling a hearing to approve assumption and assignment of the Assumed Contracts, payment of cure amounts (if any), and/or resolve any objections thereto.

3. The hearing to consider approval of the Bidding Procedures is scheduled to occur on May 8, 2023, at 10:30 a.m. (Eastern Time) before the Honorable Mary F. Walrath, United States Bankruptcy Judge, in the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, Wilmington, DE 19801.

4. Copies of the Stalking Horse APA and a proposed form of order approving the Sale pursuant to the Stalking Horse APA (the “**Sale Order**”) are attached to the Bidding Procedures and Sale Motion as Exhibits B and C, respectively.

5. **Pursuant to the Bidding Procedures and Sale Motion, the Debtors are requesting that all objections related to the approval of the Stalking Horse APA transaction must be in writing, state the basis of such objection with specificity, and be filed with the Bankruptcy Court and served on or before 4:00 p.m. (Eastern Time) on May 5, 2023 (the “Stalking Horse APA Sale Objection Deadline”) on the following parties:** (a) proposed counsel to the Debtors, Olshan Frome Wolosky LLP, 1325 Avenue of the Americas, New York, NY 10019 (Attn.: Adam H. Friedman (afriedman@olshanlaw.com) and Jonathan T. Koevary (jkoevary@olshanlaw.com)); (b) proposed co-counsel to the Debtors, Young Conaway Stargatt & Taylor, LLP, 1000 N. King Street, Rodney Square Wilmington, DE 19801 (Attn.: Robert F. Poppiti, Jr. (rpoppiti@ycst.com) and Shane M. Reil (sreil@ycst.com)); (c) the Office of the United States Trustee for the District of Delaware, J. Caleb Boggs Federal Building, 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801 (Attn.: Joseph F. Cudia); (d) counsel to any statutory committee that has been appointed in the Chapter 11 Case; and (e) counsel to the Stalking Horse Bidder, DLA Piper LLP (US), 444 West Lake Street, Suite 900, Chicago, IL 60606 (Attn. W. Benjamin Winger (Benjamin.Winger@us.dlapiper.com) and Katie Allison, Esq. (Katie.Allison@us.dlapiper.com), and DLA Piper LLP (US), 1201 N. Market Street, Suite 2100, Wilmington, DE 19801 (Attn. R. Craig Martin (Craig.Martin@us.dlapiper.com) and Kaitlin W. MacKenzie (Kaitlin.MacKenzie@us.dlapiper.com)).

UNLESS AN OBJECTION TO THE APPROVAL OF THE STALKING HORSE TRANSACTION IS TIMELY FILED AND SERVED IN ACCORDANCE WITH THIS NOTICE, IT MAY NOT BE CONSIDERED BY THE BANKRUPTCY COURT, AND THE BANKRUPTCY COURT MAY ENTER THE SALE ORDER APPROVING THE STALKING HORSE TRANSACTION WITHOUT FURTHER NOTICE OR A HEARING.

6. Pursuant to the Bidding Procedures and Sale Motion, the Debtors **have also requested** that the Sale Hearing to consider approval of the sale of the Assets free and clear of all liens, claims and encumbrances, be held before the Honorable Mary F. Walrath, United States Bankruptcy Judge, in the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, 5th Floor, on or about **May 22, 2023 (Eastern Time)**, if the Auction is cancelled, or on **May 25 2023, at 10:30 a.m. (Eastern Time)** if there is an Auction. The Sale Hearing may be adjourned by the Debtors from time to time without further notice to creditors or parties in

interest other than by announcement of the adjournment in open court on the date scheduled for the Sale Hearing or by including such adjournment on any agenda filed with the Bankruptcy Court or by the filing of a notice with the Bankruptcy Court.

7. This Notice is subject to the fuller terms and conditions of the Bidding Procedures and Sale Motion and the Bidding Procedures Order (once entered), and the terms of the Bidding Procedures Order (once entered) shall control in the event of any conflict.

8. The Debtors encourage all parties-in-interest to review the documents referenced herein in their entirety, including the Bidding Procedures and Sale Motion, which requests approval of a number of important dates and deadlines in connection with the Sale.

9. Parties interested in receiving more information regarding the Stalking Horse APA transaction or any related document, including the Bidding Procedures and Sale Motion, the proposed Bidding Procedures, the proposed Bidding Procedures Order, the Stalking Horse APA, or the proposed Sale Order may make a written request to Jonathan T. Koevary at jkoevary@olshanlaw.com or Heather P. Smillie at HSmillie@ycst.com. Copies of the Bidding Procedures and Sale Motion and the various exhibits thereto, including the Stalking Horse APA, and the Bidding Procedures Order (once entered) are on file with the Clerk of the Bankruptcy Court, Third Floor, 824 North Market Street, Wilmington, DE 19801, and available on the Debtors' claims and noticing agent's website free of charge at www.donlinrecano.com/plx.

Dated: April 14, 2023
Wilmington, DE

/s/ Shane M. Reil

YOUNG CONAWAY STARGATT & TAYLOR, LLP

Robert S. Brady (No. 2847)
Robert F. Poppiti, Jr. (No. 5052)
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-and-

OLSHAN FROME WOLOSKY LLP
Adam H. Friedman (*pro hac vice* pending)
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Proposed Counsel to the Debtors

Exhibit 4

Assumption and Assignment Notice

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

In re:

PLX PHARMA INC. *et al.*,¹

Debtors.

Chapter 11

Case No. 23-10456 (MFW)

(Jointly Administered)

Docket Ref. No. 19

**NOTICE OF (I) POTENTIAL ASSUMPTION AND ASSIGNMENT OF
EXECUTORY CONTRACTS AND UNEXPIRED LEASES AND (II) CURE AMOUNTS**

You are receiving this notice because you may be a counterparty to a contract or lease with PLx Pharma Inc. or PLx Opco Inc. Please read this notice carefully as your rights may be affected by the transactions described herein.

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. On April 13, 2023, the above-captioned debtors and debtors-in-possession (the “**Debtors**”) filed a motion [Docket No. 19] (the “**Bidding Procedures and Sale Motion**”)² seeking approval of certain bidding procedures for the sale of all, or substantially all, of the Debtors’ assets (the “**Assets**”) and approval of the sale such Assets to the highest or otherwise best bidder (the “**Successful Bidder**”). The Debtors will be seeking Bankruptcy Court approval of the proposed Bidding Procedures and the form of this notice at a hearing scheduled for **May 8, 2023 at 10:30 a.m. (ET)**. The Debtors have further requested that the hearing to consider approval of the sale of the Assets (the “**Sale Hearing**”), free and clear of all liens, claims and encumbrances, be held before the Honorable Mary F. Walrath, United States Bankruptcy Judge, 824 North Market Street, Wilmington, DE 19801, on or about **May 22, 2023**, if the Auction is cancelled, or on **May 25, 2023, at 10:30 a.m. (ET)**, if there is an Auction, or at such other time thereafter as counsel may be heard. The Sale Hearing may be adjourned by the Debtors from time to time without further notice to creditors or parties in interest other than by announcement of the adjournment in open court on the date scheduled for the Sale Hearing or by including such adjournment on any agenda filed with the Bankruptcy Court or by the filing of a notice with the Bankruptcy Court.

2. Pursuant to the Bidding Procedures and Sale Motion, the Debtors may potentially assume and assign to the Successful Bidder one or more of those executory contracts and unexpired

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: PLx Pharma Inc. (5704) and PLx Opco Inc. (6588). The mailing address for each of the Debtors is 9 Fishers Lane, Suite E Sparta, NJ 07871.

² Capitalized terms used but not otherwise defined herein shall have the meanings given to such terms in the Bidding Procedures and Sale Motion.

leases listed on **Schedule A** annexed hereto (collectively, the “**Potentially Assigned Agreements**” and each, a “**Potentially Assigned Agreement**”), pursuant to section 365 of the Bankruptcy Code.

3. The Debtors have indicated on **Schedule A** annexed hereto the amounts, if any, that the Debtors believe must be paid, pursuant to section 365 of the Bankruptcy Code, to cure the Potentially Assigned Agreements (in each instance, the “**Cure Amount**”).

4. Any party seeking to object to the validity of the Cure Amount as determined by the Debtors, or otherwise assert that any other amounts, defaults, conditions or pecuniary losses must be cured or satisfied under any of the Potentially Assigned Agreements, in order for such contract or lease to be assumed and assigned, or to object to adequate assurance of future performance by the Stalking Horse Bidder, must file an objection (an “**Assumption/Assignment Objection**”) that (a) is in writing, (b) sets forth the specific monetary amount the party asserts to be due, and the specific types of the alleged defaults, pecuniary losses, accrued amounts and conditions to assignment and the support therefor, (c) is filed with the Clerk of the Bankruptcy Court and (d) is served on (i) proposed counsel to the Debtors, Olshan Frome Wolosky LLP, 1325 Avenue of the Americas, New York, NY 10019 (Attn.: Adam H. Friedman (afriedman@olshanlaw.com) and Jonathan T. Koevary (jkoevary@olshanlaw.com), (ii) proposed co-counsel to the Debtors, Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 N. King Street, Wilmington, DE 19801 (Attn. Robert F. Poppiti, Jr. (rpoppiti@ycst.com) and Shane M. Reil (sreil@ycst.com)), (iii) the Office of the United States Trustee for the District of Delaware, J. Caleb Boggs Federal Building, 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801 (Attn.: Joseph F. Cudia, Esq.), (iv) counsel to the Stalking Horse Bidder, DLA Piper (USA), 444 West Lake Street, Suite 900, Chicago, IL 60606-0089 (Attn. W. Benjamin Winger (Benjamin.Winger@us.dlapiper.com) and Katie Allison (Katie.Allison@us.dlapiper.com), and DLA Piper (USA), 1201 N. Market St., Suite 2100, Wilmington, DE 19801 (Attn. R. Craig Martin (Craig.Martin@us.dlapiper.com) and Kaitlin W. MacKenzie (Kaitlin.MacKenzie@us.dlapiper.com)), and (v) counsel to any statutory committee that has been appointed in the Chapter 11 Cases (collectively, the “**Notice Parties**”), by no later than **4:00 p.m. (ET) on May 10, 2023.**

5. The Debtors shall file a notice identifying the Successful Bidder with the Bankruptcy Court and serve such notice upon parties in interest as soon as reasonably practicable after the conclusion of the Auction.

6. The Debtors have requested that the deadline for all objections to (i) the Sale of the Assets to a Successful Bidder, with the exception of objections related to the Stalking Horse APA transactions, (ii) the conduct of the Auction, (iii) the identity of any Successful Bidder other than the Stalking Horse Bidder, and (iv) adequate assurance of future performance by any Successful Bidder other than the Stalking Horse Bidder be established as **May 23, 2023 at 4:00 p.m. (ET).**

7. The Debtors have separately requested that all objections related to the Stalking Horse APA transactions be established as **May 5, 2023 at 4:00 p.m. (ET).** *See* Docket No. 38. *But, for the avoidance of doubt, any objections related to the entry of the Bidding Procedures Order and the relief provided for therein, including approval of the Bid Protections and authorization for the Stalking Horse Bidder to credit bid under section 363(k) of the Bankruptcy Code, are due by the deadline set forth in the notice for the Bidding Procedures and Sale Motion*

(filed at Docket No. 37) to object to entry of the Bidding Procedures Order, which deadline is April 27, 2023 at 4:00 p.m. (ET).

8. Unless an Assumption/Assignment Objection, or any other objection to the proposed assumption and assignment of a Potentially Assigned Agreement, is timely and properly filed and served in accordance with this notice, the non-debtor party to a Potentially Assigned Agreement shall (i) be forever barred from objecting to the Cure Amount and from asserting any additional cure or other amounts with respect to such Potentially Assigned Agreement, and the Debtors and the Successful Bidder(s) shall be entitled to rely solely upon the Cure Amount; (ii) be deemed to have consented to any assumption and assignment of such Potentially Assigned Agreement; and (iii) be forever barred and estopped from asserting or claiming against the Debtors or the Successful Bidder(s) that any additional amounts are due or other defaults exist, that conditions to assignment must be satisfied under such Potentially Assigned Agreement or that there is any objection or defense to the assumption and assignment of such Potentially Assigned Agreement.

9. Where a non-debtor counterparty to a Potentially Assigned Agreement timely and properly files an objection asserting a cure amount higher or different than the proposed Cure Amount (a “**Disputed Cure Amount**”), then (y) the cure amount shall be as agreed between the parties or (z) to the extent the parties are unable to consensually resolve the dispute, then the amount to be paid under section 365 of the Bankruptcy Code with respect to such Disputed Cure Amount will be determined at the Assumption/Assignment Hearing to be scheduled by the Court (which hearing may be the Sale Hearing), or at such other date and time as may be agreed to by the parties or fixed by the Bankruptcy Court; provided, however, that if the objection relates solely to a Disputed Cure Amount, the underlying Potentially Assigned Agreement may be assumed by the Debtors and assigned to the Stalking Horse Bidder or in the event the Stalking Horse Bidder is not the Successful Bidder, then to the Successful Bidder or Back-Up Bidder, provided that the cure amount that the counterparty asserts is required to be paid under section 365(b)(1)(A) and (B) of the Bankruptcy Code (or such lower amount as agreed to by the counterparty) is deposited in a segregated account by the Debtors, the Stalking Horse Bidder or, in the event the Stalking Horse Bidder is not the Successful Bidder, then the Successful Bidder or the Back-Up Bidder pending the Court’s adjudication of the Disputed Cure Amount. All other objections to the proposed assumption and assignment of a Potentially Assigned Agreement will be heard at the Sale Hearing, unless adjourned by agreement of the parties.

10. If you agree with the Cure Amount indicated on Schedule A, and otherwise do not object to the Debtors’ assumption and assignment of your lease or contract, you need not take any further action.

11. The Debtors’ decision to assume and assign the Potentially Assigned Agreements is subject to Bankruptcy Court approval and consummation of the sale of the Assets.

Inclusion of any document on the list of Potentially Assigned Agreements shall not constitute or be deemed to be a determination or admission by the Debtors or the Successful Bidder(s) that such document is, in fact, an executory contract or unexpired lease within the meaning of the Bankruptcy Code, and all rights with respect thereto are being expressly reserved.

Dated: April 21, 2023
Wilmington, DE

/s/ Shane M. Reil

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Proposed Counsel to the Debtors

SCHEDULE A

Potentially Assigned Agreements