



# INSTITUTIONAL RESEARCH

## *Healthcare and Technology*

### MORNING NOTE

Member FINRA/SIPC

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#### Arrowhead Research (Nasdaq/ARWR/Buy/\$2.12)

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Director of Research  
561-208-2905

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#### Thermo Energy (OTCBB/TMEN/Neutral/\$0.06)

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**1) Arrowhead Research (Nasdaq/ARWR/Buy/\$2.12)** – Arrowhead announced yesterday that the Company will hold an analyst and investor day on Monday, March 25, from 12:30 to 2:00 p.m. in New York City. The focus of the day will be its RNAi-based drug candidate ARC-520 for the treatment of chronic hepatitis B virus (HBV), with information presented on preclinical data, HBV disease biology, clinical trial strategy and timelines, market opportunity, clinician and patient perspectives, and new data generated from a recent study of chimpanzees with chronic HBV infection. Presenters will include Dr. Robert Gish, Chairman of Arrowhead's HBV Clinical Advisory Board and Clinical Professor, Section Chief of Hepatology at the University of California, San Diego; other key opinion leaders from the HBV community; Dr. Chris Anzalone, Arrowhead's President and CEO; and Dr. Bruce Given, Arrowhead's COO and Head of R&D. The presentation will be broadcast live by webcast and conference call, and it will also be archived on the company website. In related industry news, yesterday RXi Pharmaceuticals, (Nasdaq/RXII/Not Rated) a developer of self-delivered RNAi therapeutics for CTFG and other indications, announced a \$16 million financing and the strategic pooling of its RNAi related assets with OPKO Health (AMEX/OPK/NR). Opko Health led the round of financing for RXi. We are maintaining our Buy rating and \$4 price target on ARWR shares. *RMW*

**2) Thermo Energy (OTCBB/TMEN/Neutral/\$0.06)** – Thermo Energy announced yesterday that the Company will conduct a shareholder update conference call on Wednesday, March 20<sup>th</sup> at 9 am EST. Following the call the Company will hold its 2013 annual meeting in Boston. During the conference call, Thermo Energy CEO Jim Wood and COO Greg Landegger will discuss the company's fourth quarter and 2012 year end results, as well as provide an update on the Company's recent operational achievements. Key issues for the Company for 2013 include finalizing details of the recent private placement and how the Company may be able to replace revenues from the recently terminated NYC wastewater contract with new business. Dial in number for the call is 1-877-941-1427. Our rating on TMEN shares at this time is Neutral. *RMW*

Morning Notes provide current information we believe might be noteworthy to investors regarding the subject companies. Morning Notes are not intended to be complete research reports. More detailed information concerning the rated companies referenced in this Note, including the full reports, basis for price targets and other disclosures, may be found at:

<http://www.DawsonJames.com/portal.html>.

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**Please find Important Disclosures beginning on Page 2.**

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- 1) **Buy:** the analyst believes the price of the stock will appreciate and produce a total return of at least 20% over the next 12-18 months;
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The following chart reflects the range of current research report ratings for all companies followed by the analysts of the Firm. The chart also reflects the research report ratings relating to those companies for which the Firm has performed investment banking services.

Ratings Distribution	Company Coverage		Investment Banking	
	# of Companies	% of Total	# of Companies	% of Totals
Market Outperform (Buy)	13	81%	8	62%
Market Perform (Neutral)	3	19%	1	33%
Market Underperform (Sell)	0	0%	0	0%
Total	16	100%	9	56%

### **Analyst Certification:**

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