

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

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In re: :
: Chapter 11
NEPHROGENEX, INC., :
: Case No. 16-11074 (KG)
Debtor.¹ :
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DEBTOR'S NOTICE OF SALE OF DE MINIMIS ASSETS

TO: (i) counsel to the U.S. Trustee, J. Caleb Boggs Federal Building, 2nd Floor, 844 King Street, Wilmington, DE 19801, Attn: David Gerardi, Esq. (David.Gerardi@usdoj.gov); (ii) the parties included on the Debtor's list of twenty (20) largest unsecured creditors; and (iii) any known affected parties holding or asserting a Lien on or other interest in the De Minimis Assets subject to sale (collectively, the "Notice Parties")

PLEASE TAKE NOTICE that the above-captioned debtor and debtor-in-possession (the "Debtor") hereby provides notice (the "Notice of Sale") pursuant to the Court's Order Pursuant to Sections 105(a), 363 and 554(a) of the Bankruptcy Code and Bankruptcy Rule 2002 Authorizing and Approving Procedures for the Sale or Abandonment of De Minimis Assets Free and Clear of Liens, Claims, Interests and Encumbrances [Docket No. 223] (the "Sale Order"),² section 363(b) of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the "Bankruptcy Code"), and Rule 6007 of the Federal Rules of Bankruptcy Procedures (the "Bankruptcy Rules"), of the Debtor's sale (the "Sale") of the de minimis assets described on Exhibit 1 attached hereto (collectively, the "De Minimis Assets"). Pursuant to the Sale Order, Exhibit 1 identifies (i) the De Minimis Assets being sold; (ii) any party holding a Lien that the

¹ The last four digits of the Debtor's federal tax identification number are 5171. The mailing address for the Debtor is 3200 Beechleaf Court, Suite 900, Raleigh, NC 27604.

² Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Sale Order.

Debtor presently believes will attach to the proceeds of the proposed sale (each, a “Valid Lien Holder”); (iii) the purchaser of the De Minimis Assets and any relationship of the party to the Debtor; (iv) the purchase price; and (v) the significant terms of the sale agreement, if applicable.

PLEASE TAKE FURTHER NOTICE that the Sale shall be free and clear of all Liens, if any, with the valid, perfected and unavoidable Liens of the Valid Lien Holders to attach to proceeds of the sales with the same validity, priority, force and effect such Liens had on the property immediately prior to the sale, subject to the rights, claims, defenses and obligations, if any, of the Debtor and all interested parties with respect to any such asserted Liens.

PLEASE TAKE FURTHER NOTICE that the Debtor has determined in the reasonable exercise of its business judgment that the Sale is in the best interests of the Debtor’s estate.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Sale Order, any objection to the proposed Sale must be filed and served on (i) the Notice Parties; (ii) the Debtor; NephroGenex, Inc., 3200 Beechleaf Court, Suite 900, Raleigh, NC 27604, Attn: John P. Hamill, and (iii) Debtor’s counsel, Cole Schotz P.C., 500 Delaware Avenue, Suite 1410, Wilmington, DE 19801, Attn: David R. Hurst, Esq. (dhurst@coleschotz.com) (collectively, the “Objection Parties”), so as to be received by 5:00 p.m. (Eastern) on January 15, 2017 (the tenth (10th) calendar day after the date of service of the Notice of Sale) (the “Objection Deadline”). Each objection must state with specificity the grounds for the objection.

PLEASE TAKE FURTHER NOTICE that, if no written objection is received by the Objection Parties on or before the Objection Deadline, the Debtor is authorized to proceed with the Sale without further notice or order of the Court, and to use the cash proceeds of such sale subject only to the rights of Valid Lien Holders.

PLEASE TAKE FURTHER NOTICE that, if a written objection from any Notice Party is filed with the Court by the Objection Deadline, the Sale shall only be approved upon either the consensual resolution of the objection by the parties in question or by further order of the Court after notice and a hearing.

Dated: Wilmington, Delaware
January 5, 2017

COLE SCHOTZ P.C.

/s/ David R. Hurst

David R. Hurst (I.D. No. 3743)
500 Delaware Avenue, Suite 1410
Wilmington, Delaware 19801
Telephone: (302) 652-3131
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– and –

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*Counsel for Debtor and
Debtor-in-Possession*

EXHIBIT 1

Debtor's Notice of Sale of De Minimis Assets

Name of Purchaser(s) and Valid Lien Holder(s)	Description of De Minimis Assets	Purchase Price	Terms of Sale
Purchaser: Heart to Heart International 13250 W. 98th St. Lenexa, KS 66215 (The Chief Executive Officer of this not for profit purchaser also is a member of the Debtor's board of directors)	Dell Inspiron (Model: Latitude E6430s) Laptops (4) Mac Book Air 13.3 Inches (2.2 GHZ/8GB/512GB) (1) Dell LED 24" Monitors (Model: E2414H) (4)	\$243.76 \$449.81 \$225.00	N/A