

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re

MELINTA THERAPEUTICS, INC., *et al.*,

Debtors.¹

Chapter 11

Case No. 19-12748 (LSS)

Jointly Administered

Related to Docket Nos. 67, 280

NOTICE OF AUCTION AND SALE HEARING

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. On December 27, 2019, the above-captioned debtors and debtors-in-possession (collectively, the “**Debtors**”) each filed voluntary petitions for relief pursuant to chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the District of Delaware (the “**Bankruptcy Court**”).

2. On December 27, 2019, the Debtors entered into a Restructuring Support Agreement (the “**Restructuring Support Agreement**”) with affiliates of Deerfield Management Company, L.P., in their capacities as lenders under the Debtors’ Prepetition Credit Agreement (collectively, the “**Supporting Lenders**”), pursuant to which the Supporting Lenders will acquire 100% of the newly issued common stock of Reorganized Melinta in satisfaction of their claims under the Prepetition Credit Agreement (the “**Prepetition Credit Agreement Claims**”).²

3. On December 30, 2019, in connection with a proposed transaction (a “**Transaction**”) involving either a sale of all or substantially all of the Debtors’ assets (the “**Assets**” and, a sale thereof pursuant to Bankruptcy Code section 363, a “**Section 363 Asset Sale**”) or, in the case of a transaction structured pursuant to a chapter 11 plan (a “**Plan Sale**”), the newly issued common stock of reorganized Melinta Therapeutics, Inc. (the “**Reorganized Melinta Common Stock**”) to the successful bidder (the “**Successful Bidder**”) at an Auction (the “**Auction**”), the Debtors filed a motion (the “**Motion**”), seeking, among other things, (i) entry of an order (the “**Bidding Procedures Order**”) ³ approving the bidding procedures (the “**Bidding**

¹ The Debtors and the last four digits of their respective taxpayer identification numbers are: Melinta Therapeutics, Inc. (0364); Cempra Pharmaceuticals, Inc. (5814); CEM-102 Pharmaceuticals, Inc. (4262); Melinta Subsidiary Corp. (9437); Rempex Pharmaceuticals, Inc. (6000); and Targanta Therapeutics Corporation (1077). The address of the Debtors’ corporate headquarters is 44 Whippany Road, Suite 280, Morristown, New Jersey 07960.

² The Supporting Lenders’ proposal to acquire the Debtors in accordance with the Restructuring Support Agreement is referred to herein as the “**Supporting Lender Transaction**.”

³ Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Motion or the Bidding Procedures Order.



Procedures”) governing the solicitation of higher or better Bids; (ii) establishing procedures for the assumption or assignment and assumption of executory contracts (the “**Assumption and Assignment Procedures**”); (iii) scheduling a Sale Hearing (in the event that the Debtors pursue a Section 363 Sale); and (iv) granting related relief [Docket No. 67].

4. On February 11, 2020, the Bankruptcy Court entered the Bidding Procedures Order [Docket No. 280]. Pursuant to the Bidding Procedures Order, if one or more Qualified Bids are received before the Bid Deadline (as defined below), the Debtors will conduct an Auction to determine the highest or otherwise best Qualified Bid, beginning on **March 6, 2020, at 9:00 a.m. (prevailing Eastern Time)** at the offices of Skadden, Arps, Slate, Meagher & Flom, One Manhattan West, New York, NY 10001, or such other place and time as the Debtors shall notify all bidders that have submitted Qualified Bids (including the Supporting Lenders) and any official committee appointed in the Debtors’ chapter 11 cases and its counsel. Only the Debtors, the Consultation Parties, and parties that have submitted a Qualified Bid, as set forth in the Bidding Procedures Order, by no later than **March 2, 2020, at 4:00 p.m. (prevailing Eastern Time)** (the “**Bid Deadline**”) may participate at the Auction. Any party that wishes to take part in this process must submit their competing Bid prior to the Bid Deadline and in accordance with the Bidding Procedures. If no Qualified Bids other than the Supporting Lender Transaction are received prior to the Bid Deadline, then neither the Auction nor the Sale Hearing (as defined below) will occur, the Supporting Lenders will be deemed the Successful Bidder, and the Debtors will pursue the Supporting Lender Transaction in accordance with the terms of the Restructuring Support Agreement.

5. A hearing to approve any Section 363 Asset Sale (the “**Sale Hearing**”), if needed, will be held at **9:30 a.m. (prevailing Eastern Time) on March 13, 2020**, unless otherwise continued by the Debtors pursuant to terms of the Bidding Procedures. Any Sale Hearing will be held in the United States Bankruptcy Court for the District of Delaware, 824 N. Market St., 6th Floor, Courtroom No. 2, Wilmington, Delaware 19801. The Sale Hearing, if any, may be adjourned by the Debtors without further notice other than by announcement in open Court or on the Court’s calendar. In the event that the Supporting Lenders are the Successful Bidder, the Debtors shall seek authority to assume the Restructuring Support Agreement at such hearing.

6. Objections, if any, to the Sale Motion and the sale of the Assets to a Successful Bidder, except objections solely related to the identity of the Successful Bidder, any changes to the Form Purchase Agreement, and adequate assurance of future performance by a Successful Bidder other than the Supporting Lenders must be made by **February 27, 2020, at 4:00 p.m., prevailing Eastern Time** (the “**Sale Objection Deadline**”). Objections solely to the identity of the Successful Bidder, changes to the Form Purchase Agreement, and adequate assurance of future performance by a Successful Bidder other than the Supporting Lenders must be made by **4:00 p.m. (prevailing Eastern Time) on March 10, 2020** (the “**Supplemental Limited Sale Objection Deadline**”). In each case, all objections must: (a) be in writing; (b) conform to the applicable provisions of the Bankruptcy Rules, the Local Bankruptcy Rules, and any orders of the Court; (c) state with particularity the legal and factual bases for the objection and the specific grounds therefor; and (d) be filed with the Court no later than the applicable sale objection deadline and served on (i) counsel to the Debtors, (ii) counsel to the Supporting Lenders, and (iii) proposed counsel to the Committee. *Any party who fails to timely file an objection to entry of the Sale Order (i) shall be forever barred from objecting thereto, (ii) shall be deemed to*

consent to the sale of the Assets as approved by any Sale Order, and (iii) shall be deemed to “consent” for purposes of Section 363(f)(2) of the Bankruptcy Code.

7. The key dates for the Transaction process are as follows:

February 27, 2020, at 4:00 p.m. ET	Sale Objection Deadline ⁴
March 2, 2020, at 4:00 p.m. ET	Bid Deadline – Due Date for Bids and Deposits
March 6, 2020, at 9:00 a.m. ET	Auction
March 9, 2020, at 4:00 p.m. ET	Sale Objection Response Deadline
March 10, 2020, at 4:00 p.m. ET	Supplemental Limited Sale Objection Deadline (objections limited to identity of the Successful Bidder, changes to the Form Purchase Agreement, and adequate assurance of future performance)
March 12, 2020, at 4:00 p.m. ET	Supplemental Limited Sale Objection Response Deadline
March 13, 2020, at 9:30 a.m. ET	RSA/Sale Hearing

8. This Notice and the Sale Hearing are subject to the fuller terms and conditions of the Motion, the Bidding Procedures, and the Bidding Procedures Order, which shall control in the event of any conflict, and the Debtors encourage parties-in-interest to review such documents in their entirety. Parties interested in receiving more information regarding the Transaction and/or copies of any related document, including the Motion, or the Bidding Procedures Order, may make a written request to counsel for the Debtors, Skadden, Arps, Slate, Meagher & Flom LLP, 155 North Wacker Drive, Chicago, Illinois 60606-1720 (Attn: Ron E. Meisler and Christopher M. Dressel) and One Rodney Square, Wilmington, Delaware 19801 (Attn: Faiz Ahmad and Richard West). In addition, copies of the Motion, the Bidding Procedures Order, and this Notice can be found (i) at <http://www.kccllc.net/melinta>; and (ii) through PACER on the Court’s website, <https://ecf.deb.uscourts.gov> (registration required), and are on file with the Clerk of the Bankruptcy Court, 824 N. Market St., 3rd Floor, Wilmington, Delaware 19801.

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⁴ This objection deadline applies to all objections to the Motion and the sale of the Assets to a Successful Bidder, with the exception of objections solely related to the identity of the Successful Bidder, any changes to the Form Purchase Agreement, and adequate assurance of future performance by the Successful Bidder.

Dated: Wilmington, Delaware
February 14, 2020

MCDERMOTT WILL & EMERY LLP

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