

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
RXi Pharmaceuticals Corporation		45-3215903	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
Caitlin Kontulis	508-929-3624	ckontulis@rxipharma.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and ZIP code of contact	
257 Simarano Drive, Suite 101		Marlborough, MA 01752	
8 Date of action		9 Classification and description	
January 8, 2018		1-for-10 Reverse Stock Split	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
74979C 808, 74979 C121		RXII, RXIIV	

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ On June 6, 2017, RXi Pharmaceuticals Corporation received approval from its shareholders to effect a reverse stock split, of which the ratio would be determined by the Company's Board of Directors, but not less than 1-for-2 and not greater than 1-for-40. On January 3, 2018, the Company's Board of Directors approved a reverse stock split ratio of 1-for-10 of the Company's common stock effective on January 8, 2018 at 12:01 EST. Upon effectiveness of the reverse stock split, every ten shares of the Company's issued and outstanding common stock was automatically converted into one share of common stock. No fractional shares were issued in the transaction. Shareholders who would otherwise receive a fractional share received a cash payment in lieu of such fractional share. Every ten of the Company's listed warrants were converted into one warrant to purchase one share of common stock at an exercise price of \$9.00 per share. Any fraction that resulted from the reverse stock split on the listed warrants was rounded up to the nearest whole share. The CUSIP number of the Company's common stock changed from 74979C501 to 74979C808. The reverse stock split also affected the Company's listed warrants. The CUSIP number of the listed warrants changed from 74979C113 to 74979C121. There were no changes to either of the ticker symbols.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ Upon effectiveness of the reverse stock split, every ten shares of the Company's issued and outstanding common stock was automatically converted into one share of common stock. No fractional shares were issued in the transaction. Shareholders who would otherwise receive a fractional share received a cash payment in lieu of such fractional share. Every ten of the Company's listed warrants were converted into one warrant to purchase one share of common stock at an exercise price of \$9.00 per share. Any fraction that resulted from the reverse stock split on the listed warrants was rounded up to the nearest whole share. As a result of the reverse stock split, the Company's shareholders will be required to allocate the aggregate tax basis in their common stock and/or listed warrants held immediately prior to the reverse stock split among the shares of common stock and/or listed warrants, as applicable, held immediately after the reverse stock split (including any fractional share interest for which cash was received). Shareholders should consult with their tax advisors to determine the tax impact of this transaction with respect to their individual facts and circumstances.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ Post-split (new) basis per share = Pre-split (old) basis per share multiplied by 10. While the basis "per share" is affected, the basis of the shareholder's total investment remains unchanged (except to the extent the shareholder receives cash in lieu of payments for a resulting fractional share).

Shareholders who received cash in lieu of fractional shares will be treated as having received such fractional shares in the transaction, and then as having exchanged such fractional shares for cash. The amount of any gain or loss recognized as a result of such exchange will be equal to the difference between the ratable portion of the tax basis that is allocated to such fractional share and the cash received in lieu of such fractional share.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ IRC Section 358(b)(1)

18 Can any resulting loss be recognized? ▶ No gain or loss should be recognized by a shareholder as a result of the reverse stock split, except to the extent of any cash received for fractional shares. Shareholders should consult with their tax advisors to determine the tax impact of this transaction with respect to their individual facts and circumstances.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The reportable tax year is 2018.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶ Caitlin Kontulis Date ▶ 1/17/2018

Print your name ▶ Caitlin Kontulis Title ▶ Director of Finance

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	