May 4, 2017

Rexahn Pharmaceuticals Reports First Quarter 2017 Financial Results and Provides Corporate Update

Completed Phase I dose-escalation study with Supinoxin™ in solid tumors

Initiated Phase IIa clinical trial of Supinoxin in Metastatic Triple Negative Breast Cancer

ROCKVILLE, Md., May 04, 2017 (GLOBE NEWSWIRE) -- Rexahn Pharmaceuticals, Inc. (NYSE MKT:RNN), a clinical stage biopharmaceutical company developing innovative, targeted therapeutics for the treatment of cancer, today announced financial results for the first quarter ended March 31, 2017 and provided an update on the Company's clinical development programs.

“Rexahn made significant progress across our portfolio of product candidates in the first quarter,” said Peter D. Suzdak, Ph.D., Chief Executive Officer of Rexahn. “We achieved a major clinical milestone with Supinoxin with the successful completion of the Phase I dose escalation study and the initiation of the Phase IIa study in patients with metastatic triple negative breast cancer (TNBC). There is currently no approved drug treatment for TNBC, and no established standard of care. We have seen very promising activity in our preclinical models of TNBC so we look forward to the preliminary readout from this first clinical study, which we anticipate towards the end of this year.”

“We have also made very good progress with RX-3117," continued Dr. Suzdak. “We continue to enroll patients into our Phase IIa studies of RX-3117 monotherapy in metastatic pancreatic cancer and advanced and metastatic bladder cancer. These initial studies are designed to show safety and preliminary efficacy in patients who have already failed on multiple prior therapies. We are also planning to initiate a study of RX-3117 in combination with Abraxane® in patients who are newly diagnosed with metastatic pancreatic cancer and have had no prior cytotoxic treatments. This is the largest segment of pancreatic cancer patients and there is a real need for more effective treatments that can prolong survival and improve the quality of life in these difficult to treat patients. We also look forward to providing an update on the Phase IIa Archexin® clinical trial in patients with metastatic renal cell carcinoma later this year.”

Q1 2017 Corporate Highlights:

RX-3117 – Oral targeted nucleoside analogue

- Presented preclinical data at the American Academy of Cancer Research (AACR)

annual meeting April 3, 2017 in Washington, DC. The poster presentation addressed the potential use of uridine cytidine kinase 2 (UCK2) as a biomarker to predict which patients are most likely to respond to RX-3117.
- Preliminary data from the Phase IIa study in advanced and metastatic bladder cancer was accepted for presentation at the American Society for Clinical Oncology (ASCO) meeting, June 4, 2017 in Chicago, IL.

Supinoxin™ – First-in-class oral modulator of the beta-catenin pathway

- Completed the Phase I dose escalation study in patients with diverse solid tumors and selected the dose for Phase II studies. Supinoxin was well tolerated and the dose-limiting toxicity was moderate fatigue.
- Initiated the Phase IIa study of Supinoxin monotherapy in patients with metastatic triple negative breast cancer

Corporate

- Announced a 1-for-10 reverse stock split to be implemented on May 5, 2017. The reverse split is expected to enhance the appeal of the company's common stock to the financial community, including institutional investors and the general investing public
- As of March 31, 2017, the Company had approximately $18.5 million of cash and investments. Subsequent to March 31, 2017, the Company received approximately $3.0 million from the exercise of stock warrants.

Q1 2017 Financial Results:

Cash and Investments: Rexahn's cash and investments totaled approximately $18.5 million as of March 31, 2017, compared to approximately $20.3 million as of December 31, 2016. The decrease in cash and investments during the three months ended March 31, 2017 was primarily due to $4.2 million of cash used in operating activities, offset by $2.4 million of proceeds received from stock warrant exercises. Rexahn expects that its current cash and investments will be sufficient to fund the company's cash flow requirements for its current activities into mid-2018. Subsequent to March 31, 2017, the Company received approximately $3.0 million from the exercise of stock warrants.

R&D Expenses - Research and development expenses were $2.3 million for the three months ended March 31, 2017, compared to $3.5 million for the three months ended March 31, 2016. The decrease in research and development is primarily attributable to lower drug manufacturing costs due to a significant supply of our drug candidates already being available from earlier manufacturing campaigns.

G&A Expenses - General and administrative expenses for the three months ended March 31, 2017 were approximately $1.7 million, compared to $1.4 million for the three months ended March 31, 2016. The year over year increase is primarily attributable to an increase in personnel expenses. General and administrative expenses consist primarily of salaries and related expenses for executive, finance and other administrative personnel, recruitment expenses, professional fees, and other corporate expenses, including business development, investor relations, and general legal activities.

Net Loss - Rexahn's loss from operations was $4.0 million and $4.9 million for the three months ended March 31, 2017 and 2016, respectively. Rexahn's net loss was $21.6 million, or $0.09 per share, for the three months ended March 31, 2017, compared to a net loss of $4.1 million, or $0.02 per share, for the three months ended March 31, 2016. Included in the net loss for the three months ended March 31, 2017 is a non-cash charge of $17.7 million due to an adjustment to the fair value of outstanding warrants primarily resulting from the increased stock price of the underlying common stock, as compared to a non-cash gain of $0.9 million for the three months ended March 31, 2016.

About Rexahn Pharmaceuticals, Inc.

Rexahn Pharmaceuticals Inc. (NYSE MKT:RNN) is a clinical stage biopharmaceutical company dedicated to developing novel, best-in-class therapeutics for the treatment of cancer. The Company's mission is to improve the lives of cancer patients by developing next generation cancer therapies that are designed to maximize efficacy while minimizing the toxicity and side effects traditionally associated with cancer treatment. Rexahn's product candidates work by targeting and neutralizing specific proteins believed to be involved in the complex biological cascade that leads to cancer cell growth. Pre-clinical studies show that certain of Rexahn's product candidates may be effective against multiple types of cancer, drug-resistant cancers, and difficult-to-treat cancers, and others may augment the effectiveness of current FDA-approved cancer treatments. The Company has a broad oncology pipeline that includes three anti-cancer compounds currently in clinical development: Supinoxin™, RX-3117, and Archexin®, and a novel nanopolymer-based drug delivery platform technology that may increase the bio-availability of FDA-approved chemotherapies. For more information about the Company and its oncology programs, please visit www.rexahn.com.

Safe Harbor

To the extent any statements made in this press release deal with information that is not historical, these are forward looking statements under the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements about Rexahn's plans, objectives, expectations and intentions with respect to cash flow requirements, future operations and products, enrollments in clinical trials, the path of clinical trials and development activities, and other statements identified by words such as "will," "potential," "could," "can," "believe," "intends," "continue," "plans," "expects," "anticipates," "estimates," "may," other words of similar meaning or the use of future dates. Forward-looking statements by their nature address matters that are, to different degrees, uncertain. Uncertainties and risks may cause Rexahn's actual results to be materially different than those expressed in or implied by Rexahn's forward-looking statements. For Rexahn, particular uncertainties and risks include, among others, understandings and beliefs regarding the role of certain biological mechanisms and processes in cancer; drug candidates being in early stages of clinical development,; the timing of completion of clinical trials; the ability to initially develop drug candidates for orphan indications to reduce the time-to-market and take advantage of certain incentives provided by the U.S. Food and Drug Administration; and the ability to transition from our initial focus on developing drug candidates for orphan indications to candidates for more highly prevalent indications. More detailed information on these and additional factors that could affect Rexahn's actual results are described in Rexahn's filings with the Securities

and Exchange Commission, including its most recent annual report on Form 10-K and subsequent quarterly reports on Form 10-Q. All forward-looking statements in this news release speak only as of the date of this news release. Rexahn undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

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Source: Rexahn Pharmaceuticals