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Rexahn Pharmaceuticals Reports Fourth Quarter and Full Year 2015 Financial Results

Important Clinical Progress in 2015 Highlights the Potential for Rexahn's Highly-Novel, Targeted Anti-Cancer Therapeutic Approach

ROCKVILLE, Md., March 14, 2016 (GLOBE NEWSWIRE) -- Rexahn Pharmaceuticals, Inc. (NYSE MKT:RNN), a clinical stage biopharmaceutical company developing best-in-class therapeutics for the treatment of cancer, today announced financial results for the fourth quarter and fiscal year ended December 31, 2015 and provided an update on its 2015 corporate progress and clinical oncology pipeline developments.

"Rexahn made important strides in 2015 in each of our clinical-stage oncology programs," said Peter D. Suzdak, Ph.D., Chief Executive Officer. "During the year we presented promising interim clinical data for each of our novel oncology programs – RX-3117, Supinoxin™ and Archexin® – supporting the potential anti-cancer effects of these highly-targeted, investigational cancer therapies. Specifically, we presented interim data in September showing early evidence of potential single agent activity of RX-3117 and Supinoxin in ongoing Phase I clinical studies. Additionally, we completed Stage 1 of a Phase IIa clinical study of Archexin, administered in combination with everolimus, to patients with metastatic renal cell carcinoma (mRCC). Data from the dose-ranging (Stage 1) portion of the study have yielded promising evidence suggestive of a potential dose and time-dependent clinical benefit."

"Based on the encouraging preliminary clinical data obtained thus far, we have commenced the randomized phase (Stage 2) of the Phase IIa Archexin clinical trial and are shortly preparing to declare a maximum tolerated dose for RX-3117 and Supinoxin and commence proof-of-concept Phase Ib/IIa clinical trials to further evaluate the anti-cancer benefits of these promising anti-cancer agents in select patient populations," said Dr. Suzdak.

2015 Corporate Highlights:

- Published new preclinical data for RX-3117 in the journal,*Anticancer Research,* demonstrating robust efficacy of RX-3117 against a panel of human cancer cell lines that have demonstrated resistance to gemcitabine
- Expanded leadership team and appointed Dr. Ely Benaim to the newly created position of Chief Medical Officer
- Published new preclinical findings for Supinoxin in the*Journal of Cellular Biochemistry* describing Supinoxin's ability to disrupt a novel cancer-promoting cellular pathway, potentially demonstrating a unique mechanism of action for Supinoxin and utility in

targeted cancer therapy
- Presented new Supinoxin data at the 2015 American Association for Cancer Research (AACR) Annual Meeting demonstrating a dose-dependent decrease in the migration of human triple negative breast cancer cells, possibly suggesting the utility of Supinoxin in the treatment of malignant tumors
- Identified a potential biomarker for RX-3117 to aid in future clinical trial design
- RX-21101 selected by the National Cancer Institute's (NCI) Nanotechnology Characterization Laboratory for funding and development of preclinical Investigational New Drug-enabling studies under NCI's preclinical characterization program
- Appointed former Pfizer executive, Peter Brandt, as Chairman of the Board
- Awarded a patent in Japan for Rexahn's novel polymer-based drug delivery technology platform
- Presented interim clinical data for RX-3117 and Supinoxin at the 2015 European Cancer Congress showing preliminary evidence of single agent activity of both investigational anti-cancer compounds
- Awarded a U.S. Patent for claims related to the synthesis of RX-3117
- Presented interim clinical data for Archexin at the 14th International Kidney Cancer Symposium showcasing early evidence of potential clinical activity in patients with metastatic renal cell carcinoma (mRCC)
- Completed a $7 million registered direct offering
- Presented new preclinical data for Supinoxin showing potent tumor inhibition in a xenograft mouse model of human triple negative breast cancer (TNBC)

Fourth Quarter and Full Year 2015 Financial Results:

Cash and Investments - Rexahn's cash and investments totaled approximately $23.4 million as of December 31, 2015, compared to approximately $32.7 million as of December 31, 2014. The decrease in cash and investments during the year ended December 31, 2015 was primarily due to $17.4 million of cash used in operating activities, offset by approximately $8.2 million in proceeds received from the exercise of stock options and the sale of common stock. Rexahn expects that its cash and investments as of December 31, 2015 will be sufficient to fund the company's cash flow requirements for its current activities into mid-2017. On March 2, 2016, Rexahn completed a registered direct offering of common stock and warrants for gross proceeds of $5.0 million.

R&D Expenses - Research and development expenses were $12.1 million for the year ended December 31, 2015, compared to $7.0 million for the year ended December 31, 2014. The increase in research and development in 2015 is primarily attributable to additional clinical trial and drug manufacturing costs related to ongoing Archexin, Supinoxin and RX-3117 clinical studies, and partially attributable to an increase in personnel expenses.

G&A Expenses - General and administrative expenses for the year ended December 31, 2015 were approximately $6.1 million, compared to $6.3 million for the year ended December 31, 2014. The year over year decrease is primarily attributable to a decrease in professional fees. 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 $18.3 million and $13.3 million for the years ended December 31, 2015 and 2014, respectively. Rexahn's net loss was $14.4 million, or $0.08 per share, for the year ended December 31, 2015, compared to a net loss of $18.5 million, or $0.11 per share, for the year ended December 31, 2014. Included in the net loss for the years ended December 31, 2015 and 2014 is an unrealized gain (loss) on the fair value of warrants of $4.0 million and ($5.2 million), respectively. The fair value adjustments are primarily a result of the changes in the stock price between reporting periods.

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 indicate 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 development, including in pre-clinical development; 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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