May 7, 2020

Medexus Announces US$20 Million Asset-Based Credit Facility and Repays US$10 Million of its Term Loan

TORONTO, CHICAGO and MONTREAL, May 07, 2020 (GLOBE NEWSWIRE) -- **Medexus Pharmaceuticals Inc. (the "Company" or "Medexus") (TSX-V: MDP, OTCQB: PDDPF)** today announced that the Company has entered into a definitive credit agreement with a syndicate of lenders agented by MidCap Financial Trust ("MidCap Financial") in respect of a secured asset-based revolving credit facility having a term of 38 months (the "ABL Facility").

The ABL Facility features a US$20 million revolving commitment (subject to the borrowing base) and an uncommitted US$10 million accordion. Borrowings under the ABL Facility bear interest at a rate of one-month LIBOR plus 3.95%, subject to a LIBOR floor of 1.50%. Interest is payable monthly in arrears on the first business day of each month. The Company and each of its subsidiaries are the borrowers under the ABL Facility (each, a "Borrower" and collectively, the "Borrowers"), and each Borrower is jointly and severally liable for the obligations of each other Borrower under the ABL Facility.

The initial advance under the ABL Facility has been used by the Company to repay US$10 million of the principal amount outstanding under the US$20 million secured term loan entered into by the Borrowers on February 28, 2020 (the "Term Loan"). The interest rate on amounts outstanding under the ABL Facility is 255 basis points lower than that of the Term Loan. After such repayment, approximately US$10 million principal amount remains outstanding under the Term Loan.

The ABL Facility is secured by a first-priority security interest from each Borrower on all of its present and after-acquired personal property and is subject to an intercreditor agreement with MidCap Financial, in its capacity as administrative agent under the Term Loan.

Ken d'Entremont, Chief Executive Officer of the Company, commented: "We are very pleased to enter into this credit agreement led by MidCap Financial as it further improves our liquidity and enhances our financial flexibility. We believe our ability to secure such favourable terms, including an interest rate significantly lower than that of the Term Loan, reflects the confidence of our lenders and the strength of our business. The cash flow from our strong organic growth and recent accretive acquisition makes debt an attractive option to ensure liquidity while minimizing dilution to maximize shareholder value."

About Medexus Pharmaceuticals Inc.

Medexus is a leading specialty pharmaceutical company with a strong North American commercial platform. The Company's vision is to provide the best healthcare products to healthcare professionals and patients, through our core values of Quality, Innovation, Customer Service and Teamwork. Medexus Pharmaceuticals is focused on the therapeutic

areas of auto-immune disease, hematology and allergy. The Company's leading products are: Rasuvo™ and Metoject®, a unique formulation of methotrexate (auto-pen and pre-filled syringe) designed to treat rheumatoid arthritis and other auto-immune diseases; IXINITY®, an intravenous recombinant factor IX therapeutic for use in patients 12 years of age or older with Hemophilia B – a hereditary bleeding disorder characterized by a deficiency of clotting factor IX in the blood, which is necessary to control bleeding; and Rupall®, an innovative prescription allergy medication with a unique mode of action.

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Forward Looking Statements

Certain statements made in this press release contain forward-looking information within the meaning of applicable securities laws ("**forward-looking statements**"). The words "anticipates", "believes", "expects", "will", "plans" and similar expressions are often intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Specific forward-looking statements contained in this news release include, but are not limited to, statements with respect to the impact of the ABL Facility on the Company's liquidity and financial flexibility and the strength of the Company's business as reflected by the terms of the ABL Facility. These statements are based on factors or assumptions that were applied in drawing a conclusion or making a forecast or projection, including assumptions based on historical trends, current conditions and expected future developments. Since forward-looking statements relate to future events and conditions, by their very nature they require making assumptions and involve inherent risks and uncertainties. The Company cautions that although it is believed that the assumptions are reasonable in the circumstances, these risks and uncertainties give rise to the possibility that

actual results may differ materially from the expectations set out in the forward-looking statements. Material risk factors include: future capital requirements and dilution; intellectual property protection and infringement risks; competition (including potential for generic competition); reliance on key management personnel; the Company's ability to implement its business plan; the Company's ability to leverage its United States and Canadian infrastructure to promote additional growth, including with respect to the infrastructure of Medexus Inc., Medac Pharma, Inc. and Aptevo BioTherapeutics LLC and the potential benefits the Company expects to derive therefrom; regulatory approval by the Canadian and United States health authorities; product reimbursement by third party payers; patent litigation or patent expiry; litigation risk; stock price volatility; government regulation; potential third party claims; risks related to the COVID-19 pandemic and any other risk factors set out in the Company's most recent MD&A under the heading "Risk Factors and Risk Management" and elsewhere in the Company's other disclosure documents filed with the applicable Canadian securities regulators from time to time. With respect to the COVID-19 pandemic, third parties on which the Company relies, including its manufacturers, suppliers, licensors and/or distributors, have operations around the world and are exposed to a number of global and regional risks outside of the Company's control, including but not limited to those related to the COVID-19 pandemic. As the COVID-19 pandemic continues or increases in severity or results in expanded or prolonged travel, commercial or other restrictions, it could adversely impact the Company by causing operating, supply or other disruptions, including creating difficulties in the execution of the Company's marketing plans. In addition, liquidity and volatility, credit availability and market and financial conditions generally could change at any time as a result. Any of these events, in isolation or in combination, could materially and adversely affect the Company's business and could have a material adverse effect on the Company and its financial results. Given these risks, undue reliance should not be placed on these forward-looking statements, which apply only as of the date hereof. Other than as specifically required by law, the Company undertakes no obligation to update any forward-looking statements to reflect new information, subsequent or otherwise.

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