February 23, 2021

Medexus Announces Closing of $32.5 Million Public Offering, Including Exercise in Full of Over-Allotment Option

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TORONTO, CHICAGO and MONTREAL, Feb. 23, 2021 (GLOBE NEWSWIRE) -- Medexus Pharmaceuticals Inc. (“Medexus” or the “Company”) (TSXV:MDP) (Frankfurt: P731) announced today that it has closed its previously announced bought deal public offering of 4,581,689 units (the “Units”) at a price of $7.10 per Unit for total gross proceeds of approximately $32,529,992 (the “Offering”), including 597,611 Units sold pursuant to the exercise in full of the over-allotment option granted to the Underwriters (as defined herein).

The Offering was led by Raymond James Ltd. and Stifel GMP, as co-lead underwriters and joint bookrunners, on behalf of a syndicate of underwriters consisting of Roth Canada, ULC, Bloom Burton Securities Inc. and Mackie Research Capital Corporation (collectively, the “Underwriters”).

Each Unit consists of one common share (each a “Common Share”) and one-half of one Common Share purchase warrant (each whole Common Share purchase warrant, a “Warrant”). Each Warrant entitles the holder thereof to purchase one Common Share at a price equal to $10.00 until February 23, 2023. In the event that the volume weighted average trading price of the Common Shares on the TSX Venture Exchange for ten (10) consecutive trading days exceeds $14.00, the Company may, within 10 business days of the occurrence of such event, deliver a notice (including a press release) to the holders of Warrants accelerating the expiry date of the Warrants to the date that is 30 days following the date of such notice. The Warrants issued pursuant to the Offering have been conditionally approved for listing and are expected to commence trading on the TSX Venture Exchange under the symbol “MDP.WT” shortly following the closing of the Offering, subject to the satisfaction of all listing conditions.

As previously announced, the Company intends to use the net proceeds to fund certain payments owed to medac GmbH under the commercialization and supply agreement (the “Agreement”) dated February 2, 2021 as such payments become due pursuant to the terms of the Agreement and for working capital and general corporate purposes.

The Units were offered and sold by way of a final short form prospectus dated February 17, 2021 (the “Prospectus”) filed in each of the provinces of Canada and offered and sold elsewhere outside of Canada on a private placement basis. Further details of the Offering are set out in the Prospectus, available on the Company’s SEDAR profile at www.sedar.com.

The securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "1933 Act"), or any U.S. state securities laws, and may not be offered or sold to, or for the account or benefit of, persons in the United States or "U.S. persons" (as such term is defined in Regulation S under the 1933 Act) without registration under the U.S. Securities Act and all applicable state securities laws or compliance with the requirements of an applicable exemption therefrom. This press release shall not constitute an offer to sell or the solicitation of an offer to buy securities to, for the account or benefit of, persons in the United States or U.S. persons, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

About Medexus

Medexus is a leader in innovative rare disease treatment solutions with a strong North American commercial platform. From a foundation of proven best in class products we are building a highly differentiated company with a portfolio of innovative and high value orphan and rare disease products that will underpin our growth for the next decade. 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 and other cautionary 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 timing of and final approval for the listing of the Warrants on the TSX Venture Exchange and the anticipated use of proceeds of the Offering. 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 those set out in the Company’s materials filed with the Canadian securities regulatory authorities from time to time, including the Company’s most recent annual information form and management’s discussion and analysis; 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. and Medac Pharma, Inc. and the potential benefits the Company expects to derive therefrom; regulatory approval by the Canadian health authorities; product reimbursement by third party payers; patent litigation or patent expiry; litigation risk; stock price volatility; government regulation; and potential third party claims. 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.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.