September 5, 2023

Medexus Strengthens Balance Sheet with US$18 Million Commitment Under Accordion Facility

Medexus expects net proceeds, together with projected cash on hand, to fully satisfy convertible debentures in cash at maturity in October 2023

Toronto, Ontario and Chicago, Illinois--(Newsfile Corp. - September 5, 2023) - Medexus Pharmaceuticals (TSX: MDP) (OTCQX: MEDXF) today entered into an amendment to the company's senior secured credit agreement with BMO as agent and lender. The amendment provides for a US$18 million increase in BMO's term loan commitment under the existing facility's previously disclosed accordion feature, among other amendments. Medexus intends to apply the full US$18 million, net of any transaction expenses, toward repayment of the company's convertible debentures upon their maturity on October 16, 2023.

"We are pleased to extend our strong partnership with BMO and bolster our liquidity position as we approach the October 2023 maturity of our convertible debentures," commented Ken d'Entremont, Chief Executive Officer of Medexus. "BMO's decision represents a vote of confidence in Medexus' go-forward business plan and capital strategy."

"These additional senior debt proceeds further improve our cash position and enhance our flexibility as to how we satisfy the upcoming maturity payment in respect of the remaining C$39.8 million principal amount of convertible debentures in October," added Marcel Konrad, Chief Financial Officer of Medexus. "We now expect that we will be in a position to make the maturity date payment entirely in cash, in the event we elect to do so."

Borrowings under the BMO credit facilities bear interest at a rate of adjusted term SOFR plus a margin determined quarterly based on Medexus's consolidated leverage ratio. At June 30, 2023, before giving effect to the amendments described in this news release, US$35 million of the term loan and US$3.5 million of the revolving loan were outstanding, with a weighted average interest rate of 9.02%. As of the date of this news release, and before giving effect to the additional US$18 million to be drawn in connection with the maturity of the convertible debentures, the weighted average interest rate is 8.68%.

Additional information about the terms of the BMO credit agreement and Medexus's convertible debentures (including a copy of the related indenture) is included in the company's filings on its SEDAR+ profile at www.sedarplus.ca.

About Medexus

Medexus is a leading specialty pharmaceutical company with a strong North American commercial platform and a growing portfolio of innovative and rare disease treatment solutions. Medexus's current focus is on the therapeutic areas of oncology, hematology,

rheumatology, auto-immune diseases, allergy, and dermatology. For more information about Medexus and its product portfolio, please see the company's corporate website at www.medexus.com and its filings on SEDAR+ atwww.sedarplus.ca.

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Forward-looking statements

Certain statements made in this news release contain forward-looking information within the meaning of applicable securities laws (**forward-looking statements**). The words "anticipates", "believes", "expects", "will", "plans", "potential", and similar words, phrases, or expressions are often intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words, phrases, or expressions. Specific forward-looking statements in this news release include, but are not limited to, statements regarding Medexus's intentions with respect to the repayment of the company's convertible debentures upon their maturity on October 16, 2023. These statements are based on factors or assumptions that were applied in drawing a conclusion or making a forecast or projection, including assumptions regarding availability of funds from operations, cash flow generation, and capital allocation (including anticipated cash needs, capital requirements, and the company's ability to secure additional financing, if necessary). Since forward-looking statements relate to future events and conditions, by their very nature they require making assumptions and involve inherent risks and uncertainties. Medexus 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, but are not limited to, those set out in Medexus's materials filed with the Canadian securities regulatory authorities from time to time, including Medexus's most recent annual information form and management's discussion and analysis. Accordingly, undue reliance should not be placed on these forward-looking statements, which are made only as of the date of this news release. Other than as specifically required by law, Medexus undertakes no obligation to update any forward-looking statements to reflect new information, subsequent or otherwise.

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