November 6, 2017

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

Presented Preliminary Clinical Efficacy Data on RX-3117 in Bladder Cancer and Final Data on the Supinoxin™ Phase I Study at the ESMO Congress

Strengthened Patent Position on RX-3117 and Supinoxin™

Received Positive Opinion on Orphan Drug Designation in Europe for RX-3117

Strengthened Financial Position with $8 million Registered Direct Offering in October

ROCKVILLE, Md., Nov. 06, 2017 (GLOBE NEWSWIRE) -- Rexahn Pharmaceuticals, Inc. (NYSE American:RNN), a clinical stage biopharmaceutical company developing innovative therapeutics for the treatment of cancer, today announced financial results for the third quarter ended September 30, 2017 and provided an update on the Company's clinical development programs.

"Rexahn continued to make good progress in our clinical programs during the third quarter," said Peter D. Suzdak, Ph.D., Chief Executive Officer. "We are nearing completion of the RX-3117 monotherapy studies in metastatic pancreatic cancer and advanced bladder cancer and expect to advance to the combination study, with Abraxane®, in newly diagnosed patients with pancreatic cancer in the coming weeks. Preliminary data from the advanced bladder cancer study were presented at the European Society of Medical Oncologists (ESMO) congress in September and we look forward to presenting the final data in due course."

"We also presented the final data from the Phase I study with Supinoxin™ at ESMO," continued Dr. Suzdak. "Supinoxin™ was safe and well tolerated and we saw preliminary evidence of clinical efficacy, with some patients showing progression free survival for prolonged periods up to 39 months. As previously reported, we are conducting a Phase II study with Supinoxin monotherapy in patients with triple negative breast cancer and expect to progress to combination studies in the near future."

"We were also very pleased to receive a positive recommendation from the European Medicines Agency for orphan drug designation for RX-3117 in pancreatic cancer," continued Dr. Suzdak. "In addition, during the quarter, the United States Patent and Trademark Office issued new patents covering RX-3117 and Supinoxin™ that extend the period of patent protection to 2036 and 2034 respectively. The value of our programs is further enhanced with the strengthening and extension of the patent portfolio and with orphan designation."

Third Quarter 2017 Corporate Highlights:

RX-3117 – Oral targeted nucleoside analogue

- Preliminary efficacy data from the Phase IIa clinical study in advanced and metastatic bladder cancer were presented in a poster presentation at the ESMO meeting on September 8, 2017 in Madrid, Spain. Increased progression free survival and showed evidence of tumor shrinkage in patients with advanced bladder cancer resistant to gemcitabine who had failed multiple prior treatments.

- Preclinical data on RX-3117 presented at the ESMO meeting on September 9, 2017, showed additive and synergistic effects in combination with Abraxane® and with checkpoint inhibitor immunotherapies.

- U.S. Patent 9,782,410, “Fluorocyclopentenylcytosine Methods of Use” was issued by the United States Patent and Trademark Office. The patent covers indications, dosage regimens and pharmacokinetic profile for RX-3117. The patent is expected to provide protection for RX-3117 to 2036.

- Rexahn received a positive opinion from the European Medicines Agency on Orphan Drug Designation for RX-3117 in pancreatic cancer.

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

- Final data from the Phase I dose escalation study in patients with solid tumors were presented in a poster presentation at the ESMO meeting on September 9. Supinoxin was shown to be well tolerated and showed preliminary evidence of clinical activity in difficult to treat tumors.

- In August, the PTO issued U.S. Patent 9,744,167, “Nanoparticulate Formulations and Compositions of Piperazine Compounds”. The patent covers formulations of Supinoxin™ and is expected to provide protection to 2034.

Completed $8 Million Registered Direct Offering

In October, the Company completed a registered direct offering with institutional investors to purchase approximately 3.27 million shares of its common stock and warrants exercisable for up to 1.63 million shares of its common stock for gross proceeds of $8 million. The net proceeds of the offering will be used to advance Rexahn’s clinical development programs and for working capital and general corporate purposes.

Third Quarter 2017 Financial Results:

Cash and Investments: Rexahn's cash and investments totaled approximately $23.2 million as of September 30, 2017, compared to approximately $20.3 million as of December 31, 2016. The increase in cash and investments during the nine months ended September 30, 2017 was primarily due to $9.2 million from proceeds received from the registered direct offering in June 2017, $5.4 million of proceeds received from stock warrant and option exercises, offset by $11.7 million of cash used in operating activities. Rexahn expects that its cash and investments, including proceeds from its $8 million registered direct offering in October, will be sufficient to fund the company's cash flow requirements for its current activities into 2019 as the 2018 projected quarterly cash outflow is approximately $5 million

for further development of the ongoing clinical trials. As of November 3, 2017, Rexahn's cash and investments totaled approximately $29.2 million.

R&D Expenses - Research and development expenses were $2.6 million for the three months ended September 30, 2017, compared to $2.3 million for the three months ended September 30, 2016. Research and development expenses for the nine month periods ended September 30, 2017 and 2016 were $7.5 million and $8.0 million, respectively. In both the three and nine-month periods ended September 30, 2017, the company experienced increased clinical trial costs compared to the prior year periods, partially offset by a decrease in personnel expenses. In the three-month period ended September 30, 2017, a new drug manufacturing campaign that began in the third quarter, together with the increased clinical trial costs, contributed to the overall increase in research and development expenses in the period. Conversely, the increased clinical trial costs in the nine-month period September 30, 2017 were more than offset by lower drug manufacturing costs as a result of supplies that were available from earlier manufacturing campaigns.

G&A Expenses - General and administrative expenses were approximately $1.6 million and $1.4 million for the three months ended September 30, 2017 and 2016, respectively. General and administrative expenses for the nine month periods ended September 30, 2017 and 2016 were $5.0 million and $4.5 million respectively. The year over year increase for the nine months ended September 30, 2017 is primarily attributable to an increase in personnel expenses and 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 $4.2 million and $3.7 million for the three months ended September 30, 2017 and 2016, respectively. Rexahn's net loss was $1.0 million, or $0.04 per share, for the three months ended September 30, 2017, compared to a net loss of $2.9 million, or $0.13 per share, for the three months ended September 30, 2016. For the nine month period ended September 30, 2017, Rexahn's net loss was $21.7 million, or $0.83 per share, compared to $8.8 million, or $0.42 per share, for the nine months ended September 30, 2016. Included in the net loss for the three months ended September 30, 2017 and 2016 is an unrealized gain on the fair value of warrants of $3.1 million and $1.0 million, respectively. For the nine month period ended September 30, 2017 and 2016, Rexahn recorded an unrealized (loss) gain on the fair value of warrants of $(9.0 million) and $3.9 million, respectively.

About Rexahn Pharmaceuticals, Inc.

Rexahn Pharmaceuticals Inc. (NYSE AMERICAN:RNN) is a clinical stage biopharmaceutical company dedicated to developing novel, targeted 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 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; the ability to transition from our initial focus on developing drug candidates for orphan indications to candidates for more highly prevalent indications; and the expecting timing of results from our clinical trials. 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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