May 7, 2018

Rexahn Reports First Quarter 2018 Financial Results

ROCKVILLE, Md., May 07, 2018 (GLOBE NEWSWIRE) -- Rexahn Pharmaceuticals, Inc. (NYSE American:RNN), a clinical stage biopharmaceutical company developing innovative, targeted therapeutics for the treatment of cancer, announced financial results for the first quarter ended March 31, 2018.

"Rexahn had a strong start to 2018, with the presentation of encouraging data on RX-3117 in metastatic pancreatic cancer and advanced bladder cancer and the announced collaboration with Haichang to develop RX-0201 for hepatocellular carcinoma," said Peter D. Suzdak, Ph.D., chief executive officer of Rexahn. "We look forward to the continued clinical advancement of RX-3117 and RX-5902 and we will be presenting data on these programs in June at the 2018 American Society of Clinical Oncology (ASCO) Annual Meeting. These data will include interim data from the Phase 2a trials of RX-3117 in advanced bladder cancer patients and of RX-5902 in patients with triple-negative breast cancer. We also look forward to presenting data later this year on the ongoing Phase 2a trial of RX-3117 in combination with Abraxane® in newly diagnosed metastatic pancreatic cancer patients."

Recent Highlights:

- The European Commission granted Orphan Drug Designation for RX-3117 in pancreatic cancer in January 2018.
- Presented data from the Phase 2a clinical trial of RX-3117 in metastatic pancreatic cancer at the ASCO Gastrointestinal Cancers 2018 Annual Meeting. Of the 43 patients included in the efficacy analysis, 31% had disease stabilization for two months or more and 12% had disease stabilization for greater than four months.
- Presented data from the Phase 2a clinical trial of RX-3117 in advanced bladder cancer at the ASCO Genitourinary Cancers 2018 Annual Meeting. Encouraging progression-free survival and evidence of tumor shrinkage (including one patient with a partial response) were observed in patients with advanced bladder cancer who had failed on multiple prior treatments including immunotherapy and gemcitabine.
- Received notice of allowance from the U.S. Patent and Trademark Office in January 2018 for a new U.S. patent covering the Use of RX-5902. The allowed Patent Application No. 15/255,901, "Quinoxalinyl Piperazinamide Methods of Use," covers the use of RX-5902 for the treatment of cancers including triple-negative breast cancer either as monotherapy or in combination with other anti-tumor agents such as cytotoxic agents or immune checkpoint inhibitors. The allowed application will extend the patent protection for uses claimed under this patent until 2036.
- Entered into a research and development collaboration with Zhejiang Haichang Biotechnology Co., Ltd. (Haichang) for the development of RX-0201. Under the agreement, Haichang will develop a nano-liposomal formulation of RX-0201 using its proprietary QTsome™ technology and conduct certain preclinical and clinical activities through completion of a Phase 2 proof-of-concept clinical trial for the treatment of hepatocellular carcinoma.
- Presented preclinical data at the American Association of Cancer Research Annual Meeting 2018 demonstrating that RX-3117 promotes epigenetic effects in cancer cells through enhanced degradation of DNA methyltransferase 1.
- Enhanced leadership team by appointing Douglas J. Swirsky as President, Chief Financial Officer and Corporate Secretary in January 2018.
- As of May 4, 2018, had $19.3 million in cash, cash equivalents and investments (unaudited). Rexahn expects that its cash, cash equivalents and investments will be sufficient to fund the company's currently expected cash flow requirements for its activities into mid-2019.

Q1 2018 Financial Results:

R&D Expenses: Research and development expenses were $4.1 million for the three months ended March 31, 2018, compared to $2.3 million for the three months ended March 31, 2017. The increase in research and development is primarily attributable to increases in drug manufacturing costs and clinical trial costs from the advancement of our clinical trials.

G&A Expenses: General and administrative expenses for the three months ended March 31, 2018 were approximately $1.8 million, compared to $1.7 million for the three months ended March 31, 2017. The year-over-year increase is primarily attributable to an increase in personnel expenses.

Net Loss: Rexahn's loss from operations was $5.9 million and $4.0 million for the three months ended March 31, 2018 and 2017, respectively. Rexahn's net loss was $2.1 million, or $0.07 per share, for the three months ended March 31, 2018, compared to a net loss of $21.6 million, or $0.91 per share, for the three months ended March 31, 2017. Included in the net

loss for the three months ended March 31, 2017 is a non-cash charge of $17.7 million due to an adjustment to the fair value of outstanding warrants primarily resulting from the increased stock price of the underlying common stock, as compared to a non-cash gain of $3.4 million for the three months ended March 31, 2018.

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. Preclinical studies show that certain of Rexahn's product candidates may be effective against multiple types of cancer, including drug resistant cancers, and difficult-to-treat cancers, and others may augment the effectiveness of current FDA-approved cancer treatments. The Company has two oncology product candidates, RX-3117 and RX-5902, in Phase 2 clinical development and additional compounds in preclinical development including RX-0201. 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," and 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 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 expected 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 the subsequent quarterly report 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.

Media Contact:
DGI Comm
Susan Forman or Laura Radocaj
+1-212-825-3210
sforman@dgicomm.com
lradocaj@dgicomm.com

Investor contact:
ir@rexahn.com

(Tables to follow)

Rexahn Pharmaceuticals, Inc.
Condensed Statement of Operations
(unaudited)

	For the Three Months Ended March 31,	
	2018	2017
Revenues:	$ -	$ -
Expenses:		
General and administrative	1,827,322	1,690,846
Research and development	4,058,533	2,262,395

Total Expenses	5,885,855	3,953,241
Loss from Operations	(5,885,855)	(3,953,241)
Other Income (Expense)		
Interest income	75,736	31,797
Other income	368,750	-
Unrealized gain (loss) on fair value of warrants	3,366,496	(17,689,580)
Total Other Income (Expense)	3,810,982	(17,657,783)
Net Loss Before Provision for Income Taxes	(2,074,873)	(21,611,024)
Provision for income taxes	-	-
Net Loss	$ (2,074,873)	$ (21,611,024)
Net loss per share, basic and diluted	$ (0.07)	$ (0.91)
Weighted average number of shares outstanding, basic and diluted	31,731,485	23,851,734

Rexahn Pharmaceuticals, Inc.
Selected Balance Sheet Information
(unaudited)

	March 31, 2018	December 31, 2017
Cash, Cash Equivalents and Marketable Securities	$ 21,182,840	$ 26,831,905
Working Capital[(1)]	$ 19,365,084	$ 24,901,710
Total Assets	$ 22,554,270	$ 28,287,881
Total Liabilities	$ 7,584,310	$ 11,519,285
Stockholders' Equity	$ 14,969,960	$ 16,768,596

1. Working Capital defined as current assets less current liabilities