Rexahn Pharmaceuticals In-Licenses Breakthrough Oncology Drug Delivery Platform

Maximizes efficacy and minimizes toxicity of currently marketed anti-cancer drugs
RX-21101 identified as first development candidate from platform

Rockville, MD, July 17, 2013 - Rexahn Pharmaceuticals, Inc. (NYSE MKT: RNN), a clinical stage biopharmaceutical company, announced today that it has signed an exclusive license agreement with the University of Maryland, Baltimore (UMB) for a novel drug delivery platform, Nano-Polymer-Drug Conjugate Systems (NPDCS). This technology targets the delivery of currently marketed chemotherapeutic agents directly into cancerous tumors. The direct delivery of chemotherapeutic drugs into the tumors has been shown to result in increased efficacy and reduced toxicity.

The NPDCS platform combines existing chemotherapeutic agents with a proprietary polymer carrier that contains a signaling moiety which directs the drug into the tumor. This approach minimizes the levels of freely circulating anti-cancer agents in the body, which can dramatically reduce potential adverse events, and maximizes anti-tumor activity by accumulating in the cancer tumor. NPDCS is a broad platform that has the potential to generate multiple therapeutic candidates going forward.

Rexahn’s first drug candidate developed utilizing this novel platform is RX-21101, a polymer conjugated form of docetaxel, a common chemotherapy agent. In preclinical studies, RX-21101 demonstrated increased efficacy and reduced toxicity, as compared to intravenously administered free docetaxel. Docetaxel is now generic but is marketed worldwide under the trade name Taxotere® and has reported annual sales of $3.1 billion for the treatment of breast, ovarian, prostate, and non-small cell lung cancer. Despite its commercial success, docetaxel is toxic to all dividing cells in the body and is associated with a high incidence of adverse events including anemia, infection, fever, neutropenia, neuropathy, asthenia, edema, alopecia, nausea and vomiting. These adverse events are the result of high concentrations of free docetaxel in the blood. By minimizing the circulating concentration of free docetaxel in the blood and maximizing the concentration in the cancer tumor, RX-21101 may increase anti-tumor activity and a lower incidence of adverse events.
Dr. Hamid Ghandehari, Professor, Departments of Pharmaceutics and Pharmaceutical Chemistry and Bioengineering, University of Utah and co-developer of the NPDCS technology commented, “The NPDCS platform represents a significant advancement in targeted delivery of chemotherapeutic agents directly to cancer tumors. Other approaches have not been able to combine the controlled, targeted release of existing chemotherapeutic directly to the cancerous tumor.”

“This discovery – as well as the partnership with a leading Maryland-based biopharmaceutical company – is very exciting for UMB, and Rexahn is exactly the type of focused organization that our office seeks out as a commercial partner,” said Phil Robilotto, Assistant Vice President, UMB Office of Technology Transfer. “The initial funding for this work was provided through a Maryland Industrial Partnership (MIPS) award, and a successful long term university/industry relationship such as this is a terrific example of the value of the MIPS program.”

Peter D. Suzdak, Ph.D., Rexahn’s Chief Executive Officer commented, “The NPDCS platform complements our three clinical stage compounds with a lower risk approach that maximizes efficacy while reducing the adverse events associated with existing anti-cancer agents. Rexahn looks forward to utilizing the NPDCS platform to develop multiple development candidates for either internal development or out licensing.”

About Rexahn Pharmaceuticals, Inc.
Rexahn Pharmaceuticals is a clinical stage biopharmaceutical company dedicated to developing best-in-class therapeutics for the treatment of cancer. Rexahn currently has three clinical stage oncology candidates, Archexin®, RX-3117, and RX-5902 and a robust pipeline of preclinical compounds to treat multiple types of cancer. Rexahn has also developed proprietary drug discovery platform technologies in the areas of Nano-Polymer-Drug Conjugate Systems (NPDCS), nano-medicines, 3D-GOLD, and TIMES. For more information, 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 future operations and products 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, the difficulty of developing pharmaceutical products, obtaining regulatory and other approvals and achieving market acceptance; the marketing success of Rexahn’s licensees or sublicensees; the success of clinical testing; and Rexahn’s need for and ability to obtain additional financing. 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.