



Developing the next generation of immuno-oncology therapeutics

RXI Pharmaceuticals Announces Closing of \$4.9 Million Registered Direct Offering

April 11, 2018

MARLBOROUGH, Mass., April 11, 2018 /PRNewswire/ -- RXI Pharmaceuticals Corporation (NASDAQ: RXII), a biotechnology company developing immuno-oncology therapeutics based on its proprietary self-delivering RNAi (sd-rRNA®) therapeutic platform, announced today the closing of its previously announced registered direct offering of shares of common stock priced at-the-market for gross proceeds of approximately \$4.9 million.

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H.C. Wainwright & Co., LLC acted as the exclusive placement agent for the offering.

RXI issued 1,510,604 shares of common stock, par value \$0.0001 per share, at a price of \$3.15 per share. Additionally, in a concurrent private placement offering, RXI issued unregistered warrants to purchase a total of 1,132,953 shares of common stock, representing 75% of the shares of common stock purchased in the registered offering. Each warrant has been sold at a price of \$0.125 per underlying warrant share, is exercisable at an exercise price of \$3.15 per share and exercisable immediately and will expire on the earlier of five and one-half years from the issuance date and 5 years from the date a registration statement registering the shares of common stock underlying the warrants becomes effective.

The net proceeds of the offering are estimated to be approximately \$4.1 million, after deducting placement agent fees and estimated offering expenses. RXI plans to use the net proceeds to fund the preclinical and clinical development of its immuno-oncology program, for other research and development activities and for general working capital needs.

The shares of common stock (but not the warrants or the shares of common stock underlying the warrants) were offered pursuant to a "shell" registration statement on Form S-3 that was filed and declared effective by the Securities and Exchange Commission ("SEC") and the base prospectus contained therein (File No. 333-224031). The offering of the shares of common stock were made only by means of a written prospectus and prospectus supplement forming a part of the registration statement. The warrants described above were offered in a private placement under Section 4(a)(2) of the Securities Act of 1933, as amended (the "Act"), and Regulation D promulgated thereunder and, along with the shares of common stock underlying the warrants, have not been registered under the Act, or applicable state securities laws. Accordingly, the warrants and underlying shares of common stock may not be offered or sold in the United States except pursuant to an effective registration statement or an applicable exemption from the registration requirements of the Act and such applicable state securities laws.

Copies of the final prospectus supplement and accompanying base prospectus may be obtained on the SEC's website at <http://www.sec.gov> or by contacting H.C. Wainwright & Co., LLC at 430 Park Avenue, 3rd Floor, New York, NY 10022, by phone at 646-975-6996 or e-mail at placements@hcwco.com.

This press release shall not constitute an offer to sell, or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

About RXI Pharmaceuticals

RXI Pharmaceuticals Corporation (NASDAQ: RXII) is a biotechnology company developing immuno-oncology therapeutics based on its self-delivering RNAi (sd-rRNA®) therapeutic platform. Building on the pioneering discovery of RNAi, scientists at RXI have harnessed the naturally occurring RNAi process which can be used to "silence" or down-regulate the expression of a specific gene that may be overexpressed in a disease condition. RXI developed a robust RNAi therapeutic platform, including sd-rRNA compounds, that has the potential to highly selectively block the expression of any target in the genome, thus providing applicability to many therapeutic areas. RXI's extensive patent portfolio provides for multiple product and business development opportunities across a broad spectrum of therapeutic areas, and we actively pursue research collaborations, partnering and out-licensing opportunities with academia and pharmaceutical companies. For additional information, visit the Company's website, www.rxipharma.com.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements about: our expectation regarding closing of the offering, our ability to successfully develop RXI-109, Samcyprone™, RXI-762, RXI-804 and our other product candidates (collectively, "our product candidates"); the future success of our clinical trials with our product candidates; the timing for the commencement and completion of clinical trials; our ability to enter into strategic partnerships and the future success of these strategic partnerships; and our ability to deploy our sd-rRNA® technology through partnerships, as well as the prospects of these partnerships to provide positive returns. Forward-looking statements about expectations and development plans of RXI's product candidates and partnerships involve significant risks and uncertainties, including the following: risks that we may not be able to successfully develop and commercialize our product candidates; risks that product development and clinical studies may be delayed, not proceed as planned and/or be subject to significant cost over-runs; risks related to the development and commercialization of products by competitors; risks related to our ability to control the timing and terms of collaborations with third parties; and risks that other companies or organizations may assert patent rights preventing us from developing or commercializing our product candidates. Additional risks are detailed in our most recent Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q under the caption "Risk Factors." Readers are urged to review these risk factors and to not act in reliance on any forward-looking statements, as actual results may differ from those contemplated by our forward-looking statements. RXI does not undertake to update forward-looking statements to reflect a change in its views, events or circumstances that occur after the date of this release.

Contact

RXI Pharmaceuticals Corporation
Tamara McGrillen
508-923-3646
tmcgrillen@rxipharma.com

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