



TRACON Pharmaceuticals Announces \$8.8 Million Registered Direct Offering

December 22, 2020

SAN DIEGO, Dec. 22, 2020 (GLOBE NEWSWIRE) -- TRACON Pharmaceuticals (NASDAQ: TCON), a clinical stage biopharmaceutical company focused on the development and commercialization of novel targeted cancer therapeutics and utilizing a cost efficient, CRO-independent product development platform to partner with ex-U.S. companies to develop and commercialize innovative products in the U.S., today announced that it has entered into a securities purchase agreement with new and existing investors to sell an aggregate of 1.1 million shares of common stock in a registered direct offering at a price of \$8.06 per share, which is the five-day average closing price of the Company's common stock as of December 21, 2020. The aggregate gross proceeds to TRACON from the offering are expected to be \$8.8 million. The closing of the offering is expected to occur on or about December 22, 2020.

TRACON intends to use the net proceeds from the offering to fund the ENVASARC pivotal study of envafolelimab in sarcoma, further business development efforts, and for working capital and general corporate purposes.

A.G.P./Alliance Global Partners is acting as a financial advisor for the offering.

The offering is being made pursuant to an effective shelf registration statement on Form S-3 (File No. 333-229990) previously filed with the U.S. Securities and Exchange Commission (the "SEC"). A prospectus supplement describing the terms of the proposed offering will be filed with the SEC and will be available on the SEC's website located at <http://www.sec.gov>. Before investing in the offering, interested parties should read in their entirety the prospectus supplement and the accompanying prospectus and the other documents that the Company has filed with the SEC that are incorporated by reference in such prospectus supplement and the accompanying prospectus, which provide more information about the Company and the offering.

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

About TRACON

TRACON develops targeted therapies for cancer utilizing a capital efficient, CRO independent, product development platform. The Company's clinical-stage pipeline includes: Envafolelimab, a subcutaneous PD-L1 single-domain antibody being developed in a registration trial for the treatment of certain sarcomas; TRC253, a small molecule drug candidate for the treatment of prostate cancer; TRC102, a Phase 2 small molecule drug candidate being developed for the treatment of lung cancer and glioblastoma; and TJ004309, a CD73 antibody in Phase 1 development for the treatment of advanced solid tumors. TRACON is actively seeking additional corporate partnerships whereby it leads U.S. regulatory and clinical development and shares in the cost and risk of clinical development and leads U.S. commercialization. In these partnerships TRACON believes it can serve as a solution for companies without clinical and commercial capabilities in the U.S. To learn more about TRACON and its product pipeline, visit TRACON's website at www.traconpharma.com.

Forward-Looking Statements

Statements made in this press release regarding matters that are not historical facts are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Because such statements are subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. Such statements include, but are not limited to, statements regarding the anticipated size, proceeds from and timing of the closing of the offering and the use of the proceeds from the offering. Risks that could cause actual results to differ from those expressed in these forward-looking statements include: risks and uncertainties inherent in drug discovery, development and clinical trials, TRACON's ability to satisfy the conditions to closing the offering, potential unexpected capital requirements and other risks described in TRACON's filings with the Securities and Exchange Commission under the heading "Risk Factors". All forward -looking statements contained in this press release speak only as of the date on which they were made and are based on management's assumptions and estimates as of such date. TRACON undertakes no obligation to update such statements to reflect events that occur or circumstances that exist after the date on which they were made.

Company Contact:

Mark Wiggins

Chief Business Officer

(858) 251-3492

mwiggins@traconpharma.com

Investor Contact:

Andrew McDonald

LifeSci Advisors LLC

646-597-6987

Andrew@lifesciadvisors.com



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