



Eupraxia Pharmaceuticals Announces Overnight Marketed Offering

April 11, 2022

NOT FOR DISSEMINATION IN THE UNITED STATES OR THROUGH U.S. NEWSWIRE SERVICES

VICTORIA, British Columbia, April 11, 2022 (GLOBE NEWSWIRE) -- Eupraxia Pharmaceuticals Inc. ("Eupraxia" or the "Company") (TSX:EPRX), is pleased to announce it has commenced an overnight marketed public offering (the "Offering") of units (the "Units") of the Company.

The Offering will be conducted on a best efforts agency basis pursuant to the terms and conditions of an agency agreement to be entered into between the Company and Raymond James Ltd. as sole bookrunner and lead agent on behalf of a syndicate of agents (collectively, the "Agents"). The defining pricing, terms and size of the Offering will be determined in the context of the market at the time of entering into a definitive agency agreement between the Company and the Agents.

Each Unit is expected to consist of one common share in the capital of the Company (each, a "Common Share") and one Common Share purchase warrant (each, a "Warrant"). Each Warrant will entitle the holder to acquire one common share of the Company for 48 months from the closing of the Offering at a price of C\$3.00.

The Company will also grant the Agents an option (the "Over-Allotment Option") to sell up to an additional 15% of the Units sold under the Offering, at the price sold pursuant to the Offering. The Over-Allotment Option may be exercised in whole or in part to purchase Common Shares, Warrants or Units as determined by the Agents upon written notice to the Company at any time up to 30 days following the closing date of the Offering.

The Offering will be conducted pursuant to the Company's Canadian base shelf prospectus dated January 10, 2022 (the "Base Shelf Prospectus"). A prospectus supplement (the "Prospectus Supplement") relating to the Offering will be filed in each of the provinces of Canada, except the Province of Quebec. Copies of the Prospectus Supplement and accompanying Base Shelf Prospectus will be available under the Company's profile on SEDAR at www.sedar.com.

The Company intends to use the net proceeds from the Offering towards the Company's ongoing research & development activities including the clinical development of EP-104IAR, other preclinical and clinical targets as well as for working capital and general capital purposes.

The Offering is expected to close on or about April 20, 2022, subject to customary closing conditions.

Closing of the Offering is subject to certain conditions including, but not limited to, the receipt of all necessary approvals including the approval of the Toronto Stock Exchange.

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 the securities in the United States or in any other jurisdiction in which such offer, solicitation or sale would be unlawful. The securities have not been registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements thereunder.

About Eupraxia Pharmaceuticals Inc.

Eupraxia is a clinical-stage biotechnology company focused on the development of locally delivered, extended-release alternatives to currently approved drugs. Each of Eupraxia's product candidates has the potential to address therapeutic areas with high unmet medical need and strives to provide improved patient benefit by delivering targeted, long-lasting activity with fewer side effects.

Eupraxia's lead product candidate, EP-104IAR, is currently in Phase 2 development for the treatment of pain due to OA of the knee. In addition to EP-104IAR, Eupraxia is developing a pipeline of earlier-stage long-acting formulations. Potential pipeline candidates include a range of drugs for indications such as post-surgical pain (EP-105), and post-surgical site infections (EP-201), each designed to improve on the activity and tolerability of approved drugs.

For further details about Eupraxia, please visit the Company's website at: www.eupraxiapharma.com.

For media inquiries, please contact:

Vik Peck

Eupraxia Pharmaceuticals Inc.

250.590.3968 ext. 508

vpeck@eupraxiapharma.com

For investor inquiries, please contact:

Adam Peeler, on behalf of:
Eupraxia Pharmaceuticals Inc.
416.427.1235
adam.peeler@loderockadvisors.com

Forward-Looking Statements

Some statements in this release may contain forward-looking statement and forward looking information within the meaning of Canadian securities laws. All statements, other than of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future (including, without limitation, statements regarding to the Offering generally, the terms thereof, the use of the proceeds thereof, the exercise of the Over-Allotment Option and the satisfaction of the conditions of the closing of the Offering, including the receipt, in a timely manner, of required approvals) are forward-looking statements. Forward-looking statements are generally, but not always, identifiable by use of the words "may", "will", "should", "continue", "expect", "anticipate", "estimate", "believe", "intend", "plan" or "project" or the negative of these words or other variations on these words or comparable terminology. Forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond the Company's ability to control or predict, that may cause the actual results of the Company to differ materially from those discussed in the forward-looking statements. Factors that could cause actual results or events to differ materially from current expectations include, among other things, without limitation, uncertainties related to the terms, timing and ability of the Company to complete the Offering, the inability of the Company to obtain sufficient financing to execute the Company's business plan; competition; regulation and anticipated and unanticipated costs and delays, the success of the Company's research and development strategies, including the success of this product or any other product, the applicability of the discoveries made therein, the successful and timely completion and uncertainties related to the regulatory process, the timing of clinical trials, the timing and outcomes of regulatory or intellectual property decisions and other risks disclosed in the Company's public disclosure record on file with the relevant securities regulatory authorities on SEDAR at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual results or events to differ materially from those described in forward-looking statements, there may be other factors that cause results or events not to be as anticipated, estimated or intended. Readers should not place undue reliance on forward-looking statements. The forward-looking statements and information included in this news release are made as of the date of this news release and the Company does not undertake an obligation to publicly update such forward-looking statements to reflect new information, subsequent events or otherwise unless required by applicable securities legislation.



Source: Eupraxia Pharmaceuticals Inc.