



Equillium Announces Common Stock Purchase Agreement for up to \$15 Million with Lincoln Park Capital

March 30, 2020

LA JOLLA, Calif., March 30, 2020 (GLOBE NEWSWIRE) -- Equillium, Inc. (Nasdaq: EQ), a clinical-stage biotechnology company leveraging deep understanding of immunobiology to develop products to treat severe autoimmune and inflammatory disorders, today announced it has entered into a common stock purchase agreement for up to \$15 million with Lincoln Park Capital Fund, LLC ("LPC"), a Chicago-based institutional investor.

Under the terms of the purchase agreement, and once a registration statement relating to the transaction has been declared effective, Equillium will have the right at its sole discretion, but not the obligation, to sell to LPC up to \$15 million worth of shares of its common stock over the 36-month term of the agreement. The price of Equillium's shares of common stock sold is as set forth in the purchase agreement and is generally based on the market prices prevailing at the time of each sale to LPC. Equillium controls the timing and amount of any future sales of its shares of common stock, subject to various limitations including those under the Nasdaq listing rules. There is no upper limit as to the price per share that LPC may pay for future stock issuances under the purchase agreement, and LPC has agreed not to cause or engage in any direct or indirect short selling or hedging of Equillium's common stock. Equillium may terminate the purchase agreement at any time, at its sole discretion, without any cost or penalty. Equillium intends to use the net proceeds from the sale of its common stock under the purchase agreement for working capital and general corporate purposes.

"We are pleased to enter into this agreement with Lincoln Park Capital, as it represents an important potential source of additional capital available to the Company, which could be used to help fund the continued advancement of our clinical development of itolizumab," said Jason Keyes, chief financial officer of Equillium. "This commitment provides Equillium with a flexible option to opportunistically strengthen our balance sheet at appropriate times to support our evolving business needs."

Additional information regarding the purchase agreement with LPC is available in the Current Report on Form 8-K that Equillium filed with the Securities and Exchange Commission ("SEC") on March 30, 2020.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy these securities, nor will 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 Equillium

[Equillium](#) is a clinical-stage biotechnology company leveraging deep understanding of immunobiology to develop novel products to treat severe autoimmune and inflammatory disorders with high unmet medical need.

Equillium's initial product candidate, itolizumab (EQ001), is a clinical-stage, first-in-class monoclonal antibody that selectively targets the CD6-ALCAM pathway. This pathway plays a central role in modulating the activity and trafficking of T cells that drive a number of immuno-inflammatory diseases. Itolizumab is a clinically-validated therapeutic that has demonstrated a favorable safety and tolerability profile. Equillium acquired rights to itolizumab through an exclusive partnership with Biocon Limited. Equillium believes that itolizumab has the potential to be a best-in-class disease modifying therapeutic and is advancing the clinical development of itolizumab in the following severe immuno-inflammatory disorders: uncontrolled asthma, acute graft-versus-host disease, and lupus nephritis.

About Lincoln Park Capital Fund, LLC (LPC)

LPC is a long-only institutional investor headquartered in Chicago, Illinois. LPC's experienced professionals manage a portfolio of investments in public and private entities. These investments are in a wide range of companies and industries emphasizing life sciences and technology. LPC's investments range from multi-year financial commitments to fund growth to special situation financings to long-term strategic capital offering companies flexibility and consistency.

Forward Looking Statements

Statements contained 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 Equillium's capital structure, business strategy, Equillium's plans for developing itolizumab, the impact and benefits of the financing, Equillium's ability to sell additional shares of our common stock, Equillium's cash runway and Equillium's use of proceeds. Risks that contribute to the uncertain nature of the forward-looking statements include: uncertainties related to Equillium's capital requirements, the volatility of market conditions, Equillium's ability to satisfy the conditions of the agreement described above, the actions of regulatory authorities and whether the results from clinical trials will validate and support the safety and efficacy of itolizumab. These and other risks and uncertainties are described more fully under the caption "Risk Factors" and elsewhere in Equillium's filings and reports with the United States Securities and Exchange Commission. All forward-looking statements contained in this press release speak only as of the date on which they were made. Equillium undertakes no obligation to update such statements to reflect events that occur or circumstances that exist after the date on which they were made.

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