**TRACON Pharmaceuticals Presents Positive Clinical Data from TRC105 and TRC102 Studies at American Society of Clinical Oncology (ASCO) 2017 Annual Meeting**

*Identified Biomarkers that Correlate with Response in Renal Cell Carcinoma and Soft Tissue Sarcoma Patients Treated with TRC105 Combinations*

*Partial Responses Observed in Colorectal, Lung and Ovarian Cancer Patients Treated with TRC102 and Temodar® and Observed Treatment-Induced Biomarkers of DNA Damage*

**San Diego, CA – June 5, 2017** – TRACON Pharmaceuticals (NASDAQ:TCON), a clinical stage biopharmaceutical company focused on the development and commercialization of novel targeted therapeutics for cancer, wet age-related macular degeneration and fibrotic diseases, today reported positive clinical results from multiple studies with TRC105 and TRC102 at the American Society of Clinical Oncology (ASCO) 2017 Annual Meeting in Chicago, IL.

**Observed Correlation of Biomarker Status with Activity of TRC105 with Votrient® (pazopanib) in Advanced Soft Tissue Sarcoma**

In this Phase 1b trial, patients who had greater than a 10% reduction in tumor volume following treatment with TRC105 and Votrient were significantly more likely to have lower baseline levels of soluble intracellular adhesion molecule-1 (ICAM-1) (p=0.018) and thrombospondin-2 (p=0.041). These biomarkers will be assessed separately as part of the completed 63 patient Phase 2 trial of TRC105 and Votrient in soft tissue sarcoma and in the ongoing randomized Phase 3 TAPPAS trial of TRC105 and Votrient in patients with angiosarcoma.

**Observed Correlation of Biomarker Status with Activity of TRC105 with Inlyta® (axitinib) in Advanced Renal Cell Carcinoma**

In this Phase 1b trial, patients with a partial response by RECIST 1.1 following treatment with TRC105 and Inlyta were more likely to have lower levels of soluble osteopontin (p=0.026) and higher levels of soluble transforming growth factor-β receptor III (p=0.0028). These biomarkers will also be assessed as part of the ongoing randomized Phase 2 TRAXAR study of TRC105 and Inlyta in patients with renal cell carcinoma.

**Data from a Phase 1/2 Trial of TRC102 with Temodar® (temozolomide) in Patients with Solid Tumors**

The National Cancer Institute (NCI) reported data from a trial of TRC102 in combination with Temodar in patients with refractory solid tumors. Based on partial responses in patients with KRAS-positive colorectal cancer, ovarian cancer and non-small cell lung cancer, the NCI decided to enroll expansion cohorts in each of these tumor types at the recommended Phase 2 oral dose of TRC102 of 150 mg/m$^2$. The authors concluded that the combination of Temodar and TRC102 is active, and DNA damage response markers (Rad51, Ɣ-H2AX and/or pNbs1) were induced in 4 of 5 paired colon biopsies, indicating DNA damage following treatment.

All posters are available on TRACON's website at: www.traconpharma.com/publications.php

**About Carotuximab (TRC105)**

TRC105 is a novel, clinical stage antibody to endoglin, a protein overexpressed on proliferating endothelial cells that is essential for angiogenesis, the process of new blood vessel formation. TRC105 is currently being studied in one Phase 3 and multiple Phase 2 clinical trials sponsored by TRACON or the National Cancer Institute for the treatment of solid tumors in combination with VEGF inhibitors. TRC105 has received orphan designation for the treatment of soft tissue sarcoma in both the U.S. and EU. The ophthalmic formulation of TRC105, DE-122, is currently in a Phase 1/2 trial for patients with wet AMD. For more information about the clinical trials, please visit TRACON's website at www.traconpharma.com/clinical_trials.php.

**About TRC102**

TRC102 (methoxyamine) is a novel, clinical-stage small molecule inhibitor of the DNA base excision repair pathway, which is a pathway that causes resistance to alkylating and antimetabolite chemotherapeutics. TRC102 is currently being studied in multiple Phase 1 and Phase 2 clinical trials sponsored by the National Cancer Institute or Case Comprehensive Cancer Center. For more information about the clinical trials, please visit TRACON's website at www.traconpharma.com/clinical_trials.php.

**About TRACON**

TRACON develops targeted therapies for cancer, ophthalmic and fibrotic diseases. The Company's clinical-stage pipeline includes: TRC105, an endoglin antibody that is being developed for the treatment of multiple cancers; DE-122, the ophthalmic formulation of TRC105 that is being developed in wet AMD through a collaboration with Santen Pharmaceutical Company Ltd.; TRC102, a small molecule being developed for the treatment of lung cancer and glioblastoma; and TRC253, a small molecule being developed for the treatment of prostate cancer. To learn more about TRACON and its product candidates, visit TRACON's website at www.traconpharma.com.

**Forward-Looking Statements**

This press release contains forward-looking statements, including statements regarding TRACON's plans and timing with respect to planned biomarker assessments in completed and on-going clinical trials, and other development plans and potential benefits of TRACON's product candidates. Forward-looking statements speak only as of the date of this press release and TRACON does not undertake any obligation to update or revise these statements, except as may be required by law. These forward-looking statements are based on management's expectations and assumptions as of the date of this press release and actual results may differ materially from those in these forward-looking statements as a result of various factors. These factors include, but are not limited to, the fact that results of subsequent studies may not be consistent with results of prior studies, TRACON's and NCI's ability to identify and enroll patients in on-going and planned clinical trials, potential delays in completing on-going clinical trials whether TRACON's product candidates will be shown to be safe and effective in subsequent studies, and TRACON's and NCI's ability and willingness to fund additional clinical development of TRACON's product candidates. For a further description of these and other risks facing TRACON, please see the risk factors described in TRACON's filings with the United States Securities and Exchange Commission, including those

factors discussed under the caption "Risk Factors" in those filings. Forward-looking statements speak only as of the date of this press release and TRACON undertakes no obligation to update or revise these statements, except as may be required by law.


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