TRACON Pharmaceuticals Announces Initiation of TRC102 Combination Phase 1b/2 Trial

Two Cohort Clinical Trial Sponsored by National Cancer Institute

San Diego, CA – October 12, 2015 – 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 (AMD) and fibrotic diseases, today announced the initiation of a two cohort clinical trial sponsored by the National Cancer Institute (NCI), containing a Phase 2 portion evaluating the combination of TRC102 and Alimta® (pemetrexed) in patients with mesothelioma and a Phase 1b portion evaluating the combination of TRC102, Alimta and cisplatin in patients with solid tumors. TRC102, a novel small molecule inhibitor of the base excision repair (BER) pathway of chemotherapy resistance, is being studied in multiple ongoing clinical trials supported by the NCI in combination with multiple chemotherapeutics.

"TRC102 has shown promising data in multiple Phase 1 trials, and we are pleased that the NCI has chosen to move forward into Phase 2 testing," said Charles Theuer, M.D., Ph.D., President and CEO of TRACON. "Previously completed clinical trials sponsored by TRACON, Case Cancer Center and the NCI have demonstrated that TRC102 can be safely combined with three separate chemotherapeutics - Alimta, Temodar® (temozolomide) and Fludara® (fludarabine). This Phase 1b/2 study is part of a broad development program for TRC102 that includes a number of additional planned studies including a Phase 2 trial in glioblastoma patients combining TRC102 with Temodar."

The clinical trial is an open-label, nonrandomized trial with a Phase 2 portion that will assess the activity of Alimta and TRC102 in patients with mesothelioma who have progressed on prior chemotherapy. In addition, the trial includes a Phase 1b dose-finding portion that will assess TRC102 in combination with Alimta and cisplatin in patients with refractory solid tumors. The two cohort clinical trial is expected to enroll a total of 58 patients. For additional information on this clinical trial, please visit https://clinicaltrials.gov/, trial identifier NCT02535312.

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 clinical trials sponsored by both the National Cancer Institute and Case Comprehensive Cancer Center. For more information about the clinical trials, please visit TRACON's website at http://www.traconpharma.com/clinical_trials.php.

About TRACON

TRACON develops targeted therapies for cancer, wet AMD and fibrotic diseases. TRACON's current pipeline includes two clinical stage product candidates: TRC105, an anti-endoglin antibody that is being developed for the treatment of renal cell carcinoma, soft tissue sarcoma, hepatocellular

carcinoma, glioblastoma and choriocarcinoma, and TRC102, a small molecule that is being developed for the treatment of lung cancer and glioblastoma. To learn more about TRACON and its product candidates, 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 on-going and planned clinical trials of TRC102, plans to further develop TRACON's product candidates, and expectations regarding the initiation and timing of future clinical trials by TRACON or third parties. Risks that could cause actual results to differ from those expressed in these forward-looking statements include: risks associated with clinical development; whether TRACON, the NCI or others will be able to complete or initiate clinical trials on TRACON's expected timelines, if at all; the fact that future preclinical studies and clinical trials may not be successful or otherwise consistent with results from prior studies; TRACON's reliance on third parties for the development of its product candidates, including the conduct of clinical trials; 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.

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