



HIGHLAND
THERAPEUTICS

www.highlandtherapeutics.com

For Immediate Release:

HIGHLAND THERAPEUTICS ANNOUNCES CLOSING OF US\$50 MILLION FINANCING

TORONTO, Canada, June 24, 2015—Highland Therapeutics Inc. (“Highland”), a pharmaceutical company, today announced it has completed a US\$50 million financing, consisting of a US\$25 million offering of Class A Common Shares and a US\$25 million credit facility provided by Citibank, N.A. The equity financing was led by Eastern Capital Limited.

“We are delighted to have Eastern Capital as a committed partner and long-term strategic investor in Highland Therapeutics,” said David Lickrish, Highland’s President and Chief Executive Officer. “This financing is a testament to the many clinical accomplishments achieved to date, and enables the Company to pivot from a pure R&D organization to a scalable pharmaceutical company focused on the highest value components of our business.”

Mark VanDevelde, Director of Eastern Capital commented that, “The partnership between Highland Therapeutics and Eastern Capital provides a unique opportunity to bring long-term, private equity capital and visionary operating leadership together for the benefit of patients, parents and physicians. Eastern Capital is delighted to support emerging biopharmaceutical companies both around the world and at home here in the Cayman Islands.”

The proceeds from the financing will provide, among other things, the necessary resources for Highland, through its wholly owned subsidiary Ironshore Pharmaceuticals & Development, Inc. to (i) complete the clinical development of both HLD-200 (a next-generation formulation of methylphenidate) and HLD-100 (next-generation formulation of amphetamine), (ii) secure dedicated manufacturing capacity to ensure certainty of commercial supply for the Company’s products, (iii) initiate the building of a world-class sales & marketing infrastructure in the U.S., (iv) engage in pre-marketing initiatives and medical education activities and (v) pursue pipeline

expansion opportunities, including the potential utility of HLD-100 in Binge Eating Disorder (BED) and other indications.

Dr. Bev Incledon, Senior Vice President of Research & Development said, “As an organization, we are committed to developing several therapeutic options to help improve the lives of patients and their families. Our lead products address the gap in coverage that exists with current stimulant medications and have the potential to change treatment paradigms in ADHD.”

About Eastern Capital Limited

Eastern Capital Limited is a Cayman Islands-based company with a history of investment in the life sciences. Eastern Capital Limited is indirectly owned by Kenneth Dart, former President of Dart Container Corporation and developer of Camana Bay, a mixed-use, real estate development and town center following the new urbanism architectural and design movement. Camana Bay is located in Grand Cayman, Cayman Islands.

About Highland Therapeutics Inc.

Highland Therapeutics Inc. is a specialty pharmaceutical company that, through its wholly owned subsidiary Ironshore Pharmaceuticals & Development, Inc., is leveraging its proprietary technology, DELEXIS®, to optimize the delivery of previously approved drug products. The Company's lead product candidates, HLD-200 and HLD-100, are novel formulations of the psychostimulants (methylphenidate and amphetamine, respectively) used to treat Attention Deficit Hyperactivity Disorder (ADHD) and are being developed to address a prevalent unmet medical need in the treatment of the disease – inadequate symptom control during the morning routine. Intended for nighttime dosing, DELEXIS® is designed to provide a consistent delay in the initial release of the active drug, followed by a period of extended release; with the objective of providing control of ADHD symptoms immediately upon waking and throughout the day.

Highland Therapeutics Inc. is a client of MaRS Discovery District's Health Venture Services group, which provides advisory services, connections to talent, customer & capital networks, and market intelligence to high-impact, Ontario-based life sciences ventures, helping them commercialize their ideas and build globally competitive companies.

For further information, please visit the Company's website at www.highlandtherapeutics.com, or contact:

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Forward-Looking Statements

This press release contains forward-looking information, which reflects Highland's current expectations regarding future events. Forward-looking information is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond Highland's control that could cause actual results and events to differ materially from those that are disclosed in or implied by such forward-looking information. These forward-looking statements are made as of the date of this press release and, except as expressly required by applicable law, Highland assumes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.