

Regulus Secures \$30 Million Growth Capital Credit Facility

LA JOLLA, Calif., June 20, 2016 /PRNewswire/ -- [Regulus Therapeutics Inc.](#) (Nasdaq: RGLS), a biopharmaceutical company leading the discovery and development of innovative medicines targeting microRNAs, today announced it has entered into a \$30 million loan and security agreement with Oxford Finance LLC. Proceeds from the loan will be used to provide additional working capital for the advancement of its clinical and pre-clinical development pipeline.

"Access to this non-dilutive capital provides us with significant additional financial resources to advance our clinical development programs, and importantly, extends our cash runway into 2018," said Paul Grint, M.D., Chief Executive Officer of Regulus Therapeutics. "We are pleased with the terms of the loan and the flexibility it offers us as we look to generate important new clinical data from our pipeline."

"Oxford is pleased to provide working capital to support Regulus Therapeutics' microRNA product development initiatives," said Christopher A. Herr, Senior Managing Director at Oxford Finance. "We look forward to following Regulus' pipeline progression, and we believe it is on track to deliver several valuable new treatments for a wide range of critical diseases."

Regulus will receive \$20 million after execution of the loan agreement, which will further support the acceleration of its broad Phase II clinical program for RG-101. Under the terms of the agreement, an additional \$10 million tranche will be available to Regulus, subject to the achievement of certain specified milestones. The credit facility, which matures on June 1, 2020, provides for interest-only payments for the first 24 months of the term, and will bear interest at a rate equal to the sum of 8.51% plus the greater of 0.44% or the three month LIBOR rate.

About Regulus

Regulus Therapeutics Inc. (Nasdaq:RGLS) is a biopharmaceutical company leading the discovery and development of innovative medicines targeting microRNAs. Regulus has leveraged its oligonucleotide drug discovery and development expertise to develop a well-balanced microRNA therapeutics pipeline complemented by a maturing microMarkersSM biomarkers platform and a rich intellectual property estate to retain its leadership in the microRNA field. Regulus is developing RG-101, a GalNAc-conjugated anti-miR targeting microRNA-122 for the treatment of chronic hepatitis C virus infection, and RG-012, an anti-miR targeting microRNA-21 for the treatment of Alport syndrome, a life-threatening kidney disease driven by genetic mutations with no approved therapy. In addition, RG-125, a GalNAc-conjugated anti-miR targeting microRNA-103/107 for the treatment of NASH in patients with type 2 diabetes/pre-diabetes, has entered Phase I clinical development through its strategic alliance with AstraZeneca. Regulus is also advancing several programs toward clinical development in renal, hepatic and central nervous systems diseases, both independently and with our strategic alliance partners, Sanofi and AstraZeneca. Regulus' commitment to innovation has resulted in multiple peer-reviewed publications in notable scientific journals and has resulted in the formation of strategic alliances with AstraZeneca and Sanofi. Regulus maintains its corporate headquarters in La Jolla, CA. For more information, please visit <http://www.regulusrx.com>.

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, including statements associated with the expected ability of Regulus to undertake certain activities and accomplish certain goals (including with respect to development and other activities related to RG-101), the projected timeline of clinical development activities, and expectations regarding future therapeutic and commercial potential of Regulus' business plans, technologies and intellectual property related to microRNA therapeutics and biomarkers being discovered and developed by Regulus. Because such statements are subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. Words such as "believes," "anticipates," "plans," "expects," "intends," "will," "goal," "potential" and similar expressions are intended to identify forward-looking statements. These forward-looking statements are based upon Regulus' current expectations and involve assumptions that may never materialize or may prove to be incorrect. Actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of various risks and uncertainties, which include, without limitation, risks associated with the process of discovering, developing and commercializing drugs that are safe and effective for use as human therapeutics, and in the endeavor of building a business around such drugs. These and other risks concerning Regulus' financial position and programs are described in additional detail in Regulus filings with the Securities and Exchange Commission. All forward-looking statements contained in this press release speak only as of the date on which they were made. Regulus undertakes no obligation to update such statements to reflect events

that occur or circumstances that exist after the date on which they were made.

About Oxford Finance LLC

Oxford Finance is a specialty finance firm providing senior secured loans to public and private life sciences and healthcare services companies worldwide. For over 20 years, Oxford has delivered flexible financing solutions to its clients, enabling these companies to maximize their equity by leveraging their assets. In recent years, Oxford has originated over \$3 billion in loans, with lines of credit ranging from \$500 thousand to \$75 million. Oxford is headquartered in Alexandria, Virginia, with additional offices in California and Massachusetts. For more information, visit www.oxfordfinance.com.

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