Loxo Oncology Announces the Closing of its Follow-On Offering of Common Stock and Full Exercise of the Underwriters’ Option to Purchase Additional Shares

June 20, 2017

STAMFORD, Conn., June 20, 2017 (GLOBE NEWSWIRE) -- Loxo Oncology, Inc. (Nasdaq:LOXO), a biopharmaceutical company innovating the development of highly selective medicines for patients with genetically defined cancers, today announced the closing of its previously announced underwritten public offering of 3,622,500 shares of common stock at a public offering price of $72.00 per share, which included the exercise in full by the underwriters of their option to purchase 472,500 additional shares of common stock. Gross proceeds to Loxo Oncology from this offering were approximately $260.8 million. Loxo Oncology intends to use the net proceeds from this offering for early commercialization activities for larotrectinib, new and ongoing research and development activities, including those related to LOXO-195 and LOXO-292, and general corporate purposes, which may include increased working capital, acquisitions or investments in businesses, products or technologies, and capital expenditures.

Morgan Stanley, Cowen and Citigroup acted as the joint book-running managers for the offering. Stifel and BTIG acted as joint lead managers.

The public offering was made pursuant to a shelf registration statement on Form S-3 that was filed by Loxo Oncology with the Securities and Exchange Commission ("SEC") and became immediately effective on June 13, 2017. A final prospectus supplement relating to and describing the terms of the offering was filed with the SEC on June 15, 2017, and is available on the SEC’s website at www.sec.gov. The offering was made only by means of a prospectus and related prospectus supplement, copies of which may be obtained from Morgan Stanley & Co. LLC, Attention: Prospectus Department, 180 Varick Street, 2nd Floor, New York, NY 10014; Cowen and Company, LLC c/o Broadridge Financial Services, 1155 Long Island Avenue, Edgewood, NY, 11717, Attn: Prospectus Department, by calling (631) 274-2806 or by faxing (631) 254-7140; or Citigroup c/o Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, NY 11717, by email at prospectus@citi.com or by phone at (800) 831-9146.

This press release shall not constitute an offer to sell or a solicitation of an offer to buy Loxo Oncology's common stock, nor shall there be any sale of Loxo Oncology’s common stock in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction. Any offers, solicitations of offers to buy, or sales of the common stock will only be made pursuant to the registration statement filed with the SEC, including a prospectus and a related prospectus supplement.

About Loxo Oncology

Loxo Oncology is a biopharmaceutical company innovating the development of highly selective medicines for patients with genetically defined cancers. Our pipeline focuses on cancers that are uniquely dependent on single gene abnormalities, such that a single drug has the potential to treat the cancer with dramatic effect. We believe that the most selective, purpose-built medicines have the highest probability of maximally inhibiting the intended target, thereby delivering best-in-class disease control and safety. Our management team seeks out experienced industry partners, world-class scientific advisors and innovative clinical-regulatory approaches to deliver new cancer therapies to patients as quickly and efficiently as possible.

Safe Harbor Statement
This press release contains forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 and other federal securities laws. Any statements contained herein that do not describe historical facts, including, but not limited to, statements regarding the anticipated use of proceeds of the offering, are forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from those discussed in such forward-looking statements. Such risks and uncertainties include, among others, the risks identified in Loxo Oncology’s filings with the SEC, including its Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2017, filed with the SEC on May 9, 2017, the prospectus supplement related to the public offering, and subsequent filings with the SEC. Any of these risks and uncertainties could materially and adversely affect Loxo Oncology’s results of operations, which would, in turn, have a significant and adverse impact on Loxo Oncology’s stock price. Loxo Oncology cautions you not to place undue reliance on any forward-looking statements, which speak only as of the date they are made. Loxo Oncology undertakes no obligation to update publicly any forward-looking statements to reflect new information, events or circumstances after the date they were made or to reflect the occurrence of unanticipated events.

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