Xenon Pharmaceuticals Outlines Key Anticipated Milestones for 2015

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Partnered Programs on Track; Proprietary Development Pipeline Progressing; Multiple Potential Near-Term Milestones

BURNABY, British Columbia, Jan. 8, 2015 (GLOBE NEWSWIRE) -- Xenon Pharmaceuticals Inc. (Nasdaq:XENE), a clinical-stage biopharmaceutical company, today outlined its anticipated 2015 milestones, combining near-term expected advances in the company's partnered clinical-stage programs as well as progress in its portfolio of proprietary development programs.

Dr. Simon Pimstone, Xenon's President and Chief Executive Officer, said, "We believe that 2015 can be a year of significant progress for Xenon and our shareholders, as we execute on our strategy to move our partnered clinical-stage programs toward achievement of near-term milestones as well as advance our promising proprietary pipeline to create additional long-term growth opportunities for our company. Our Extreme Genetics discovery platform has enabled us to generate an attractive and diverse portfolio of assets that we believe have significant therapeutic and commercial potential, and that represents multiple potential near-term milestones."

"Our success in establishing partnerships with industry leaders with favorable financial structures, including the potential for significant milestone payments and royalties, underscores the value of our technology. At the same time, with our strengthened financial position following our initial public offering, we believe we are well-positioned to further leverage the potential of our discovery platform to identify novel genes and to exploit our expertise in ion channel chemistry and biology to generate an expanded portfolio of important and differentiated product candidates," continued Dr. Pimstone.

Key 2015 Anticipated Milestones in Xenon's Partnered Programs

- Xenon's partner Teva Pharmaceutical Industries Ltd. (NYSE:TEVA) is currently conducting a double-blind, placebo-controlled Phase 2b clinical trial for TV-45070 in osteoarthritis in which 300 patients will be randomized. Data from the trial is expected in the third quarter of 2015. Teva also plans to initiate a Phase 2b clinical trial for TV-45070 in postherpetic neuralgia in the first half of 2015. TV-45070 is a topically applied small-molecule inhibitor of the sodium channel Nav1.7 and other sodium channels, including those that are expressed in the pain-sensing peripheral nervous system.

- Xenon's partner Genentech, a member of the Roche Group (SIX:RO) (SIX:ROG) (OTCQX:RHHBY), is currently conducting a Phase 1 clinical trial for GDC-0276, which is expected to be completed by mid-2015. GDC-0276 is a selective, oral Nav1.7 small-molecule inhibitor being developed for the treatment of pain.

- Xenon and Genentech formed a second collaboration in 2014 focused on pain genetics and rare phenotypes where individuals have an inability to perceive pain or where individuals have non-precipitated spontaneous severe pain. A key goal of this collaboration is to identify new pain targets for drug discovery in 2015.

- Based on guidance from its licensee uniQure Biopharma B.V. (Nasdaq:QURE), Xenon expects that Glybera® will be launched in Europe in the first quarter of 2015. Glybera is the first gene therapy product approved in the European Union for the treatment of the orphan disorder lipoprotein lipase deficiency, and is the first product whose active ingredient was derived from Xenon's platform to receive commercial approval. Glybera is being commercialized by uniQure's partner, Chiesi Farmaceutici S.p.A. and Xenon is eligible to receive a royalty on commercial sales.

Key 2015 Anticipated Milestones in Xenon's Proprietary Programs

Xenon's Extreme Genetics discovery platform has enabled development of a broad pipeline, including one approved product, two clinical-stage product candidates and additional preclinical programs. A key corporate goal for 2015 is continued development of the company's lead proprietary product candidates.

- XEN801, is a stearoyl Co-A desaturase or SCD1 inhibitor, for the treatment of acne. Xenon expects to file an investigational new drug, or IND, or IND equivalent application to initiate a Phase 1 clinical trial in the first half of 2015. If supported by positive data from the Phase 1 trial, Xenon plans to initiate a proof-of-concept Phase 2 clinical trial in the second half of 2015. It is estimated that in the United States there are approximately 11 million people with moderate acne and 1.2 million people with severe acne. SCD1 is an enzyme involved in lipid synthesis that is expressed in sebaceous glands in the skin. By inhibiting SCD1, XEN801 represents a novel approach to treat acne with a dual mechanism of action expected to reduce both sebum production and the size and number of sebaceous glands.

- Xenon's development of a Nav1.6 sodium channel inhibitor for the treatment of the orphan disorder Dravet Syndrome continues to progress and Xenon expects to file an IND application in 2016. Dravet Syndrome is an orphan disease of severe childhood epilepsy, and represents a high unmet medical need, affecting 7,500-15,000 patients in the U.S. Xenon's approach to treating Dravet Syndrome is to develop selective and potent inhibitors of Nav1.6 which have demonstrated

efficacy for seizures in a preclinical animal model.

- Xenon also anticipates selecting its next target in 2015 by leveraging its Extreme Genetics discovery platform and expertise in ion channel chemistry and biology.

About Xenon Pharmaceuticals Inc.

Xenon is a clinical-stage biopharmaceutical company discovering and developing a pipeline of differentiated therapeutics for orphan indications that it intends to commercialize on its own and for larger market indications that the company intends to partner with global pharmaceutical companies. Xenon has built a core enabling discovery platform, referred to as Extreme Genetics, for the discovery of validated drug targets by studying rare human diseases with extreme traits, including diseases caused by mutations in ion channels, known as channelopathies. Xenon's Extreme Genetics platform has yielded the first approved gene therapy product in the European Union and a broad development pipeline and multiple pharmaceutical partnerships, including with Teva and Genentech. For more information, please visit www.xenon-pharma.com.

Safe Harbor Statement

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995 and Canadian securities laws. These forward-looking statements are not based on historical fact, and include statements regarding the sufficiency of our capital position for future periods, the timing of IND or IND equivalent submissions with regulatory agencies, the initiation of future clinical trials, the timing of and results from ongoing clinical trials and pre-clinical development activities, the commercial launch of Glybera in the European Union, and the plans of our collaboration partners and their interactions with regulatory agencies. These forward-looking statements are based on current assumptions that involve risks, uncertainties and other factors that may cause the actual results, events or developments to be materially different from those expressed or implied by such forward-looking statements. These risks and uncertainties, many of which are beyond our control, include, but are not limited to: clinical trials may not demonstrate safety and efficacy of any of our or our collaborators' product candidates; our Extreme Genetics discovery platform may not yield additional product candidates; any of our or our collaborators' product candidates may fail in development, may not receive required regulatory approvals, or may be delayed to a point where they are not commercially viable; we may not achieve additional milestones pursuant to our collaboration agreements; the impact of competition; the impact of expanded product development and clinical activities on operating expenses; adverse conditions in the general domestic and global economic markets; as well as the other risks identified in our filings with the Securities and Exchange Commission and the securities commissions in British Columbia, Alberta and Ontario. These forward-looking statements speak only as of the date hereof and we assume no obligation to update these forward-looking statements, and readers are cautioned not to place undue reliance on such forward-looking statements.

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