HedgePath Pharmaceuticals Announces Completion of $5.5 Million Private Placement Offering

Funds raised will support ongoing Phase II(b) clinical trial in Basal Cell Carcinoma Nevus Syndrome, an orphan cancer hereditary disease requiring life-long therapy with no approved pharmaceutical treatment

License and Manufacturing Partner Mayne Pharma invests $2.8MM

FOR IMMEDIATE RELEASE -- TAMPA, FLORIDA and SAN DIEGO, CALIFORNIA – (June 1, 2016) – HedgePath Pharmaceuticals, Inc. (OTCQB:HPPI), a clinical stage biopharmaceutical company that discovers, develops and plans to commercialize innovative therapeutics for patients with cancer, announced today that it has completed its previously announced $5.5 million private placement offering. The company conducted the first closing of this offering on April 11, 2016. Offering expenses are estimated to be approximately $100,000.

In connection with this offering, HedgePath provided prospective investors with an Interim Response Data Report which disclosed interim data through March 22, 2016 from its ongoing, open label Phase II(b) clinical trial. As a condition of receiving such information, such prospective investors were required to sign a confidentiality agreement with the company which, among other agreements, provided that such investors would not undertake any transactions in HedgePath's publicly traded stock until the company publicly releases such data or any superseding data. HedgePath believes that the ongoing clinical study could potentially be a registration trial, meaning the trial data could form the basis of a New Drug Application (NDA) to the U.S. Food and Drug Administration (FDA) for the use of SUBA™-Itraconazole to treat Basal Cell Carcinoma Nevus Syndrome, also known as BCCNS. While HedgePath is encouraged by the interim results, there is no assurance that the outcomes of the trial will be positive or viewed by the FDA as adequate to support an NDA.

Nicholas J. Virca, HedgePath's President & CEO, stated "This new financing will support our Phase II(b) clinical trial of SUBA-Itraconazole capsules as a potential targeted molecular therapy inhibiting the hedgehog pathway for basal cell carcinoma in patients with BCCNS. Also known as Gorlin Syndrome, BCCNS is an orphan cancer indication which causes disfiguring lesions and requires life-long therapy, often surgical, with no approved pharmaceutical treatment. Based on our current operational plan and budget, this funding should give us enough financial runway for our clinical program and general corporate expenses through the fourth quarter of 2017."

The offering consisted of 55,000,000 units, with each unit comprised of one (1) share of common stock and one (1) 5-year warrant to purchase one (1) share of common stock. Each unit was offered at a price of $0.10, and the exercise price of each warrant is $0.12 per share. No actual units were issued, and each investor received shares of common stock and warrants to purchase common stock. Both the shares and the shares underlying the warrants are subject to customary registration rights. The offering was conducted pursuant to the exemption of registration afforded by Rule 506(c) of Regulation D promulgated by the Securities Exchange Commission.

In connection with the offering, HedgePath's license and manufacturing partner and significant stockholder Mayne Pharma Ventures Pty Ltd., an affiliate of Mayne Pharma Group Limited (ASX:MYX), exercised an existing right of financing participation and purchased 27,885,000 units in the offering, which units consist of 27,885,000 shares of HedgePath common stock and a warrant to purchase 27,885,000 shares of HedgePath common stock, and certain other securities for a total investment of $2,836,424.

About HedgePath Pharmaceuticals

HedgePath Pharmaceuticals, Inc. ("HPPI") is a clinical stage biopharmaceutical company that is seeking to repurpose the FDA approved antifungal pharmaceutical itraconazole as a potential treatment for cancer. HPPI is the exclusive U.S. licensee of a patented formulation of itraconazole, called SUBA-Itraconazole, which clinical studies have shown to have greater bioavailability than generic itraconazole.

The Hedgehog signaling pathway is a major regulator of cellular processes in vertebrates, including cell differentiation, tissue polarity and cell proliferation. Based on published research, HPPI believes that inhibiting the Hedgehog pathway could delay or possibly prevent the development of certain cancers in humans. Leveraging research undertaken by key investigators in the field, HPPI plans to explore the effectiveness of SUBA-Itraconazole as an anti-cancer agent and to pursue its potential commercialization. HPPI has offices in Tampa, Florida and San Diego, California. For more information, please visit www.hedgepathpharma.com.

Cautionary Note Regarding Forward Looking Statements

This press release, any offering or other materials described herein and any statements of representatives and partners of HedgePath Pharmaceuticals, Inc. (the "Company") related thereto contain, or may contain, among other things, certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve significant risks and uncertainties. Such statements may include, without limitation, statements with respect to the Company's plans, objectives, projections, expectations and intentions and other statements identified by words such as "projects," "may," "will," "could," "would," "should," "believes," "expects," "anticipates," "estimates," "intends," "plans," "potential" or similar expressions. These statements are based upon the current beliefs and expectations of the Company's management and are subject to significant risks and uncertainties, including those detailed in the Company's filings with the Securities and Exchange Commission. Actual results (including, without limitation, the (i) actual timing for and use of the funds raised in the offering described herein (each of which shall be in the Company's discretion) and (ii) actual timing for, or actual results of, the Company's clinical trial described herein or the FDA's review of such results) may differ significantly from those set forth or implied in the forward-looking statements. These forward-looking statements involve numerous risks and uncertainties that are subject to change based on various factors (many of which are beyond the Company's control). The Company undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

For more information:

Company Contact:

HedgePath Pharmaceuticals, Inc., Nicholas J. Virca, President and CEO, nvirca@hedgepathpharma.com

Investor Relations Contact:

HedgePath Pharmaceuticals, Inc., Garrison Hasara, CFO & Treasurer, ghasara@hedgepathpharma.com

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