Oncocyte Announces Closing of $40 Million Public Offering of Common Stock

Feb 09, 2021

IRVINE, Calif., Feb. 09, 2021 (GLOBE NEWSWIRE) -- Oncocyte Corporation (NYSE American: OCX), a molecular diagnostics company with a mission to provide actionable answers at critical decision points across the cancer care continuum, today announced the closing the sale of 8,947,000 shares of its common stock at a public offering price of $4.50 per share in its previously announced underwritten public offering, including 1,167,000 shares sold upon the exercise in full of a 15% over-allotment option by the underwriters. The gross proceeds to the Company from this offering were approximately $40.3 million, before deducting underwriting discounts and commissions and other offering expenses payable by the Company. The offering closed on February 9, 2021.

Based on the closing of the offering, the Company will have 87,608,810 shares outstanding.

Piper Sandler & Co. is acting as Sole Book-Runner for the offering. BTIG, LLC and Needham & Company are acting as Co-Lead Managers.

Oncocyte intends to use net proceeds from the offering to promote commercialization of its lead diagnostic test DetermaRx™; to complete development of DetermaIO™; and for development of future tests in its pipeline, including the CNI Monitor test that OncoCyte expects to acquire through a merger with Chronix Biomedical, Inc. Proceeds may also be used for pending acquisitions and post-acquisition obligations related to the Chronix merger, the purchase of the outstanding shares of Razor Genomics, Inc. common stock, and the earlier acquisition of Insight Genetics, Inc. Net proceeds not used for the foregoing purposes may be used for general corporate and working capital purposes and to invest in or acquire businesses or technologies that the Company believes are complementary to its business, although the Company has no other binding agreements to acquire any such business or technology.

The offering is being made pursuant to shelf" registration statement on Form S-3, File No. 333-231980, and a related registration statement on Form S-3, File No.333-252765, that have become effective with the Securities and Exchange Commission ("SEC"), the base prospectus contained therein, and a prospectus supplement. A final prospectus supplement relating to the offering and the accompanying base prospectus and the registration statements have been filed with the SEC and are available for free on the SEC's website located at http://www.sec.gov. Copies of the registration statements, the final prospectus supplement and accompanying base prospectus may also be obtained by contacting: Piper Sandler & Co., Attention: Prospectus Department, 800 Nicollet Mall, J12S03, Minneapolis, MN 55402, by telephone at (800) 747-3924, or by email at **prospectus@psc.com**.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy these securities, nor shall there be any offer, solicitation, or sale of these securities in any state or other jurisdiction in which such an offer, solicitation or sale would be unlawful.

About Oncocyte Corporation

Oncocyte is a molecular diagnostics company whose mission is to provide actionable answers at critical decision points across the cancer care continuum. The Company, through its proprietary tests and pharmaceutical services business, aims to help save lives and improve outcomes by accelerating and optimizing the diagnosis and treatment of cancer. The Company's tests and services present multiple opportunities to advance cancer care while also driving revenue growth for the Company. Oncocyte recently launched DetermaRx™, a test that identifies early-stage lung cancer patients who are at high risk for cancer recurrence post-resection and predicts benefit from adjuvant chemotherapy. Oncocyte has also launched DetermaIO™, a gene expression test that assesses the tumor microenvironment to predict response to immunotherapies, as a research use only tool for pharmaceutical and academic clinical trials. To complement DetermaIO, the company anticipates launching DetermaTx™, a test to assess mutational status of a tumor to help identify the appropriate targeted therapy, in the second half of 2021. The Company also continues with the development of DetermaMx™ as the company seeks to expand into the blood-based monitoring market. Oncocyte's pharmaceutical services provide pharmaceutical companies who are developing new cancer treatments a full suite of molecular testing services to support the drug development process.

DetermaRx, DetermaIO, DetermaMx, and DetermaTx are trademarks of Oncocyte Corporation. Therasure is a trademark of Chronix Biomedical Inc.

Oncocyte Forward Looking Statements

Oncocyte cautions you that this press release contains forward-looking statements. Any statements that are not historical fact (including, but not limited to statements that contain words such as "will," "believes," "plans," "anticipates," "expects," "estimates," "may," and similar expressions) are forward-looking statements. Forward-looking statements involve risks and uncertainties, including, without limitation, the offering and use of proceeds, the risk that the planned merger with Chronix Biomedical, Inc. will not be consummated, risks related to the cost of acquiring Chronix and meeting its obligations if the merger is consummated, the potential impact of COVID-19 on our or any distributor's financial and operational results, risks inherent in the development and/or commercialization of potential diagnostic tests or products, uncertainty in the results of clinical trials or regulatory approvals, the capacity of our third-party supplied blood sample analytic system to provide consistent and precise analytic results on a commercial scale, potential interruptions to our or any distributor's supply chain, the need and ability to obtain future capital, maintenance of intellectual property rights in all applicable jurisdictions, and the need to obtain third party reimbursement for patients' use of any diagnostic tests we commercialize in applicable jurisdictions, and risks inherent in strategic transactions such as failure to realize anticipated benefits, legal, regulatory or political changes in the applicable jurisdictions, accounting and quality controls, greater than estimated allocations of resources to develop and commercialize technologies, or failure to maintain any laboratory accreditation or certification. Actual results may differ materially from the results anticipated in these forward-looking statements and accordingly such statements should be evaluated together with the many uncertainties that affect the business of Oncocyte, particularly those mentioned in the "Risk Factors" and other cautionary statements found in Oncocyte's Securities and Exchange Commission filings, which are available from the SEC's website. You are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date on which they were made. Oncocyte undertakes no obligation to update such statements to reflect events that occur or circumstances that exist after the date on which they were made, except as required by law.

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