



Jaguar Animal Health Announces \$15 Million Common Stock Purchase Agreement with Aspire Capital Fund, LLC

June 9, 2016

SAN FRANCISCO--(BUSINESS WIRE)--Jun. 9, 2016-- Jaguar Animal Health, Inc. (NASDAQ:JAGX) ("Jaguar" or the "Company"), an animal health company focused on developing and commercializing first-in-class gastrointestinal products for companion and production animals, foals, and high value horses, announced today that it has entered into a \$15 million common stock purchase agreement (the "Agreement") and a registration rights agreement with Aspire Capital Fund, LLC ("Aspire"), a Chicago-based institutional investor. Immediately upon the execution of the Agreement, Aspire purchased 222,222 shares of Jaguar common stock for \$500,000.

After a registration statement related to the transaction has been filed and declared effective by the U.S. Securities and Exchange Commission, Jaguar will have the right to sell up to the remaining \$14.5 million of its common stock to Aspire under the Agreement over a 30-month period, at prices based on prevailing market prices at the time of each sale, and Aspire has the obligation to purchase common stock from Jaguar in amounts and timing determined by Jaguar in its sole discretion. The Agreement does not contain any financial covenants, restrictions on future financings, rights of first refusal, limits to the use of any of the proceeds, participation rights or penalties. Jaguar can terminate the Agreement at any time without any penalty.

"This Agreement provides Jaguar with added balance sheet strength and flexibility to support our ongoing clinical activities and the expected commercialization of our drug product candidates, and we welcome Aspire as a stockholder," commented Lisa Conte, Jaguar's president and CEO. "Additionally, we expect that this Agreement may serve as an important asset as Jaguar continues discussions regarding potential business development and M&A activity."

Jaguar and Napo Pharmaceuticals, Inc. ("Napo") have been engaged in exploratory discussions since February 2016 regarding a potential merger and/or other ways to cooperate with their respective business endeavors. San Francisco-based Napo owns 26.3% of the outstanding shares of Jaguar Animal Health, Inc. Napo took over ownership of the new drug application ("NDA") and commercial rights for human applications of crofelemer last month from Valeant Pharmaceuticals International Inc., which acquired those rights from Salix Pharmaceuticals, Inc. in April 2016.

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

For additional information about the common stock purchase agreement and registration rights agreement with Aspire, refer to the current report on Form 8-K filed on June 9, 2016 with the Securities and Exchange Commission.

About Jaguar Animal Health, Inc.

Jaguar Animal Health, Inc. is an animal health company focused on developing and commercializing first-in-class gastrointestinal products for companion and production animals, foals, and high value horses. Canalevia™ is Jaguar's lead prescription drug product candidate, intended for the treatment of various forms of diarrhea in dogs. SB-300 is Jaguar's prescription drug product candidate for the treatment of gastrointestinal ulcers in horses. Canalevia™ and SB-300 contain ingredients isolated and purified from the *Croton lechleri* tree, which is sustainably harvested. Neonorm™ Calf and Neonorm™ Foal are the Company's lead non-prescription products. Neonorm™ is a standardized botanical extract derived from the *Croton lechleri* tree. Canalevia™ and Neonorm™ are distinct products that act at the same last step in a physiological pathway generally present in mammals. Jaguar has nine active investigational new animal drug applications, or INADs, filed with the FDA and intends to develop species-specific formulations of Neonorm™ in six additional target species, formulations of SB-300 in horses, and Canalevia™ for cats and dogs.

For more information, please visit www.jaguaranimalhealth.com.

About Aspire Capital Fund, LLC

Aspire Capital is an institutional investor based in Chicago, Illinois, with a focus on making direct investments in publicly traded companies in a broad range of industries and investment structure. The company offers innovative investments designed for companies whose prospects are bright, but who need additional capital to fuel growth.

Important Safety Information:

Crofelemer is currently FDA approved only for symptomatic relief of non-infectious diarrhea in adult patients with HIV/AIDS on antiretroviral therapy.

Rule out infectious etiologies of diarrhea before starting crofelemer, in order to avoid the risk of potential worsening of disease due to delay of appropriate therapy. The most common adverse reactions (incidence > 3%) seen with crofelemer in the registrational trial for US approval were upper respiratory tract infection, bronchitis, cough, flatulence and increased bilirubin.

Forward-Looking Statements

Certain statements in this press release constitute “forward-looking statements.” These include statements regarding Jaguar’s ability to sell shares to Aspire under the terms of the agreement with them, whether the registration statement related to the financing with Aspire will become and remain effective with the SEC, the expected commercialization of the Company’s drug product candidates, Jaguar’s expectation that the Agreement with Aspire may serve as an important asset as the Company continues discussions regarding potential business development and M&A activity, Jaguar’s intention to develop formulations of SB-300 in horses and species-specific formulations of Neonorm™ in additional target species, and the Company’s plan to develop formulations of Canalevia™ for cats and dogs. In some cases, you can identify forward-looking statements by terms such as “may,” “will,” “should,” “expect,” “plan,” “aim,” “anticipate,” “could,” “intend,” “target,” “project,” “contemplate,” “believe,” “estimate,” “predict,” “potential” or “continue” or the negative of these terms or other similar expressions. The forward-looking statements in this release are only predictions. Jaguar has based these forward-looking statements largely on its current expectations and projections about future events. These forward-looking statements speak only as of the date of this release and are subject to a number of risks, uncertainties and assumptions, some of which cannot be predicted or quantified and some of which are beyond Jaguar’s control. Except as required by applicable law, Jaguar does not plan to publicly update or revise any forward-looking statements contained herein, whether as a result of any new information, future events, changed circumstances or otherwise.

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