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ESSA Pharma Inc. Announces Closing of Private Placement Financing

Vancouver, Canada, January 19, 2015 -- ESSA Pharma Inc. ("ESSA" or the "Company") announced today that it has completed a brokered private placement (the "Placement") of special warrants (the "Special Warrants") at a price of US$2.75 per Special Warrant for aggregate gross proceeds of approximately US$12 million.

The Placement was conducted on a best efforts basis. Bloom Burton & Co. Limited acted as the lead agent and Roth Capital Partners acted as the agent in the United States (collectively, the "Agents"). Investors in the Placement included Deerfield Management Company, Omega Funds, Special Situations Funds, and other investors.

"The US$12 million dilution-free CPRIT grant awarded to ESSA early in 2014 has catalysed high interest in our program from leading healthcare investors," stated Bob Rieder, ESSA's CEO. "This Deerfield-led financing, which also includes several other sector-leading healthcare investment firms, is an important endorsement of our program. We now have all the financial resources that we need to complete our EPI-506 Phase 1/2 clinical program."

"We believe that ESSA has made great progress in developing therapeutics that target a major cause of resistance to current prostate cancer regimens. We are very pleased to have the opportunity to support the continued development of EPI-506 and believe that ESSA's approach has the potential to have a meaningful impact on the care of prostate cancer patients," said Jean Kim, Partner at Deerfield Management Company.

Each Special Warrant issued in the Placement is exercisable or will be deemed to be exercised into one common share in the capital of the Company ("Common Share") for no additional consideration. In the event that the Common Shares do not begin trading on either (i) the Nasdaq Global Select Market, the Nasdaq Global Market or the Nasdaq Capital Market securities trading platforms of the NASDAQ Stock Market or (ii) the NYSE MKT securities trading platform of the New York Stock Exchange by October 16, 2015, each Special Warrant shall entitle the holder thereof to receive 1.5 Common Shares upon deemed exercise thereof.

In connection with the Placement, the Agents (including selling group members) received a cash commission equal to approximately US$706,800 and 257,018 broker warrants. Each broker warrant is exercisable to purchase one Common Share at a price of US$2.75 per Common Share.

About ESSA Pharma Inc.

ESSA Pharma Inc. is a development-stage pharmaceutical company focused on a proprietary small molecule compound named EPI-506 as a treatment for advanced prostate cancer. EPI-506 was designed to block a novel target on the androgen receptor, the N-terminal domain. Inhibition of the N-terminal domain of the androgen receptor has the potential to block tumor growth after current hormone-therapy drugs have failed. That potential has been demonstrated by ESSA in several well-accepted in vitro and in vivo studies showing that EPI-506 inhibits tumor growth in those models. The target patient population for EPI-506 – metastatic castration resistant prostate cancer patients who have failed current hormone therapies – represents the greatest unmet medical need in this therapeutic area. Prostate cancer patients eventually fail current hormone therapies. In its upcoming Phase 1/2 clinical trial, ESSA intends to demonstrate the effectiveness of EPI-506 in treating prostate cancer patients who have failed abiraterone or enzalutamide, the current standard-of-care drugs in prostate cancer treatment. ESSA is currently preparing to file an

Investigational New Drug application with the U.S. Food and Drug Administration at the end of Q1 or early Q2 2015, to enable dosing of patients mid-2015.

About Prostate Cancer

Prostate cancer is the most commonly diagnosed cancer among men and a leading cause of male cancer death worldwide. Adenocarcinoma of the prostate is dependent on androgen for tumor progression. Prostate cancer growth is dependent on androgens, and depleting or blocking androgen action has been a mainstay of hormonal treatment for over 6 decades. Although tumors are often initially sensitive to medical or surgical therapies that decrease levels of testosterone (i.e., ADT), disease progression despite castrate levels of testosterone generally represents a transition to the lethal variant of the disease (mCRPC) and most patients ultimately succumb to the illness. The treatment of mCRPC patients has evolved rapidly over the past 5 years; despite these advances, additional treatment options are needed to improve clinical outcomes in patients, particularly those who fail existing treatments including Abiraterone or Enzalutamide or those that have contraindications to receive those drugs. Over time, patients with mCRPC generally experience continued disease progression, worsening pain, leading to substantial morbidity and limited survival rates. ESSA's novel approach to blocking the androgen pathway has been shown to be effective in blocking tumor growth when current therapies are no longer effective.

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Forward-Looking Statement Disclaimer

This release contains certain information which, as presented, constitutes "forward-looking information" within the meaning of applicable Canadian securities laws. Forward-looking information involves statements that relate to future events and often addresses expected future business and financial performance, containing words such as "anticipate", "believe", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions and includes, but is not limited to, statements about: the intention to complete the listing of the common shares of the Company on either the Nasdaq Global Select Market, the Nasdaq Global Market or the Nasdaq Capital Market securities trading platforms of the NASDAQ Stock Market or the NYSE MKT securities trading platform of the New York Stock Exchange; the intention to file an Investigational New Drug application with the U.S. Food and Drug Administration; the Company's ability to advance product candidates into, and successfully complete, clinical trials; the implementation of the Company's business model and strategic plans; ESSA's ability to develop and commercialize product candidates; and the accuracy of estimates of the size and characteristics of the markets that may be addressed by ESSA's products and product candidates.

Forward-looking statements and information are subject to various known and unknown risks and uncertainties, many of which are beyond the ability of ESSA to control or predict, and which may cause ESSA's actual results, performance or achievements to be materially different from those expressed or implied thereby. Such statements reflect ESSA's current views with respect to future events, are subject to risks and uncertainties and are necessarily based upon a number of estimates and assumptions that, while considered reasonable by ESSA as of the date of such statements, are

inherently subject to significant medical, scientific, business, economic, competitive, political and social uncertainties and contingencies. In making forward looking statements, ESSA may make various material assumptions, including but not limited to (i) obtaining positive results of clinical trials; (ii) obtaining regulatory approvals; and (iii) general business, market and economic conditions.

Forward-looking information is developed based on assumptions about such risks, uncertainties and other factors set out herein and in ESSA's prospectus dated December 5, 2014 under the heading "Risk Factors", a copy of which is available on ESSA's profile at the SEDAR website at www.sedar.com, and as otherwise disclosed from time to time on ESSA's SEDAR profile. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made and ESSA undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as may be required by applicable Canadian securities laws. Readers are cautioned against attributing undue certainty to forward-looking statements.