July 15, 2016

Ardelyx to Raise $110 Million in a Private Placement

Proceeds to Support Development of Tenapanor and RDX227675

FREMONT, Calif., July 15, 2016 /PRNewswire/ -- Ardelyx, Inc. (NASDAQ: ARDX), a clinical-stage biopharmaceutical company focused on gastrointestinal and cardio-renal diseases, today announced that it has entered into an agreement to sell shares of its common stock for aggregate gross proceeds of approximately $110 million in a private placement. Investors in the private placement consist of new and existing investors, including: New Enterprise Associates (NEA), the Company's largest stockholder and one of the largest biotechnology investors worldwide, Australia's Future Fund, Quadrille Capital, EcoR1 Capital, RA Capital Management, First Manhattan Co., Rock Springs Capital, Cormorant Asset Management, Perceptive Advisors, Deerfield and DAFNA Capital Management. Proceeds from the private placement will be used for Phase 3 development of tenapanor for two indications, IBS-C and hyperphosphatemia, as well as development of RDX227675 for the treatment of hyperkalemia.

"We are extremely pleased to receive such tremendous support from this impressive syndicate of biotech investors who recognize the vision we have for Ardelyx," said Mike Raab, President and CEO of Ardelyx. "With this additional capital, we will now have the capacity to execute on many critical milestones between now and the end of 2017 including:

- completion of the first registration trial for tenapanor to treat hyperphosphatemia in ESRD patients on dialysis and initiation of the second registration clinical trial,
- completion of T3MPO-1 and T3MPO-2 tenapanor Phase 3 clinical trials to treat irritable bowel syndrome with constipation and, assuming success, the opportunity for us to begin activities to file a new drug application,
- completion of our onset-of-action clinical trial in patients with hyperkalemia with RDX227675, our proprietary potassium binder, and the initiation of the Phase 3 clinical trial in preparation for registration, and
- the filing of an IND and completion of the first Phase 1 clinical trial for RDX98940, our minimally-systemic TGR5 agonist that stimulates the secretion of GLP-1 and GLP-2 in the intestine for potential use in certain GI and metabolic disorders such as NASH, diabetes and inflammatory bowel disease."

Accounting for the expected net proceeds from this private placement, the Company's pro forma cash and cash equivalents as of June 30, 2016 is approximately $257 million including approximately $147 million in cash and cash equivalents as of June 30, 2016 plus net proceeds from this private placement of approximately $110 million.

About the Private Placement

Ardelyx has agreed to sell approximately 12.6 million shares of common stock for aggregate gross proceeds of approximately $110 million in the private placement. The price to be paid for the common stock, $8.73 per share, is equal to the consolidated closing bid price on the Nasdaq Global Market on the day of pricing, July 14, 2016. Ardelyx expects the offering to close on or about July 18, 2016 subject to satisfaction of specified customary closing conditions.

The securities to be sold in this private placement have not been registered under the Securities Act of 1933, as amended, or any state securities laws, and will be sold in a private placement pursuant to Regulation D of the Securities Act. The securities may not be offered or sold in the United States absent registration or pursuant to an exemption from the registration requirements of the Securities Act and applicable state securities laws. Ardelyx has agreed to file a registration statement covering the resale of the shares of common stock acquired by the investors.

About Ardelyx

Ardelyx is a clinical-stage biopharmaceutical company focused on the discovery, development and commercialization of innovative, minimally-systemic, small molecule therapeutics that work exclusively in the gastrointestinal (GI) tract to treat GI and cardio-renal diseases. Ardelyx has developed a proprietary drug discovery and design platform enabling it, in a rapid

and cost-efficient manner, to discover and design novel drug candidates. Utilizing this platform, Ardelyx has discovered and designed tenapanor, which it is evaluating for the treatment of irritable bowel syndrome with constipation (IBS-C) and for the treatment of hyperphosphatemia in patients with end-stage renal disease (ESRD) on dialysis. In addition to tenapanor, Ardelyx is developing RDX227675, a non-absorbed polymer for the treatment of hyperkalemia, or high potassium, a problem prevalent in patients with kidney and heart disease. Ardelyx is also advancing several research programs focused in GI and cardio-renal diseases. Ardelyx is located in Fremont, California. For more information, please visit Ardelyx's website at www.ardelyx.com.

Forward Looking Statements

To the extent that statements contained in this press release are not descriptions of historical facts regarding Ardelyx, they are forward-looking statements reflecting the current beliefs and expectations of management made pursuant to the safe harbor of the Private Securities Reform Act of 1995, including the potential of tenapanor in the treatment of IBS-C and hyperkalemia in end-stage renal disease on dialysis, and the potential of RDX227675 in the treatment of hyperkalemia. Such forward-looking statements involve substantial risks and uncertainties that could cause the development of tenapanor, RDX227675, or Ardelyx's future results, performance or achievements to differ significantly from those expressed or implied by the forward-looking statements. Such risks and uncertainties include, among others, the uncertainties inherent in the clinical research and development process and the uncertainties in the manufacture of clinical trial material. Ardelyx undertakes no obligation to update or revise any forward-looking statements. For a further description of the risks and uncertainties that could cause actual results to differ from those expressed in these forward-looking statements, as well as risks relating to Ardelyx's business in general, please refer to Ardelyx's quarterly report on Form 10-Q filed with the Securities and Exchange Commission on May 9, 2016, and its current and future periodic reports to be filed with the Securities and Exchange Commission.

Logo - http://photos.prnewswire.com/prnh/20140619/119451