

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D
(Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT
TO § 240.13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO
§ 240.13d-2(a)

(Amendment No.)¹

Heron Therapeutics, Inc.
(Name of Issuer)

Common Stock, par value \$0.01 per share
(Title of Class of Securities)

427746102
(CUSIP Number)

Velan Capital Investment Management LP
1055b Powers Place
Alpharetta, Georgia 30009
Attention: Adam Morgan
(646) 844-0030

Rubric Capital Management LP
155 East 44th St, Suite 1630
New York, New York 10017
Attention: Brian Kleinhaus
(212) 418-1888

Ryan Nebel
Olshan Frome Wolosky LLP
OLSHAN FROME WOLOSKY LLP
1325 Avenue of the Americas
New York, New York 10019
(212) 451-2300

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

January 25, 2023
(Date of Event Which Requires Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§ 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box .

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See § 240.13d-7 for other parties to whom copies are to be sent.

¹ The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the *Notes*).

1	NAME OF REPORTING PERSON Rubric Capital Management LP	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION DELAWARE	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER - 0 -
	8	SHARED VOTING POWER 11,750,000
	9	SOLE DISPOSITIVE POWER - 0 -
	10	SHARED DISPOSITIVE POWER 11,750,000
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 11,750,000	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 9.9%	
14	TYPE OF REPORTING PERSON PN, IA	

1	NAME OF REPORTING PERSON David Rosen	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION USA	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER - 0 -
	8	SHARED VOTING POWER 11,750,000
	9	SOLE DISPOSITIVE POWER - 0 -
	10	SHARED DISPOSITIVE POWER 11,750,000
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 11,750,000	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 9.9%	
14	TYPE OF REPORTING PERSON IN	

1	NAME OF REPORTING PERSON Velan Capital Master Fund LP	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS WC	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION CAYMAN ISLANDS	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER - 0 -
	8	SHARED VOTING POWER 4,500,000
	9	SOLE DISPOSITIVE POWER - 0 -
	10	SHARED DISPOSITIVE POWER 4,500,000
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 4,500,000	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 3.8%	
14	TYPE OF REPORTING PERSON PN	

1	NAME OF REPORTING PERSON Velan Capital Holdings LLC	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION DELAWARE	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER - 0 -
	8	SHARED VOTING POWER 4,500,000
	9	SOLE DISPOSITIVE POWER - 0 -
	10	SHARED DISPOSITIVE POWER 4,500,000
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 4,500,000	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 3.8%	
14	TYPE OF REPORTING PERSON OO	

1	NAME OF REPORTING PERSON Velan Capital Investment Management LP	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION DELAWARE	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER - 0 -
	8	SHARED VOTING POWER 4,500,000
	9	SOLE DISPOSITIVE POWER - 0 -
	10	SHARED DISPOSITIVE POWER 4,500,000
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 4,500,000	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 3.8%	
14	TYPE OF REPORTING PERSON PN	

1	NAME OF REPORTING PERSON Velan Capital Management LLC	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION DELAWARE	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER - 0 -
	8	SHARED VOTING POWER 4,500,000
	9	SOLE DISPOSITIVE POWER - 0 -
	10	SHARED DISPOSITIVE POWER 4,500,000
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 4,500,000	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 3.8%	
14	TYPE OF REPORTING PERSON OO	

1	NAME OF REPORTING PERSON Adam Morgan	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION USA	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER - 0 -
	8	SHARED VOTING POWER 4,500,000
	9	SOLE DISPOSITIVE POWER - 0 -
	10	SHARED DISPOSITIVE POWER 4,500,000
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 4,500,000	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 3.8%	
14	TYPE OF REPORTING PERSON IN	

1	NAME OF REPORTING PERSON Balaji Venkataraman	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input checked="" type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION USA	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER - 0 -
	8	SHARED VOTING POWER 4,500,000
	9	SOLE DISPOSITIVE POWER - 0 -
	10	SHARED DISPOSITIVE POWER 4,500,000
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 4,500,000	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 3.8%	
14	TYPE OF REPORTING PERSON IN	

The following constitutes the Schedule 13D filed by the undersigned (the "Schedule 13D").

Prior to filing the Schedule 13D, Rubric (as defined below) had relied on Rule 13d-1(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which provides that a Schedule 13G shall be filed within 45 days after the end of the calendar year in which the person became obligated under Rule 13d-1(b) to report the person's beneficial ownership as of the last day of the calendar year. Rubric became obligated to file the Schedule 13D upon a change of its investment intent as of the date noted on the cover page hereto and as set forth more specifically under Item 4 below.

Item 1. Security and Issuer.

This statement relates to the common stock, par value \$0.01 per share (the "Shares"), of Heron Therapeutics, Inc., a Delaware corporation (the "Issuer"). The address of the principal executive offices of the Issuer is 4242 Campus Point Court, Suite 200, San Diego, California 92121.

Item 2. Identity and Background.

(a) This statement is filed by:

- (i) Rubric Capital Management LP, a Delaware limited partnership ("Rubric Capital"), as the investment adviser to certain investment funds and/or accounts (collectively, the "Rubric Funds") that hold Shares;
- (ii) David Rosen, as the Managing Member of Rubric Capital Management GP LLC, a Delaware limited liability company ("Rubric GP"), the general partner of Rubric Capital;
- (iii) Velan Capital Master Fund LP, an exempted limited partnership organized under the laws of the Cayman Islands ("Velan Master"), with respect to the Shares directly and beneficially owned by it;
- (iv) Velan Capital Holdings LLC, a Delaware limited liability company ("Velan GP"), as the general partner of Velan Master;
- (v) Velan Capital Investment Management LP, a Delaware limited partnership ("Velan Capital"), as the investment manager of Velan Master;
- (vi) Velan Capital Management LLC, a Delaware limited liability company ("Velan IM GP"), as the general partner of Velan Capital;
- (vii) Adam Morgan, as a Managing Member of each of Velan GP and Velan IM GP; and
- (viii) Balaji Venkataraman, as a Managing Member of each of Velan GP and Velan IM GP.

Each of the foregoing is referred to as a "Reporting Person" and collectively as the "Reporting Persons." Rubric Capital and Mr. Rosen are collectively referred to as "Rubric." Velan Master, Velan GP, Velan Capital, Velan IM GP and Messrs. Morgan and Venkataraman are collectively referred to as "Velan." Each of the Reporting Persons is party to that certain Group Agreement, as defined and further described in Item 6. Accordingly, the Reporting Persons are hereby filing a joint Schedule 13D.

(b) The address of the principal office of each member of Rubric and Rubric GP is 155 East 44th St, Suite 1630, New York, New York 10017. The address of the principal office of Velan Master is 89 Nexus Way, Camana Bay, Grand Cayman KY1-9009, Cayman Islands. The address of the principal office of the other members of Velan is 1055b Powers Place, Alpharetta, Georgia 30009.

(c) The principal business of Rubric Capital is to serve as the investment manager of the Rubric Funds. Mr. Rosen is the Managing Member of Rubric GP, which serves as the general partner of Rubric Capital, and he supervises and conducts all investment activities of Rubric Capital, including all investment decisions with respect to the assets of the Rubric Funds. The principal business of Velan Master is investing in securities. The principal business of Velan GP is serving as the general partner of Velan Master. The principal business of Velan Capital is serving as the investment manager of Velan Master. The principal business of Velan IM GP is serving as the general partner of Velan Capital. Mr. Morgan is the Chief Investment Officer of Velan Capital and serves as a Managing Member of each of Velan GP and Velan IM GP. Mr. Venkataraman is an investor in the specialty pharmaceutical industry and serves as a Managing Member of each of Velan GP and Velan IM GP.

(d) No Reporting Person (nor Rubric GP) has, during the last five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) No Reporting Person (nor Rubric GP) has, during the last five years, been party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

(f) Rubric Capital, Velan GP, Velan Capital and Velan IM GP are organized under the laws of the State of Delaware. Velan Master is organized under the laws of the Cayman Islands. Messrs. Rosen, Morgan and Venkataraman are citizens of the United States of America.

Item 3. Source and Amount of Funds or Other Consideration.

The Shares reported herein beneficially owned by Rubric Capital were purchased with the working capital of the Rubric Funds (which may, at any given time, include margin loans made by brokerage firms in the ordinary course of business). The aggregate purchase price of the 11,750,000 Shares beneficially owned by Rubric Capital is approximately \$40,123,900, including brokerage commissions.

The Shares beneficially owned directly by Velan Master were purchased with working capital (which may, at any given time, include margin loans made by brokerage firms in the ordinary course of business). The aggregate purchase price of the 4,500,000 Shares beneficially owned by Velan Master is approximately \$12,516,294, including brokerage commissions.

Item 4. Purpose of Transaction.

The Reporting Persons purchased the Shares based on the Reporting Persons' belief that the Shares, when purchased, were undervalued and represented an attractive investment opportunity. Depending upon overall market conditions, other investment opportunities available to the Reporting Persons, and the availability of Shares at prices that would make the purchase or sale of Shares desirable, the Reporting Persons may endeavor to increase or decrease their position in the Issuer through, among other things, the purchase or sale of Shares on the open market or in private transactions or otherwise, on such terms and at such times as the Reporting Persons may deem advisable.

The Reporting Persons have engaged, and intend to continue to engage, in communications with the Issuer's Board of Directors (the "Board") and management team regarding opportunities to enhance stockholder value and improve corporate governance, including through potential changes to the composition of the Board.

No Reporting Person has any present plan or proposal which would relate to or result in any of the matters set forth in subparagraphs (a) - (j) of Item 4 of Schedule 13D except as set forth herein or such as would occur upon or in connection with completion of, or following, any of the actions discussed herein. Depending on various factors including, without limitation, the Issuer's financial position and investment strategy, the price levels of the Shares, conditions in the securities markets and general economic and industry conditions, the Reporting Persons may in the future take such actions with respect to their investment in the Issuer as they deem appropriate including, without limitation, engaging in additional communications with management and the Board of the Issuer, engaging in discussions with stockholders of the Issuer or third parties, including potential acquirers and service providers about the Issuer and the Reporting Persons' investment, making proposals to the Issuer concerning changes to the capital allocation strategy, capitalization, ownership structure, including a sale of the Issuer as a whole or in parts, Board structure (including Board composition) or operations of the Issuer, purchasing additional Shares, selling some or all of their Shares, engaging in short selling of or any hedging or similar transaction with respect to the Shares, or changing their intention with respect to any and all matters referred to in Item 4.

Item 5. Interest in Securities of the Issuer.

(a) The aggregate percentage of Shares reported owned by each person named herein is based upon 118,888,122 Shares outstanding as of November 1, 2022, which is the total number of Shares outstanding as reported in the Issuer's quarterly report on Form 10-Q filed with the Securities and Exchange Commission on November 8, 2022.

As of the date hereof, Rubric Capital and Mr. Rosen may be deemed to beneficially own the 11,750,000 Shares, constituting approximately 9.9% of the Shares outstanding, held in the aggregate by the Rubric Funds.

As of the date hereof, Velan Master directly beneficially owns 4,500,000 Shares, constituting approximately 3.8% of the Shares outstanding. Velan GP, as the general partner of Velan Master, may be deemed to beneficially own the 4,500,000 Shares owned by Velan Master, constituting approximately 3.8% of the Shares outstanding. Velan Capital, as the investment manager of Velan Master, may be deemed to beneficially own the 4,500,000 Shares owned by Velan Master, constituting approximately 3.8% of the Shares outstanding. Velan IM GP, as the general partner of Velan Capital, may be deemed to beneficially own the 4,500,000 Shares owned by Velan Master, constituting approximately 3.8% of the Shares outstanding. Messrs. Morgan and Venkataraman, as Managing Members of each of Velan GP and Velan IM GP, may be deemed to beneficially own the 4,500,000 Shares owned by Velan Master, constituting approximately 3.8% of the Shares outstanding.

An aggregate of 16,250,000 Shares, constituting approximately 13.7% of the Shares outstanding, are reported in this Schedule 13D.

Each Reporting Person may be deemed to be a member of a "group" with the other Reporting Persons for the purposes of Section 13(d) (3) of the Exchange Act, and such group may be deemed to beneficially own the 16,250,000 Shares beneficially owned in the aggregate by all of the Reporting Persons. The filing of this Schedule 13D shall not be deemed an admission that the Reporting Persons are, for purposes of Section 13(d) of the Exchange Act, the beneficial owners of any securities of the Issuer he or it does not directly own. Each of the Reporting Persons specifically disclaims beneficial ownership of the securities reported herein that he or it does not directly own.

(b) Each of Rubric Capital and Mr. Rosen may be deemed to share the power to vote and dispose of the Shares held by the Rubric Funds.

Each of Velan Master, Velan GP, Velan Capital, Velan IM GP and Messrs. Morgan and Venkataraman may be deemed to share the power to vote and dispose of the Shares owned by Velan Master.

(c) Schedule A annexed hereto lists all transactions in the securities of the Issuer by the Reporting Persons during the past 60 days. All of such transactions were effected in the open market unless otherwise noted therein.

(d) No person other than the Reporting Persons and the Rubric Funds is known to have the right to receive, or the power to direct the receipt of dividends from, or proceeds from the sale of, the Shares. Rubric Capital Master Fund LP, a Rubric Fund, has the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, more than 5% of the Shares.

(e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships With Respect to Securities of the Issuer.

On January 30, 2023, the Reporting Persons entered into a Group Agreement (the “Group Agreement”) which sets forth certain agreements among the parties with respect to their intention to jointly coordinate their activities with respect to the Issuer as set forth in the Group Agreement. The Group Agreement provides for, among other matters, the (i) joint filing on behalf of each of the parties of statements on Schedule 13D with respect to the securities of the Issuer to the extent required by applicable law, and (ii) pro rata sharing of expenses between Rubric and Velan based on such party’s respective ownership percentage of Shares. The foregoing description of the Group Agreement is not complete and is qualified in its entirety by reference to the full text of the Group Agreement, which is attached hereto as Exhibit 99.1 and is incorporated by reference herein.

Other than as described herein, there are no contracts, arrangements, understandings or relationships among the Reporting Persons, or between the Reporting Persons and any other person, with respect to the securities of the Issuer.

Item 7. Material to be Filed as Exhibits.

99.1 Group Agreement, dated January 30, 2023.

SIGNATURES

After reasonable inquiry and to the best of his or its knowledge and belief, the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: February 6, 2023

Rubric Capital Management LP

By: Rubric Capital Management GP LLC
General Partner

By: /s/ David Rosen

Name: David Rosen
Title: Managing Member

/s/ David Rosen

David Rosen

Velan Capital Master Fund LP

By: Velan Capital Holdings LLC
General Partner

By: /s/ Adam Morgan

Name: Adam Morgan
Title: Managing Member

Velan Capital Holdings LLC

By: /s/ Adam Morgan

Name: Adam Morgan
Title: Managing Member

Velan Capital Investment Management LP

By: Velan Capital Management LLC
General Partner

By: /s/ Adam Morgan

Name: Adam Morgan
Title: Managing Member

Velan Capital Management LLC

By: /s/ Adam Morgan

Name: Adam Morgan

Title: Managing Member

/s/ Adam Morgan

Adam Morgan

/s/ Balaji Venkataraman

Balaji Venkataraman

SCHEDULE A

Transactions in the Securities of the Issuer During the Past 60 Days

<u>Nature of the Transaction</u>	<u>Securities Purchased/(Sold)</u>	<u>Price Per Security(\$)</u>	<u>Date of Purchase/Sale</u>
<u>RUBRIC CAPITAL MANAGEMENT LP</u>			
<u>(On Behalf of the Rubric Funds)</u>			
Purchase of Common Stock	192,868	2.6459 [†]	12/08/2022
Purchase of Common Stock	175,000	2.6545 [‡]	12/09/2022
Purchase of Common Stock	325,000	2.4715 [§]	12/12/2022
Purchase of Common Stock	250,000	2.4997 ^{**}	12/13/2022
<u>VELAN CAPITAL MASTER FUND LP[#]</u>			
Purchase of Common Stock	500,000	2.6580	12/09/2022
Purchase of Common Stock	247,932	2.5348	12/15/2022
Purchase of Common Stock	830,485	2.7345	12/16/2022
Purchase of Common Stock	239,678	2.5907	12/19/2022
Purchase of Common Stock	216,005	2.4885	12/20/2022
Purchase of Common Stock	69,763	2.6345	12/21/2022
Purchase of Common Stock	212,314	2.5680	12/22/2022
Purchase of Common Stock	138,759	2.5476	12/23/2022
Purchase of Common Stock	45,064	2.4822	12/27/2022
Purchase of Common Stock	86,151	2.5032	01/05/2023
Purchase of Common Stock	116,678	2.4740	01/06/2023
Purchase of Common Stock	6,478	2.5100	01/09/2023
Purchase of Common Stock	290,693	2.7478	01/11/2023
Purchase of Common Stock	164,819	2.7819	01/11/2023
Purchase of Common Stock	46,568	2.8985	01/12/2023
Purchase of Common Stock	460,910	3.1198	01/18/2023
Purchase of Common Stock	327,703	3.0338	01/19/2023
Purchase of Common Stock	481,477	2.9434	01/20/2023
Purchase of Common Stock	18,523	2.8233	01/23/2023

[†] Represents a weighted average price. These Shares were purchased in multiple transactions at prices ranging from \$2.4250 to \$2.6700, inclusive. The Reporting Persons undertake to provide the Issuer, any security holder of the Issuer or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of Shares purchased at each separate price within the range set forth in this footnote.

[‡] Represents a weighted average price. These Shares were purchased in multiple transactions at prices ranging from \$2.6400 to \$2.6600, inclusive. The Reporting Persons undertake to provide the Issuer, any security holder of the Issuer or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of Shares purchased at each separate price within the range set forth in this footnote.

[§] Represents a weighted average price. These Shares were purchased in multiple transactions at prices ranging from \$2.4025 to \$2.5950, inclusive. The Reporting Persons undertake to provide the Issuer, any security holder of the Issuer or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of Shares purchased at each separate price within the range set forth in this footnote.

^{**} Represents a weighted average price. These Shares were purchased in multiple transactions at prices ranging from \$2.3950 to \$2.6150, inclusive. The Reporting Persons undertake to provide the Issuer, any security holder of the Issuer or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of Shares purchased at each separate price within the range set forth in this footnote.

[#] Such transactions were effected by an affiliate of Velan Capital Master Fund LP, of which Velan Capital Master Fund LP is the successor entity as part of an organizational restructuring.

GROUP AGREEMENT

THIS AGREEMENT, dated as of January 30, 2023 (the "**Effective Date**"), is by and between (i) Velan Capital Master Fund LP, Velan Capital Holdings LLC, Velan Capital Investment Management LP, Velan Capital Management LLC, Adam Morgan and Balaji Venkataraman (collectively, "**Velan**") and (ii) Rubric Capital Management LP and in his capacity as managing member of Rubric Capital Management GP LLC, David Rosen (collectively, "**Rubric**") (each of the foregoing, a "**Party**" and, collectively, the "**Parties**" or the "**Group**").

WHEREAS, the Parties, on behalf of themselves, their respective controlled affiliates, and any investment funds, managed accounts or other investment vehicles managed or advised by the Parties or their respective controlled affiliates (such controlled affiliates and vehicles are referred to as each Party's "**Covered Entities**"), desire to coordinate or provide notice of certain efforts with respect to Heron Therapeutics, Inc., a Delaware corporation (the "**Company**"), and its shares of common stock, par value \$0.01 per share (the "**Common Stock**"), or other interests in respect of such shares (including any securities or instruments exchangeable for or convertible into equity or debt securities of the Company, options to purchase or sell equity or debt securities of the Company, and swaps, synthetics and other derivative securities or instruments, the value of which is related to equity or debt securities of the Company) (collectively, "**Company Securities**"). All references in this agreement to a "**Party**" shall be deemed to include such Party's Covered Entities, and, in the case of the "**Parties**," shall be deemed to include each Party's Covered Entities. Likewise, all references in this agreement to (i) Velan shall be deemed to include Velan's Covered Entities and (ii) Rubric shall be deemed to include Rubric's Covered Entities.

NOW, THEREFORE, in consideration of the covenants and agreements set forth in this agreement, and for other good and valuable consideration the receipt and sufficiency of which are acknowledged, and intending to be legally bound, the Parties agree as follows:

1. Representations. Velan represents to Rubric that, as of the Effective Date, Velan is the beneficial owner of 4,500,000 shares of Common Stock and, except for such shares of Common Stock, Velan and its Covered Entities do not beneficially own, and are not party to any agreement, arrangement or understanding in respect of, any other Company Securities. Rubric represents to Velan that, as of the Effective Date, Rubric is the beneficial owner of 11,750,000 shares of Common Stock and, except for such shares of Common Stock, Rubric and its Covered Entities do not beneficially own, and are not party to any agreement, arrangement or understanding in respect of, any other Company Securities.

2. Securities Transactions. From and after the Effective Date and subject to the further terms hereof, neither Velan nor Rubric shall, directly or indirectly, including, without limitation, through any of their respective Covered Entities, purchase, sell, pledge or otherwise acquire or dispose of any Company Securities without prior notice to the other Party (except that no such prior notice is required in connection with pledging as it relates to customary margin or similar requirements) and each of the Parties shall advise the other of changes to its ownership of Company Securities by 4:45 PM Eastern Time on the date of any such change in ownership of Company Securities, including with respect to any purchases or sales thereof. Velan and Rubric will agree on a trading policy to be in effect during the term of this agreement, which shall (i) take into account any capacity limitations with respect to Company Securities and the desired timing of the Parties crossing any ownership thresholds with respect to Company Securities that would trigger a filing with the Securities and Exchange Commission (including any Schedule 13Ds or Section 16 filings) or any other governmental authority (including any Hart-Scott-Rodino filings) and (ii) provide that each of Velan and Rubric will only buy, sell or otherwise transact in Company Securities approximately in proportion to the agreed upon target position of each Party.

3. Coordinated Activities. The following matters shall require the mutual agreement of Velan and Rubric: (i) the selection and nomination of one or more individuals to serve as directors of the Company; (ii) the making, revising or withdrawing of any proposals to the Company regarding the conduct of its business, corporate governance matters, corporate transactions or otherwise; (iii) seeking to control, advise, change or influence the management, directors, governing instruments, stockholders, policies or affairs of the Company; (iv) the conduct of any proxy contest, consent solicitation or similar actions involving the Company, including, without limitation, the engagement of any advisors with respect thereto; (v) the manner, form, content and timing of any communications with the Company; (vi) the manner, form, content and timing of any public disclosures, public statements or other communications relating to the Company, the Company Securities, this agreement or the activities contemplated by this agreement (except that, if such disclosure, statement or communication is required by law, regulation or fund documentation applicable to a Party, such Party may make such required disclosure, statement or other communication without the agreement of the other Party, provided that such Party has provided prior notice thereof to the other Party); (vii) the admission of any additional members to any group (within the meaning of Section 13 of the Exchange Act (as defined below)) with respect to the Company Securities and including the Parties, whether formed by this agreement or otherwise; and (viii) entering into any agreement, arrangement or understanding with any person (other than a Covered Entity) in connection with the holding, voting or disposition of Company Securities (collectively items (i)-(viii), the “Coordinated Activities”). The Parties will consult with each other in connection with voting of any Company Securities. The provisions of this Section 3 shall not restrict any Party from having discussions concerning the Company with stockholders, research analysts and other third parties to the extent such communications are consistent with the actions and communications previously agreed to by the Parties.

4. Expenses. Velan and Rubric shall pay all expenses incurred in connection with the Coordinated Activities delineated in Section 3 of this agreement, including legal expenses, proxy solicitation fees, public relations fees and other related expenses, pro-rata based on the number of shares owned by such Party. The pro rata portion of expenses shall be adjusted each month based on such Party’s respective ownership percentage as of the last day of the preceding month. Each Party will promptly upon request reimburse the other Party for its respective portion of any such shared expenses paid or advanced by the other with reasonable documentation evidencing its expenses. Notwithstanding the foregoing sentence, a Party will not be entitled to contribution for any expense or liability arising out of such Party's or its affiliates' fraud, willful misconduct, gross negligence, bad faith or activities or actions prior to the date hereof or any liability or expense relating specifically to such Party, except as otherwise explicitly set forth herein. For the avoidance of doubt, each Party agrees that the expenses incurred in connection with preparing this agreement shall be deemed expenses covered under this agreement by the Parties. Any reimbursement from the Company regarding the expenses paid by each Party under this agreement shall be allocated to each Party in proportion to the expenses paid pursuant to this Section 4.

5. Regulatory Reporting. In accordance with Rule 13d-1(k)(1)(iii) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), each of the Parties agrees to the joint filing on their behalf of the information required by Schedule 13D (or any amendment thereof) if any such filing becomes required at any time. Each Party shall be responsible for the accuracy and completeness of its own portion of any disclosure in any such filing, and shall not be responsible for the accuracy or completeness of the information concerning the other Parties. The Parties shall cooperate in connection with any other regulatory filing that may be required to be made in connection with the matters contemplated by this agreement.

6. Termination. This agreement will terminate on the earliest to occur of (i) 11:59 p.m. (New York time) on the first anniversary of the Effective Date, (ii) mutual written agreement of the Parties to terminate this agreement, (iii) execution by the Parties of a settlement or cooperation agreement with the Company, (iv) completion of the Company's 2023 annual meeting of stockholders, or (v) in the event of a breach of this agreement by any Party or its affiliates after the date hereof, 24 hours after the non-breaching Party provides written notice of termination to the breaching Party identifying such breach (provided that no Party shall be permitted to provide a written termination notice on account of its own breaches of this agreement or those of its affiliates). In the event of termination, the Parties shall cooperate to take such actions as may be necessary or required publicly to disclose such termination and/or the consequences thereof, including, without limitation, amending any prior filings under the Exchange Act concerning the Company, Company Securities and/or the relationship of Velan and Rubric. Sections 4 (solely with respect to expenses incurred prior to the termination of the agreement) and 11 shall survive any termination of this agreement.

7. Relationship of the Parties. Nothing in this agreement shall be construed as creating (including, without limitation, for U.S. income tax purposes) any agency relationship, nor shall any Party, except as expressly set forth in this agreement, (i) have the right, power or authority to create any obligation or duty, express or implied, on behalf of the other Parties or (ii) have any fiduciary or other duties to the other Parties. The relationship of the Parties pursuant to this agreement shall be limited to carrying out the activities described in accordance with the terms of this agreement.

8. Limitations on Liability. In no event shall any Party be liable to the other Parties for any actions or activities undertaken by such other Party or its affiliates pursuant to this agreement; provided, however, that a Party shall be liable for any such actions or activities arising out of such Party's or its affiliates' fraud, willful misconduct, gross negligence, bad faith or activities or actions prior to the date hereof or any liability or expense relating specifically to such Party.

9. Notices. All notices permitted or required hereunder shall be in writing and delivered personally or sent by overnight express mail or courier or sent by electronic mail to the other Party at the address below (or at such other address as a Party shall designate in writing to the other Party in the manner specified herein) and shall be effective at the earlier of the date received or, if by electronic mail, upon sender's receipt of electronic confirmation of receipt if within normal business hours at the place notice was sent or, if thereafter, on the following business day.

If intended for Velan:

Velan Capital Investment Management LP
1055b Powers Place
Alpharetta, GA 30009
Attn: Adam Morgan
adam@velancapital.com

If intended for Rubric:

Rubric Capital Management LP
155 East 44th Street
New York, NY 10017
Attn: Justin Roberts; Brian Kleinhaus
email address: justin@rubriccapital.com; brian@rubriccapital.com

10. Further Assurances. Each Party hereby agrees to execute and deliver, or cause to be executed and delivered, such other documents, instruments and agreements, and take such other actions consistent with the terms of this agreement as may be reasonably necessary in order to accomplish the transactions contemplated by this agreement.

11. Miscellaneous. This agreement (i) shall be governed by and construed in accordance with the laws of the State of New York, without regard to its conflict of laws principles, (ii) may not be assigned, amended, waived or modified except by a writing signed by each Party, (iii) may be executed in counterparts, each of which shall be deemed an original but both of which together shall constitute one and the same instrument, (iv) is solely for the benefit of the Parties hereto and no other person shall have any rights hereunder and (v) represents the entire agreement between the Parties with respect to the subject matter of this agreement. For purposes of this agreement, the terms "beneficially own" or "beneficial ownership" with respect to any securities shall mean having "beneficial ownership" of such securities as determined pursuant to Rule 13d-3 under the Exchange Act. In addition, any legal action or proceeding arising out of the provisions of this agreement or the Parties' investment in the Company shall be brought and determined in the United States District Court for the Southern District of New York located in the Borough of Manhattan or the courts of the State of New York located in the County of New York. To the extent required by applicable law, each of the Parties hereby agrees that this agreement shall be filed as an exhibit to a Schedule 13D pursuant to Rule 13d-1(k)(1)(iii) under the Exchange Act.

EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY OR LITIGATION THAT MAY ARISE OUT OF OR RELATE TO THIS AGREEMENT, OR THE NEGOTIATION, VALIDITY OR PERFORMANCE OF THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY, IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE EACH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT THAT SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY ACTION, SUIT OR PROCEEDING (WHETHER FOR BREACH OF CONTRACT, TORTIOUS CONDUCT OR OTHERWISE) DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. EACH PARTY ACKNOWLEDGES AND AGREES THAT (i) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER; (ii) IT UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER; (iii) IT MAKES THIS WAIVER VOLUNTARILY; AND (iv) IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 11.

12. Counsel. Each Party acknowledges that (i) Olshan Frome Wolosky LLP shall act as counsel for the Group and Velan and (ii) Schulte Roth & Zabel LLP shall act as counsel to Rubric, in each case, relating to their investment in the Company.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the Parties hereto have caused this agreement to be executed as of the date first written above.

Velan Capital Master Fund LP

By: Velan Capital Holdings LLC
General Partner

By: /s/ Adam Morgan
Name: Adam Morgan
Title: Managing Member

Velan Capital Holdings LLC

By: /s/ Adam Morgan
Name: Adam Morgan
Title: Managing Member

Velan Capital Investment Management LP

By: Velan Capital Management LLC
General Partner

By: /s/ Adam Morgan
Name: Adam Morgan
Title: Managing Member

Velan Capital Management LLC

By: /s/ Adam Morgan
Name: Adam Morgan
Title: Managing Member

/s/ Adam Morgan
Adam Morgan

/s/ Balaji Venkataraman
Balaji Venkataraman

Rubric Capital Management LP

By: Rubric Capital Management GP LLC
General Partner

By: /s/ David Rosen

Name: David Rosen
Title: Managing Member

/s/ David Rosen

David Rosen in his capacity as Managing Member of Rubric Capital
Management GP LLC