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Oxis International Inc. Announces Treatment of First Patient in FDA Phase 2 Trial of Cancer Drug OXS-1550

LOS ANGELES, CA / ACCESSWIRE / April 18, 2017/ Oxis International Inc. (OTCQB: OXIS and Euronext Paris OXI.PA) announced today that the first patient has begun treatment in a Food and Drug Administration-approved Phase 2 clinical trial of its promising cancer therapy, OXS-1550.

Oxis Biotech, a wholly owned subsidiary of Oxis International, owns the worldwide rights to commercialize OXS-1550. The targeted immuno-oncology company is focused on novel antibody constructs that provide alternative treatments to cancer patients for whom existing therapies have failed.

The Phase 2 clinical trial is being conducted with Oxis' partner, the University of Minnesota's Masonic Cancer Center. Researchers at the University of Minnesota recently completed a Phase 1 trial of OXS-1550. The Phase 1 portion of the trial involved a safety review to determine the safe and effective dose of the drug.

Anthony Cataldo, Chairman and Chief Executive Officer of Oxis, said the initiation of Phase 2 patient treatment is a key step for the company and a milestone for the promising technology.

"The initiation of Phase 2 patient treatment of OXS-1550 brings us one step closer in our company's effort to provide a promising alternative to existing technology," Mr. Cataldo said. "The product performed well in Phase 1 studies of blood cancers and we look forward to providing a targeted immunotherapy product that has the capability of treating a number of different liquid tumors." OXS-1550 is an ADC (Antibody Drug Conjugate) drug. ADCs, such as **ADCETRIS® (brentuximab vedotin) from Seattle Genetics (SGEN), a first-in-class FDA approved antibody-drug conjugate, have paved the way for this type of next generation platform drug**.

OXS-1550 uses a proprietary immunoconjugate platform technology as a treatment for leukemia and other blood-born cancers. What sets OXS-1550 (DT2219ARL) apart from other treatments, such as chemotherapy, is that it is designed to specifically target and kill

cancer cells while minimizing damage to normal tissues.

Dr. Daniel Vallera, director of the section on Molecular Cancer Therapeutics at the University of Minnesota Cancer Center, helped develop OXS-1550. He said, "The initiation of Phase 2 patient treatment is a key opportunity to demonstrate the effectiveness of this promising cancer therapy. This brings us one step closer to an important alternative to invasive chemotherapies and costly cell therapies, Kite Pharma, Inc. (KITE), Juno Juno Therapeutics (JUNO), for cancer patients."

The news about OXS-1550 follows other good news about cancer treatments in the Oxis pipeline.

Additionally, on March 23, Oxis announced that it entered into a sponsored research agreement with the University of Minnesota to conduct a toxicity study of its TriKE cancer treatment (OXS-3550), a required step before researchers can apply for a Phase 1 clinical trial with the FDA.

Under the TriKe agreement, Oxis will pay for the university to conduct a study that will determine the optimal dose for OXS-3550.

About Oxis Biotech, Inc.:

Oxis Biotech is an immuno-oncology focused company developing innovative drugs focused on the treatment of cancer and other unmet medical needs. OXIS' lead drug candidate, OXS-1550 (DT2219ARL) is a novel bispecific scFv recombinant fusion protein-drug conjugate composed of the variable regions of the heavy and light chains of anti-CD19 and anti-CD22 antibodies and a modified form of diphtheria toxin as its cytotoxic drug payload. OXS-1550 targets cancer cells expressing the CD19 receptor or CD22 receptor or both receptors. OXS-2175 is a small molecule therapeutic candidate targeting the treatment of triple-negative breast cancer (TNBC). In in vitro and in vivo models of TNBC, OXS-2175 demonstrated the ability to inhibit metastasis.

Forward-Looking Statements:

Except for historical information contained herein, the statements in this release are forward-looking and made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are inherently unreliable and actual results may differ materially. Examples of forward-looking statements in this news release include statements regarding the payment of dividends, marketing and distribution plans, development activities and anticipated operating results. Factors which could cause actual results to differ materially from these forward-looking statements include such factors as the Company's ability to accomplish its business initiatives, significant fluctuations in marketing expenses and ability to achieve and expand significant levels of revenues, or recognize net income, from the sale of its products and services, as well as the introduction of competing products, or management's ability to attract and maintain qualified personnel necessary for the development and commercialization of its planned products, and other information that may be detailed from time to time in the Company's filings with the United States Securities and Exchange Commission. The Company undertakes no obligation to publicly update or revise any forward-looking statements,

whether as a result of new information, future events or otherwise.

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