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iBio, Inc.'s Claims Against Fraunhofer Affirmed by Delaware Chancery Court

NEW YORK, NY -- (Marketwired) -- 08/04/16 -- **iBio, Inc.** (NYSE MKT: IBIO), a leading provider of plant-based biotechnology for developing and manufacturing biological products, announced today that the Delaware Court of Chancery, where litigation brought by iBio against Fraunhofer USA Inc. has been pending, issued a decisive determination on July 29, 2016, in favor of iBio and against Fraunhofer. The Court affirmed iBio's exclusive ownership of all proprietary rights of any kind to technology in the area of plant-based technologies, techniques and methodologies, developed or acquired by Fraunhofer prior to or during the principal contractual period of iBio's engagement of Fraunhofer, which began in 2004 and continued until the end of calendar 2014. The Court specifically found that iBio is the exclusive owner of all such property and is entitled to have a technology transfer and assignment of all such property without the conditions Fraunhofer sought to impose.

iBio engaged Fraunhofer's Center for Molecular Biotechnology in 2004 to act exclusively for iBio to advance iBio's interests in technology to use plants, including non-genetically modified plants, principally for expression, engineering, testing, production and validation of human vaccines, human antibodies, and human therapeutics, as well as veterinary, diagnostic, agricultural and industrial applications. When iBio discovered Fraunhofer acting for another company in iBio's exclusive field, iBio successfully caused that relationship to terminate through litigation. iBio then proceeded with litigation against Fraunhofer to obtain a judicial declaration of iBio's exclusive ownership rights and iBio's entitlement to full technology transfer and assignment of intellectual property from Fraunhofer. The July 29th decision of the Chancery Court achieves the results iBio sought.

The Chancery litigation against Fraunhofer will now continue, unless settled by mutual agreement, with iBio pursuing implementation of the Court's rulings, including discovery of any uses Fraunhofer has made of iBio's property and appropriate remedies for all breaches and violations by Fraunhofer of iBio's rights.

About iBio, Inc.

iBio is developing proprietary products for the treatment of a range of fibrotic diseases including idiopathic pulmonary fibrosis, systemic sclerosis, and scleroderma. IBIO-CFB03, produced using the Company's proprietary gene expression technology, is the first product candidate from this program being advanced for IND development. The Company also offers proprietary products and product licenses to others based on its proprietary technologies, including its advanced plant-based gene expression and protein production platforms, providing collaborators full support for turn-key implementation of its technology for protein therapeutics and vaccines.

iBio CMO LLC is a 70 percent subsidiary of iBio jointly owned with affiliates of Eastern Capital Limited for development and large-scale manufacture of plant-made pharmaceuticals. The iBio CMO multiproduct facility includes laboratory and pilot-scale operations as well as large-scale automated hydroponic systems capable of growing over 4 million plants as "in process inventory" and producing over 300 kilograms of finished therapeutic protein per year. This translates into more than a half million doses per year of a typical therapeutic antibody and approximately 50 million vaccine doses every three weeks. Facility capacity can be doubled by adding additional plant growth equipment in a space already reserved for that purpose. iBio CMO's lease includes the right to develop another facility on the balance of the leased property that would have the effect of quadrupling capacity from the current level. iBio CMO offers a range of pharmaceutical product and process development, analytical, and manufacturing services.

In Brazil, iBio has formed a subsidiary company, iBio do Brasil Biofarmaceutical Ltda., and has been collaborating with the Oswaldo Cruz Foundation (Fiocruz) to develop a recombinant yellow fever vaccine based on iBio technology. Further information is available at: www.ibioinc.com.

FORWARD-LOOKING STATEMENTS

STATEMENTS INCLUDED IN THIS NEWS RELEASE RELATED TO IBIO, INC. MAY CONSTITUTE FORWARD-LOOKING STATEMENTS WITHIN THE MEANING OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995. SUCH STATEMENTS INVOLVE A NUMBER OF RISKS AND UNCERTAINTIES SUCH AS COMPETITIVE FACTORS, TECHNOLOGICAL DEVELOPMENT, MARKET DEMAND, AND THE COMPANY'S ABILITY TO OBTAIN NEW CONTRACTS AND ACCURATELY ESTIMATE NET REVENUES DUE TO VARIABILITY IN SIZE, SCOPE AND DURATION OF PROJECTS. FURTHER INFORMATION ON POTENTIAL RISK FACTORS THAT COULD AFFECT THE COMPANY'S FINANCIAL RESULTS CAN BE FOUND IN THE COMPANY'S REPORTS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION.

Source: iBio, Inc.