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iBio Fibrosis Therapeutics Program Receives NIH Grant Support

NEW YORK, NY -- (Marketwired) -- 09/09/15 -- iBio, Inc. (NYSE MKT: IBIO), a leader in plant-based biotechnology for developing and manufacturing biopharmaceutical products, announced the award of a grant to fund further development of its proprietary therapeutic product for treatment of fibrotic diseases from the National Heart, Lung, and Blood Institute (NHLBI) of the National Institutes of Health (NIH) under its Small Business Technology Transfer (STTR) program. The Fast-Track award will support the work of principal investigators Carol Feghali-Bostwick, Ph.D., of The Medical University of South Carolina (MUSC) and Hal Padgett, Ph.D., of Novici Biotech LLC (Novici) and their research teams. The funded project is entitled, "Peptide Based Therapy for Lung Fibrosis." The commercial sponsor of the program is iBio, Inc.

"Our anti-fibrotic molecules were discovered and refined using phenotypic screening techniques rather than direct mechanistic targeting of a single modulator of fibrosis such as TGF-beta, giving us a high degree of confidence that these molecules can produce positive outcomes in fibrosis with broad applicability in a variety of fibrotic diseases," said Terence Ryan, Ph.D., iBio's Chief Scientific Officer. "We are encouraged by the positive reviews that led to approval of this grant application."

The NIH STTR Fast-track mechanism provides for a submission and review process whereby both Phase I and Phase II grant proposals are submitted together and reviewed as a single application, thus reducing the funding gap that may occur between phases. This grant was approved for funding as of September 1, beginning with approximately \$200,000 for Phase I. Phase II funding of approximately \$1.5 million may commence once the milestones for Phase I have been completed and a progress report is submitted and approved by the NHLBI. Steady progress has been made on project objectives during the grant application review period, and the principal investigators expect to submit a timely progress report.

"Our collaboration with iBio and Novici is yielding exciting progress," said Dr. Feghali-Bostwick, MUSC's SmartState® and Kitty Trask Holt Endowed Chair and Professor of Medicine. "I look forward to working with this team to translate laboratory bench discoveries into effective therapies."

iBio is extending the pioneering research of Dr. Feghali-Bostwick to develop proprietary products for the treatment of a range of fibrotic diseases including idiopathic pulmonary fibrosis and systemic sclerosis/ scleroderma. Dr. Feghali-Bostwick's published data demonstrate that certain peptides derived from human endostatin prevent and reverse fibrosis in tissue culture models of fibrosis (TGFβ-stimulated human donor fibroblasts and skin tissues) as measured by reduction in skin thickening and collagen deposition. In addition, the peptides have been shown to prevent and reverse pulmonary fibrosis in a

widely accepted animal model of fibrosis (intratracheal bleomycin treatment). IBIO-CFB03, produced using the company's iBioLaunch™ gene expression platform, is the first product candidate from this program being advanced for clinical development.

iBio is sponsoring research and development at both MUSC and Novici in a coordinated program focused on IBIO-CFB03 and potentially other product candidates. In particular, the collaboration with Novici has focused on overcoming the limitations of chemical peptide synthesis by using the iBioLaunch technology for recombinant peptide production in plants. Ongoing collaborative work at MUSC has demonstrated that recombinant versions of the peptides duplicate the preventative and disease-modifying properties of chemically-synthesized peptides. Additional joint work includes testing novel product formulations that may yield improved performance. The company has also established contracts with CBR International for regulatory management services and with Caliber Biotherapeutics LLC for cGMP manufacturing services.

About The Medical University of South Carolina

Founded in 1824 in Charleston, The Medical University of South Carolina is the oldest medical school in the South. Today, MUSC continues the tradition of excellence in education, research, and patient care. MUSC educates and trains more than 3,000 students and residents, and has nearly 13,000 employees, including approximately 1,500 faculty members. As the largest non-federal employer in Charleston, the university and its affiliates have collective annual budgets in excess of \$1.7 billion. MUSC operates a 750-bed medical center, which includes a nationally recognized Children's Hospital, the Ashley River Tower (cardiovascular, digestive disease, and surgical oncology), Hollings Cancer Center (one of 68 National Cancer Institute designated centers) Level I Trauma Center and Institute of Psychiatry. For more information on academic information or clinical services, visit musc.edu. For more information on hospital patient services, visit www.muschealth.org.

About Novici Biotech LLC

Novici is a private biotechnology company working at the intersection of synthetic biology and recombinant expression. Combining its strengths in plant-based expression with its patented GRAMMR gene shuffling technology, the company is focused on improving recombinant protein function as well as expression yield through directed evolution. Beyond pharmaceutical applications, Novici utilizes the GRAMMR technology for improvement of agricultural and industrial biotechnology targets and also out-licenses other synthetic biology tools, such as the CorrectASE synthetic gene error correction product, currently offered for sale by ThermoFisher Scientific. For more information, visit www.novicibiotech.com.

About iBio, Inc.

In addition to its fibrosis therapeutic product program, iBio also offers proprietary products and product licenses to others based on its proprietary iBioLaunch gene expression and iBioModulator™ thermostable immunomodulator protein platforms, providing collaborators full support for turn-key implementation of its technology for protein therapeutics and vaccines. 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. The iBioLaunch gene expression platform is a proprietary, transformative technology for development and production of biologics using transient gene expression in unmodified green plants. The iBioModulator platform is designed to significantly improve vaccine products with both higher potency and greater duration of effect. 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.