

July 28, 2015



Abeona Therapeutics Announces \$8.5 Million Equity Financing With Current Institutional Investors and Directors

NEW YORK, NY -- (Marketwired) -- 07/28/15 -- Abeona Therapeutics, Inc. (NASDAQ: ABEO), a biopharmaceutical company focused on developing and delivering gene therapy and plasma-based products for severe and life-threatening rare diseases, today announced it had entered into a definitive purchase agreements with two leading healthcare institutional investors, Soros Fund Management and Perceptive Life Science Fund, and two Members of the Board of Directors, to raise \$8.5 million in a direct placement of registered common stock. The financing is comprised of 1,547,273 shares of common stock at a price of \$5.50 per share, which represents a premium to yesterday's closing price of \$5.46. Abeona Therapeutics plans to use the proceeds of the financing for the development of its proprietary rare disease programs, working capital and general corporate purposes.

"We are encouraged that current institutional investors and members of the Board of Directors are both pleased with our progress, and supportive financially of our plans going forward," stated Steven H. Rouhandeh, Executive Chairman. "As we continue to build into a leading rare disease company, we have the products, technology platforms, team and financial resources to meet and exceed our development milestones."

The securities described above are being offered pursuant to a registration statement (File No. 333-205128) which became effective on July 23, 2015. When filed with the Securities and Exchange Commission, copies of the final prospectus for the offering can be obtained at the SEC's website at <http://www.sec.gov>. This press release shall not constitute an offer to sell or the solicitation of an offer to buy any of the securities described herein. There shall not be any offer, solicitation of an offer to buy, or sale of securities in any state or jurisdiction in which such an offering, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

About Abeona: Abeona Therapeutics, Inc. develops and delivers gene therapy and plasma-based products for severe and life-threatening rare diseases. Abeona's lead programs are ABO-101 (AA9 NAGLU) and ABO-102 (scAAV9 SGHG), adeno-associated virus (AAV)-based gene therapies for Sanfilippo syndrome (MPS IIIA and IIIB) in collaboration with patient advocate groups, researchers and clinicians, anticipated to commence clinical trials in 2015. We are also developing ABO-201 (scAAV9 CLN3) gene therapy for juvenile Batten disease (JBD); and ABO-301 (AAV LK19 FANCC) for Fanconi anemia (FA) disorder using a novel CRISPR/Cas9-based gene editing approach to gene therapy program for rare blood diseases. In addition, we are also developing rare plasma protein therapies including SDF Alpha™ (alpha-1 protease inhibitor) for inherited COPD using our proprietary SDF™ (Salt Diafiltration) ethanol-free process. For more information, visit www.abeonatherapeutics.com.

This press release contains certain statements that are forward-looking within the meaning of Section 27a of the Securities Act of 1933, as amended, and that involve risks and

uncertainties. These statements include, without limitation, development and internationalization of clinical programs, information regarding the future performance of the combined company, the outlook on medical needs, future pipeline expectations, management plans for the Company, the anticipated closing of the transaction, and general business outlook. These statements are subject to numerous risks and uncertainties, including but not limited to the satisfaction of closing conditions for the transaction, the parties' ability to successfully integrate and operate the new company, and achieve expected synergies and other benefits; the impact of competition; the ability to develop products and technologies; the ability to achieve or obtain necessary regulatory approvals; the impact of changes in the financial markets and global economic conditions; and other risks as may be detailed from time to time in the Company's Annual Reports on Form 10-K and other reports filed by the Company with the Securities and Exchange Commission. The Company undertakes no obligations to make any revisions to the forward-looking statements contained in this release or to update them to reflect events or circumstances occurring after the date of this release, whether as a result of new information, future developments or otherwise.

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