

November 1, 2016



Xenetic Biosciences Announces Nasdaq Listing of its Common Stock and Pricing of \$10M Public Offering

Company Uplisting to Nasdaq Capital Market Under Ticker "XBIO" Effective November 7, 2016

LEXINGTON, Mass.--(BUSINESS WIRE)-- Xenetic Biosciences, Inc. (OTCQB: XBIO) ("Xenetic" or the "Company"), a clinical-stage biopharmaceutical company focused on discovery, research and development of next-generation biologic drugs and novel orphan oncology therapeutics, today announced its common stock will begin trading on The Nasdaq Capital Market under the symbol "XBIO" on November 7, 2016. The Company also announced the pricing of its public offering of an aggregate of 2,424,242 units, consisting of (i) 484,849 units, consisting of one share of Convertible Series B Preferred Stock and a Class A Warrant to purchase one share of common stock and (ii) 1,939,393 units consisting of one share of Convertible Series B Preferred Stock and a Class B Warrant to purchase one share of common stock, at a public offering price of \$4.125 per unit. The total expected gross proceeds of the public offering are approximately \$10 million before the underwriter's discount and expenses.

In connection with its new listing on The Nasdaq Capital Market, November 4, 2016 will be the last day Xenetic's common stock will trade on the OTCQB.

Ladenburg Thalmann & Co. Inc. acted as the sole book running manager for the offering.

The net proceeds from this offering will be used to fund the research and development of Xenetic's product candidates, including Virexxa, as well as future development programs, potential in licensing of products or technology, capital expenditures, working capital, repayment of existing indebtedness, and other general corporate purposes.

The offering is expected to close on November 7, 2016, subject to customary closing conditions.

A registration statement on Form S-1 relating to the shares and warrants was filed with the Securities and Exchange Commission ("SEC") and has been declared effective. A preliminary prospectus relating to the offering has been filed with the SEC and is available on the SEC's web site at <http://www.sec.gov>. Copies of the final prospectus relating to the offering, when available, may be obtained from the offices of Ladenburg Thalmann & Co. Inc., 570 Lexington Avenue, 11th Floor, New York, NY 10022, telephone: (212) 409-2000 or email prospectus@ladenburg.com or the above-referenced SEC website.

This press release shall not constitute an offer to sell or a solicitation of an offer to buy, nor

shall there be any sale of these securities in any state or jurisdiction in which such an offer, solicitation or sale is not permitted.

About Xenetic Biosciences

Xenetic Biosciences, Inc. is a clinical-stage biopharmaceutical company focused on discovery, research and development of next-generation biologic drugs and novel oncology therapeutics. Xenetic's proprietary drug technology platforms include PolyXen®, designed to develop next generation biologic drugs by extending the efficacy, safety and half-life of biologic drugs.

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