July 13, 2016

Oxis International Issues Letter to Shareholders

LOS ANGELES, CA / ACCESSWIRE / July 13, 2016 /Oxis International Inc. (OTC: OXIS and OXI.PA), a biotechnology company focused on immunotherapies for the treatment of cancer, announced today that Chairman and CEO Anthony Cataldo has issued the following letter to stockholders.

To my fellow shareholders:

Throughout this year, we have focused our efforts on our science, patents, and additions to our disruptive platform technologies. This is evidenced by our continued corporate developments announced in our press releases this year to date. This included notification from the U.S. Food and Drug Administration (FDA) that we could proceed with our planned combination Phase 1/Phase 2 clinical trial for OXS-1550; which is currently ongoing. Oxis holds worldwide exclusive rights to develop and commercialize OXS-1550.

OXS-1550 is a novel therapy for the treatment of leukemia and lymphoma. In our FDA Phase 1 clinical trial, conducted by Oxis' collaborators at the University of Minnesota Masonic Cancer Center, 25 patients with chemotherapy refractive B-cell lymphoid malignancies expressing CD19 and/or CD22 were enrolled. Patients with advanced drug refractory disease had failed three prior types of chemotherapy, and eight had failed hematopoietic transplantation. All patients received a single course of OXS-1550 consisting of four daily injections with no other treatment. In the first 15 patients under the lowest dose, little was achieved. However, therapeutic dosing was achieved in the final ten patients treated at the highest dose levels.

Of these ten patients, a couple of patients achieved an objective response. Following receiving the first positive result under OXS-1550, one patient (Cynthia Cattell) with chronic lymphocytic leukemia, petitioned the FDA to receive an additional course. She had previously failed multiple Chemotherapy treatments and bone marrow transplants, as well as other drug therapies. CAR-T (Juno Therapeutics, Inc. (JUNO) and Kite Pharma, Inc. (KITE)) was not an option for multiple reasons. She received her additional OXS-1550 course and achieved a complete response that has now lasted more than one and a half years. She remains cancer free to date. The continued trial is designed to complete the FDA Phase 1 trial, determine the maximum tolerated dose, and then transition into a Phase 2 study permitting added cycles of treatment mandatory for durable responses. A 2015 publication in

the peer-reviewed journal, Clinical Cancer Research; 21(6) March 15, 2015, reported that the most common toxicity in the last ten patients were peripheral edema and hypoalbuminemia. These toxicities were managed and reversible after a week.

Our most recent press release announced the enrollment of new patients in OXS-1550. These new patients will receive multiple courses like Cynthia Cattell. This is a key step in completing the last part of our FDA Phase 1, which will allow us to move into the Phase 2 part of the FDA clinical trial. We will continue to update our shareholders as data becomes available.

Our innovative drugs focused on the treatment of cancer and other unmet medical needs also continue to show progress. OXS-4235 is a small molecule therapeutic candidate targeting the treatment of multiple myeloma and associated osteolytic lesions. With invitro and invivo models of multiple myeloma and osteoporosis, OXS-4235 demonstrated the ability to kill multiple myeloma cells and decrease osteolytic lesions in bone. Further, OXS-2175, is a small molecule therapeutic candidate targeting the treatment of triple-negative breast cancer (TNBC). The invitro and invivo models of TNBC, OXS-2175 demonstrated the ability to inhibit metastasis.

We fully expect to achieve our corporate and scientific goals through the rest of this calendar year. Our shareholders can look forward to partnerships and continued advancements with our product pipeline; including initiation of additional FDA clinical trials.

As Oxis progresses, we look forward to institutional coverage and appreciation of our assets and achievement of significant milestones which should translate to market cap appreciation. We are now in a position to leverage our disruptive technology, thus making Oxis a major contributor in the biotech community.

On behalf of my colleagues and our advisors, thank you for your continued support of Oxis as we advance our clinical and corporate developments with our platform candidates in treating various types of cancer. We look forward to a number of value-creating milestones throughout the remainder of 2016 and are excited by our prospects.

Sincerely,

Anthony J. Cataldo
Chairman and Chief Executive Officer

ABOUT OXIS INTERNATIONAL, INC.

Oxis International, Inc., through a wholly owned subsidiary, Oxis Biotech, Inc., develops 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 simultaneously targets cancer cells expressing the CD19 receptor or CD22 receptor or both receptors. When OXS-1550 binds to cancer cells, the cancer cells internalize the drug and are killed due to the action of drug's cytotoxic payload. OXS-1550 has demonstrated success in early human clinical trials in patients with relapsed/refractory B-cell lymphoma or leukemia. OXS-4235 is a small molecule therapeutic candidate targeting

the treatment of multiple myeloma and associated osteolytic lesions. In in vitro and in vivo models of multiple myeloma and osteoporosis, OXS-4235 demonstrated the ability to kill multiple myeloma cells, and decrease osteolytic lesions in bone. OXIS' lead drug candidate, 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.

Company website: OXIS.COM

SOURCE: Oxis International, Inc.