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Oxis International Inc. Announces Approval of FDA Phase 2 Trial with Its Bispecific Antibody OXS-1550

LOS ANGELES, CA / ACCESSWIRE / April 4, 2017 /Oxis International Inc. (OTCQB: OXIS and Euronext Paris OXI.PA) announced today that the Food and Drug Administration has cleared the way for the Company's wholly owned subsidiary, Oxis Biotech Inc., to begin a FDA Phase 2 clinical trial for its promising cancer treatment OXS-1550 in the treatment of lymphoma and leukemia.

Oxis Biotech, a targeted immuno-oncology company focused on novel antibody constructs, owns the worldwide rights to commercialize OXS-1550.

The FDA Phase 2 clinical trial will be conducted with Oxis' partner, the University of Minnesota's Masonic Cancer Center. Researchers at the University of Minnesota recently completed a FDA Phase 1 trial of OXS-1550. The Phase 1 portion of the trial completed a safety review to determine the safe and effective dose of the drug.

OXS-1550 uses a proprietary immunoconjugate platform technology, as a treatment for leukemia and other blood-born cancers. What sets OXS-1550 (DT2219ARL) apart from other treatments, such as chemotherapy, is that it is designed to specifically target and kill cancer cells minimizing damage to normal tissues.

"This milestone represents a major step forward for our technology. The product has performed well in its phase 1 studies in blood cancers and we look forward to positive results in Phase 2," said Anthony Cataldo, Chairman and Chief Executive Officer of Oxis. "This next generation drug has the possibility of treating a number of different liquid tumors and, if successful, will drastically change the paradigm now being developed that relies on highly expensive autologous cell therapies such as presented by Kite Pharma, Inc. (KITE), Juno Therapeutics, Inc. (JUNO) and other autologous or semi-autologous and adoptive therapy approaches currently under development."

Dr. Daniel Vallera, director of the section on Molecular Cancer Therapeutics at the University of Minnesota Cancer Center, lead developer of OXS-1550 said, "The FDA's clearance for Phase 2 is an important step forward for this cancer treatment."

Dr. Vallera has spent 35 years with the University of Minnesota's cancer center, where he oversees a laboratory specializing in the development of biological recombinant drugs focusing on bispecific antibody therapies that directly deliver toxic signals to cancer cells.

"We are excited to see this new therapy proceed to Phase 2," Dr. Vallera said. "So many of

these patients presenting with chemotherapy refractory cancer have few, if any, alternative choices for cancer treatment."

About Oxis Biotech, Inc.: Oxis Biotech is an immuno-oncology focused company developing 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 targets cancer cells expressing the CD19 receptor or CD22 receptor or both receptors. 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.

Media contact:

Stuart Pfeifer, Sitrick & Co.
(310) 788-2850, or spfeifer@sitrick.com

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