November 12, 2018

Matinas BioPharma Reports Third Quarter 2018 Financial Results and Provides Corporate Update

– Key focus on advancing the development of MAT9001, a proprietary, potential best-in-class cardiovascular therapy in what is projected to be a new, multi-billion dollar prescription-only omega-3 drug class –

– Company continues to drive development of proprietary and highly differentiated lipid nano-crystal (LNC) platform delivery technology and lead platform drug MAT2203, while advancing opportunities with strategic partners in the gene therapy area –

BEDMINSTER, N.J., Nov. 12, 2018 (GLOBE NEWSWIRE) -- Matinas BioPharma Holdings, Inc. (NYSE AMER: MTNB), a clinical-stage biopharmaceutical company, today announced its financial results for the third quarter ended September 30, 2018 and provided a corporate update.

"The third quarter of 2018 through the date of our filing has been a transformational time for Matinas," commented Jerome D. Jabbour, Chief Executive Officer of Matinas."In witnessing the enthusiasm and potential surrounding our differentiated LNC platform delivery technology, coupled with recent third-party landmark data announcements demonstrating that certain omega-3 fatty acids can have a significant impact on overall cardiovascular health, we find ourselves in the enviable position of having two potential best-in-class assets. As the only drug currently in development with head-to-head data demonstrating statistical superiority to Vascepa® on a variety of lipid measures, highlighted by an approximately six-fold higher AUC and C_{max} and higher bloods levels of EPA, MAT9001 is uniquely positioned to aggressively move forward in development with the assistance of a world class team of advisors. While recently announced data in this space is very impressive, we believe there are exciting opportunities to create potential differentiation and be very thoughtful with trial design and execution. Our goal with this clinical development program is to establish MAT9001 as a potential best-in-class therapy for the benefit of patients in this projected multi-billion dollar emerging prescription-only omega-3 class."

"Equally as exciting is the progress we have made with our LNC platform delivery technology. With the recent addition of Dr. Matkovits to our team, we are in a stronger position to assess the clinical development program for MAT2203, and we remain very enthusiastic about its profile as we advance that important drug candidate towards our next clinical trial. In addition, our discussions with potential partners in the gene therapy space continue to progress. Finally, in having secured additional financing to extend our cash runway into the fourth quarter of next year, I believe our collective momentum is setting the stage for a breakthrough year for Matinas in 2019," added Mr. Jabbour.

MAT9001 DEVELOPMENT UPDATE: RENEWED FOCUS ON PROPRIETARY LIPID-BASED CARDIOVASCULAR PRODUCT

The Company's lead cardiovascular product, MAT9001, is a uniquely engineered, prescription-only omega-3 fatty acid medication comprising docosa-pentaenoic acid (DPA), eicosapentaenoic acid (EPA) and other omega-3 fatty acids. MAT9001 was developed based on the newest scientific advancements in the field, incorporating and building upon the knowledge of almost 40 years of scientific research in the omega-3 discipline and has been uniquely and purposefully designed with the goal of providing a differentiated pharmacotherapy for the treatment of dyslipidemia and cardiovascular disease. In 2015, the Company completed its comparative PK/PD Phase 2-like study with 42 enrolled patients. Results from the study showed that MAT9001 demonstrated superiority versus Vascepa® (icosapent ethyl) in reducing lipids, triglycerides, apolipoproteins and PCSK9 levels without an associated increase in LDL cholesterol.

Given recently announced developments in the cardiovascular space with Vascepa® and the Company's possession of the potential best-in-class data generated by MAT9001, Matinas is well prepared to advance MAT9001 through thoughtful, well-designed clinical pathways in order to capitalize on its potentially differentiated and best-in-class product profile. Matinas plans to evaluate the use of MAT9001 in an initial indication for the treatment of highly elevated triglycerides (greater than or equal to 500 mg/dL) or severe hypertriglyceridemia. The Company believes that MAT9001 may also be a potential treatment for additional indications and is in advanced discussions with key opinion leaders and regulatory experts to design next best steps in its clinical development program.

LNC PLATFORM TECHNOLOGY UPDATE: CONTINUED ADVANCEMENT OF STRATEGIC COLLABORATION DISCUSSIONS

The Company's proprietary LNC delivery technology platform utilizes lipid nano-crystals which can encapsulate small molecules, nucleic acid polymers such as oligonucleotides, vaccines, peptides, proteins and other medicines potentially making them safer, more tolerable, less toxic and orally bioavailable. Matinas is currently focused on leveraging its LNC delivery platform in advancing and developing its own pipeline of product candidates within the anti-infective space, including lead platform-validating product, MAT2203, as well as identifying strategic partners whose drug candidates and molecules, in combination with its LNC delivery technology, present the greatest value and innovation while addressing significant markets of unmet medical need, specifically in the gene therapy space.

Based upon existing and consistently replicated preclinical and clinical data, the Company believes that its unique and proprietary LNC delivery technology platform can be used to formulate and thereby redesign a wide variety of molecules and drugs which, (i) require a delivery technology to improve the stability of molecules inside and outside the body, (ii) could benefit from efficient delivery and cellular uptake by target cells, and (iii) are currently only available in IV formulations or (iv) otherwise experience significant toxicity-related adverse events.

Matinas continues to advance its discussions with multiple strategic and research partners and expects to utilize this strategy to expand the successful application of its LNC Technology.

Q3 2018 SUMMARY OF FINANCIAL RESULTS

For the nine months ended September 30, 2018, the Company reported a net loss attributable to common shareholders of approximately $10.5 million, or a net loss per share basic and diluted of $0.12, compared to a net loss attributable to common shareholders of approximately $11.9 million, or a net loss per share basic and diluted of $0.32, for the nine months ended September 30, 2017. The net loss for the quarter ended September 30, 2018 was primarily attributable to ongoing activities to develop and seek regulatory approval for MAT2203 and any other product candidates we choose to develop based upon the Company's LNC delivery technology platform as well as the costs associated with operating as a public company. The Company ended the quarter with cash and cash equivalents of approximately $6.6 million. Subsequent to September 30, 2018, the Company raised an additional $8.8 million in gross proceeds through its Controlled Equity Sales Offering. We believe the total cash and cash equivalents on hand as of the date of this filing are sufficient to fund planned operations through November 2019.

About MAT9001

MAT9001 is a proprietary prescription-only omega-3 fatty acid-based composition, comprising docosapentaenoic acid (DPA) and other omega-3 fatty acids, which is under development for therapeutic applications with severe hypertriglyceridemia (TG>500 mg/dL) as the lead indication. Promising pre-clinical studies with DPA and MAT9001 indicate distinctive therapeutic response properties. The Company believes that its development program and related clinical investigations may yield an improved therapeutic profile compared to existing therapies, based on MAT9001's differentiating mechanistic features associated with its unique composition.

MAT9001 is the only omega-3 that has been studied head-to-head versus Vascepa® (icosapent ethyl). Data from this study demonstrated that MAT9001 met all primary and secondary endpoints in a head-to-head comparative pharmacokinetic and pharmacodynamic study. The PK/PD cross-over clinical study, with administration of the study drugs with food to 42 patients with high triglycerides (200-400 mg/dL), was conducted in Canada under scientific guidance of a distinguished Steering Committee, comprised of Drs. Christie M. Ballantyne (Baylor College of Medicine), Kevin C. Maki (DePaul University) and William F. Keane (University of Minnesota, retired).

In addition to meeting the statistical non-inferiority test for all primary and secondary endpoints, further statistical analysis demonstrated superiority of MAT9001 over Vascepa for omega-3 bioavailability (baseline adjusted AUC and C_{max}, approximately 6-fold higher with MAT9001 on day 14, with very high statistical significance) and triglyceride reduction (median TG-reduction from baseline: -33.2% for MAT9001 versus -10.5% for Vascepa; *p<0.0001*). MAT9001 also demonstrated a statistically significantly greater reduction in total-cholesterol, VLDL-cholesterol and non-HDL-cholesterol for MAT9001 versus Vascepa. Although both study drugs exhibited a reduction of LDL cholesterol, the difference between the two was not statistically significant. In addition, MAT9001 demonstrated a statistically significant reduction in PCSK9 versus Vascepa, which did not decrease PCSK9 levels.

About Matinas BioPharma

Matinas BioPharma is a clinical-stage biopharmaceutical company focused on (i) the development of MAT9001 for abnormalities in blood lipids, referred to as dyslipidemia, and the treatment of cardiovascular and metabolic disease, and (ii) enabling the delivery of life-changing medicines using our unique and proprietary, lipid nano-crystal ("LNC") platform technology, including development of MAT2203, our lead antifungal platform drug candidate.

The Company's proprietary, disruptive technology utilizes lipid-crystal nano-particle cochleates to nano-encapsulate small molecules, oligonucleotides, vaccines and other medicines potentially making them safer, more tolerable, less toxic and orally bioavailable. The Company's lead anti-fungal product candidate, MAT2203, positions Matinas BioPharma to become a leader in the safe and effective delivery of anti-infective therapies utilizing its proprietary LNC formulation technology.

In addition, the Company is actively pursuing the development of MAT9001 with the support of a world-class team of clinical key opinion leaders and regulatory consultants. MAT9001 is a prescription-only omega-3 fatty acid-based composition under development for hypertriglyceridemia, which has shown superiority versus Vascepa® (icosapent ethyl) in reducing serum triglycerides, Total- and Non-HDL-Cholesterol, apolipoproteins and PCSK9 levels.

For more information, please visit www.matinasbiopharma.com and connect with the Company on Twitter, LinkedIn and Facebook.

Matinas BioPharma Holdings Inc.
Consolidated Balance Sheets

	September 30, 2018	December 31, 2017
	Unaudited	**Audited**
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 6,632,468	**$** 7,306,507
Restricted cash – security deposit	200,000	155,431
Prepaid expenses	692,400	502,032
Total current assets	7,524,868	7,963,970
Leasehold improvements and equipment - net	2,097,149	1,569,858
In-process research and development	3,017,377	3,017,377
Goodwill	1,336,488	1,336,488
Restricted cash – security deposit	436,000	535,999
TOTAL ASSETS	$ 14,411,882	**$** 14,423,692
LIABILITIES AND STOCKHOLDERS' EQUITY		

CURRENT LIABILITIES		
Accounts payable	$ 303,360	$ 582,867
Note payable	319,746	170,236
Accrued expenses	758,340	959,147
Stock dividends payable	1,174,286	-
Deferred revenue	-	29,937
Lease liability	83,341	26,975
Total current liabilities	2,639,073	1,769,162
LONG TERM LIABILITIES		
Deferred tax liability	848,185	848,185
Deferred rent liability	501,816	455,554
Lease liability - net of current portion	122,578	67,683
Stock dividends payable - long term	-	601,143
TOTAL LIABILITIES	4,111,652	3,741,727
STOCKHOLDERS' EQUITY		
Series A Convertible preferred stock, stated value $5 per share, 1,600,000 shares authorized as of September 30, 2018 and December 31, 2017, respectively; 1,467,858 and 1,502,858 shares outstanding at September 30, 2018 and December 31, 2017, respectively (liquidation preference - $8,513,576 at September 30, 2018)	5,583,686	5,716,825
Series B Convertible preferred stock, stated value $1,000 per share, 8,000 shares authorized and 7,003 shares outstanding as of September 30, 2018 (liquidation preference - $7,003,000 at September 30, 2018) No shares authorized or issued at December 31,2017	6,098,447	-
Common stock par value $0.0001 per share, 250,000,000 shares authorized at September 30, 2018 and December 31, 2017, respectively; 97,697,243 issued and outstanding as of September 30, 2018; 93,371,129 issued and outstanding as of December 31, 2017	9,769	9,335
Additional paid in capital	60,926,628	56,230,347
Accumulated deficit	(62,318,300)	(51,274,542)
Total stockholders' equity	10,330,230	10,681,965

TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 14,411,882	**$** 14,423,692

Matinas BioPharma Holdings, Inc.
Condensed Consolidated Statements of Operations
(Unaudited)

	Three Months Ended September 30,	
	2018	2017
Revenue:		
Contract research revenue	$ -	$ 44,906
Costs and Expenses:		
Research and development	1,379,525	2,013,063
General and administrative	1,574,712	1,440,141
Total costs and expenses	2,954,237	3,453,204
Loss from operations	(2,954,237)	(3,408,298)
Other income/(expense), net	18,660	13,584
Net loss	**$ (2,935,577)**	**$ (3,394,714)**
Preferred stock series A accumulated dividends	(146,786)	(150,786)
Preferred stock series B accumulated dividends	(175,075)	-
Net loss attributable to common shareholders	$ (3,257,438)	$ (3,545,500)
Net loss available for common shareholders per share - basic and diluted	$ (0.03)	$ (0.04)
Weighted average common shares outstanding:		
Basic and diluted	94,697,049	92,222,601

	Nine Months Ended September 30,	
	2018	**2017**
Revenue:		

Contract research revenue	$ 119,750	$ 104,781
Costs and Expenses:		
Research and development	5,095,110	6,711,997
General and administrative	5,504,559	5,264,609
Total costs and expenses	10,599,669	11,976,606
Loss from operations	(10,479,919)	(11,871,825)
Other income/(expense), net	23,304	13,354
Net loss	**$ (10,465,615)**	**$ (11,858,471)**
Preferred stock series A accumulated dividends	(440,857)	(462,186)
Preferred stock series B accumulated dividends	(196,924)	-
Inducement charge from exercise of warrants	-	(16,741,356)
Net loss attributable to common shareholders	$ (11,094,396)	$ (29,062,013)
Net loss available for common shareholders per share - basic and diluted	$ (0.12)	$ (0.32)
Weighted average common shares outstanding:		
Basic and diluted	94,098,372	89,468,153

Forward Looking Statements: *This release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including those relating to the Company's anticipated capital and liquidity needs, strategic focus and the future development of its product candidates, including MAT9001 and MAT2203, the anticipated timing of regulatory submissions, the anticipated timing of clinical studies, the anticipated timing of regulatory interactions, the Company's ability to identify and pursue development and partnership opportunities for its products or platform delivery technology on favorable terms, if at all, and the ability to obtain required regulatory approval and other statements that are predictive in nature, that depend upon or refer to future events or conditions. All statements other than statements of historical fact are statements that could be forward-looking statements. Forward-looking statements include words such as "expects," "anticipates," "intends," "plans," "could," "believes," "estimates" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors which may cause actual results to be materially different from any future results expressed or implied by the forward-looking statements. Forward-looking statements are subject to a number of risks and uncertainties, including, but not limited to, our ability to obtain additional capital to meet our liquidity needs on acceptable terms, or at all, including the additional*

capital which will be necessary to complete the clinical trials of our product candidates; our ability to successfully complete research and further development and commercialization of our product candidates; the uncertainties inherent in clinical testing; the timing, cost and uncertainty of obtaining regulatory approvals; our ability to protect the Company's intellectual property; the loss of any executive officers or key personnel or consultants; competition; changes in the regulatory landscape or the imposition of regulations that affect the Company's products; and the other factors listed under "Risk Factors" in our filings with the SEC, including Forms 10-K, 10-Q and 8-K. Investors are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date of this release. Except as may be required by law, the Company does not undertake any obligation to release publicly any revisions to such forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events. Matinas BioPharma's product candidates are all in a development stage and are not available for sale or use.

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