

Lion Biotechnologies Enters Into Exclusive License Agreement With PolyBioCept AB and Clinical Trials Agreement With the Karolinska University Hospital

September 15, 2016 6:59 AM ET

License Grants Lion Worldwide Rights to a New Combination of Cytokines for TIL Manufacturing in Multiple Cancer Indications; Lion Financially Supports Two Clinical Trials in Glioblastoma and Pancreatic Cancer

NEW YORK, NY -- (Marketwired) -- 09/15/16 -- Lion Biotechnologies, Inc. (NASDAQ: LBIO), a biotechnology company developing novel cancer immunotherapies based on tumor-infiltrating lymphocytes (TIL), today announced that it has entered into an exclusive license agreement with PolyBioCept AB, a corporation organized under the laws of Sweden, and a related clinical trials agreement to sponsor two clinical studies in glioblastoma and pancreatic cancer at the Karolinska University Hospital in Sweden.

Under the terms of the license agreement, Lion gained exclusive worldwide rights to two international patent applications related to a specific combination of cytokines for use in the expansion, selection and enrichment of TIL products for the treatment of multiple cancer indications. Lion also has co-exclusive worldwide rights (with PolyBioCept) to make genetically engineered TIL using the cytokine cocktail for use in multiple cancer indications.

Under the terms of the clinical trials agreement, Lion will fund two clinical studies in glioblastoma and pancreatic cancer to be conducted at the Karolinska University Hospital in which TIL is manufactured using the licensed combination of cytokines.

"In addition to our ongoing efforts to develop treatments for patients with metastatic melanoma using TIL therapy, we are committed to expanding the use of TIL for patients with other solid tumors. We are excited to be working with PolyBioCept and the Karolinska University Hospital to treat glioblastoma and pancreatic cancer patients with TIL manufactured with a new combination of cytokines developed by researchers at the Karolinska Institute. Our partnership with Karolinska further positions Lion to be a leader in developing cell-based immunotherapies that can treat solid tumor indications," said Maria Fardis, PhD, MBA, Lion Biotechnologies President and Chief Executive Officer.

Dr. Markus Maeurer, head of the division Therapeutic Immunology (TIM), Department of Laboratory Medicine and senior physician at the center for allogeneic stem cell transplantation, Karolinska University Hospital, and Dr. Ernest Dodoo Deputy Head Division Therapeutic Immunology, director Neuro-Oncology Program and director Gamma Knife Program at the Department of Neurosurgery, Karolinska University Hospital said, "We are pleased to be working with Lion Biotechnologies in advancing the TIL technology through the conduct of two Phase I trials at the Karolinska University Hospital. These trials are aligned with the vision of the Karolinska University Hospital to make a significant contribution to the improvement of human health. We are pleased to offer these immunological therapies for glioblastoma and pancreatic cancer patients in need of individually-tailored care."

Lion will pay PolyBioCept \$2.5 million in upfront payments under the exclusive license. Lion will also make additional payments (in cash and in shares of Lion's common stock) upon achievement of certain clinical, regulatory and sales milestones. The clinical trials agreement calls for a total of \$1.7 million to be paid to the Karolinska University Hospital and PolyBioCept to conduct the clinical trials in glioblastoma and pancreatic cancer.

About Lion Biotechnologies, Inc.

Lion Biotechnologies, Inc. is a clinical-stage biotechnology company focused on the development of cancer immunotherapy products for the treatment of various cancers. The Company's lead product candidate is an adoptive cell therapy using tumor-infiltrating lymphocytes (TIL) for the treatment of patients with refractory metastatic melanoma. TIL therapy is also being evaluated in clinical trials at the National Cancer Institute, MD Anderson Cancer Center and

Moffitt Cancer Center. For more information, please visit <http://www.lionbio.com>.

About PolyBioCept AB

PolyBioCept AB is a spin-out of the Karolinska University Hospital dedicated to advancing cell therapies and cell therapy-derived technologies from scientific concepts to registered treatments.

About Karolinska University Hospital

Karolinska University Hospital is leading medical development in Sweden and promotes the integration of care, research and education while keeping patient interests in focus. The Karolinska University Hospital provides highly specialized medical care with a long-term vision to advance quality of care with clinical research, to strengthen cooperation with industry and to advance knowledge to enhance future health care.

Forward-Looking Statements

This press release contains "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995 regarding, among other things, the company's future goals, its operating and financial performance, additional studies and product development, expansion of the company's research platform, and market position and business strategy. The reader is cautioned not to rely on these forward-looking statements. These statements are based on current expectations of future events. If underlying assumptions prove inaccurate, or if known or unknown risks or uncertainties materialize, actual results could vary materially from the expectations and projections. Risks and uncertainties include, but are not limited to, risks related to the validity and enforceability of the two licensed patent applications, the clinical trials to be conducted by the Karolinska University Hospital and PolyBioCept, the company's ability to collaborate with the Karolinska Institute regarding other solid tumor indications, and the financial and operational risks associated with conducting operations overseas. A further list and description of these and other risks, uncertainties and other factors can be found in Lion Biotechnologies, Inc. most recent Annual Report on Form 10-K and the company's subsequent filings with the Securities and Exchange Commission. Copies of these filings are available online at www.sec.gov or www.lionbio.com. Any forward-looking statement made in this release speaks only as of the date of this release. Lion Biotechnologies, Inc. does not undertake to update any forward-looking statements as a result of new information or future events or developments.

Investor Contact:

Sarah McCabe

Stern Investor Relations, Inc.

212-362-1200

sarah@sternir.com

Media Contact:

Alex Ferrara

inVentivHealth Public Relations

212-849-9487

Alexandra.Ferrara@inventivhealth.com

Source: Lion Biotechnologies, Inc.

Released September 15, 2016