Press Release **22 August 2016**

SalvaRx Group plc

("SalvaRx" or the "Company")

Drug Pipeline Progress including Patent Grants

SalvaRx (LON: SALV), a biotechnology company focused on immunotherapy for cancer, today announces a business update as at 22 August 2016.

The Company continues to make progress across all aspects of its business, with several therapies expected to enter the clinic in the next calendar year, whilst the Company has also secured a further licensing deal and patent approvals for its existing assets. In addition, the management is continuing to investigate opportunities to expand the portfolio of immunotherapy assets further. Recent highlights include:

iOx Therapeutics

- Granted a US patent covering IMM60 alone and in combination
- Work initiated on IMM65 with Horizon 2020 EU consortium
- Negotiation of an option to license an NY-ESO1 vaccine from the Ludwig Institute for Cancer Research, which is being used in combination with IMM60 in IMM65
- Progression of IMM60 towards a human study to start next year

Intensity Therapeutics

- Granted a US patent covering lead product, INT230-6
- Closed previously announced series A funding round for $10 million
- Announced two senior R&D leaders joining the board of directors
- Preparing IND submission (US FDA) and CTA (Health Canada) with a goal to start the first human study in due course

iOx Therapeutics ("iOx")

iOx, in which SalvaRx has a 60.5% interest, has recently been granted a US patent covering IMM60, the first of the Company's drugs to move towards in human trial. Under US Patent Number 9,365,496, IMM60 is covered as a standalone treatment, along with additional uses in a co-formulation with a tumour vaccine or given as a combination therapy alongside an immunomodulatory agent, including PD-1 pathway inhibitors. PD-1 drugs were part of the new vanguard of cancer therapies, allowing the human immune system to fight cancer, instead of traditional chemical treatments. Bristol Myers-Squibb's Opdivo and Yervoy and Merck's Keytruda have all enjoyed global success.

iOx is also making progress with its second therapy, IMM65, where work has begun as part of the international consortium. A recent announcement by the EU stated that all pre-existing grants including to UK companies will remain funded, meaning that the work of Horizon 2020 is not impacted by the UK's EU Referendum result. The renewed confidence that the EU's decision has brought will allow SalvaRx to continue as part of the consortium, as it looks to progress its multiple, fully funded Phase II trials.

SalvaRx has worked extensively with the Ludwig Institute for Cancer Research ("Ludwig"), the global cancer research institute that collaborated with Professor Cerundolo during his discovery of iOx's iNKT agonists at the University of Oxford. As part of the EU consortium work plan, Ludwig has provided its NY-ESO1 cancer vaccine for co-formulation with IMM60 at no cost to the consortium. Following recent negotiations with Ludwig, SalvaRx now has the rights to use the same cancer vaccine on a commercial scale, if the grant-funded clinical trial proves the efficacy of the new combination product.

IMM60 continues to make good progress towards in-human trials, and the Company is currently working on scaling the manufacturing process required to allow the drug to enter the clinic, which iOx believes will occur next year. iOx continues to work with the University of Oxford on the parameters of the Company's initial Phase I/II trial which is being fully funded by the University.

Intensity Therapeutics ("Intensity")

SalvaRx is pleased that Intensity, which is developing proprietary cancer immunotherapy products, has recently been granted a US patent covering its lead therapy, INT230-6 (US Patent 9,351,997). As announced on 22 April, 2016 SalvaRx invested $2 million in Intensity's Series A round of investment, which closed at $10 million following strong demand, and included investors such as Batterson

Venture Capital, VCapital, and Fast Forward Innovations. The Company's investment in Intensity now represents 8.5% of the issued share capital.

Intensity recently appointed Declan Doogan, MD, and Emer Leahy, PhD to its Board of Directors. Doogan, previously Senior Vice President and Head of Worldwide Drug Development at Pfizer and Leahy, CEO of PsychoGenics, will bring significant R&D expertise to Intensity's Board, as the Company advances its lead compound into clinical trials. To facilitate this, Intensity has been preparing its Investigational New Drug ("IND") filing for INT230-6, and will submit it to the FDA and Health Canada in due course.

Ian Walters, CEO of SalvaRx, said: *"I am delighted with the progress made across the Company thus far. On joining the market, we stated that our strategy was to identify and invest, or acquire, exciting businesses within the immuno-oncology space. With our existing investments in iOx and Intensity, we can see a clear progression towards clinical trials, improving the value of the Company for its shareholders and bringing the Company closer to having an impact on cancer. We look forward to the coming year, where we intend to continue to progress on all fronts, be it regulatory, clinical, or identifying potential target companies we believe will be complementary to our existing therapy portfolio."*

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Notes to Editors

SalvaRx

SalvaRx was founded in 2014 to develop therapies within the rapidly growing immuno-oncology market, which uses treatments designed to boost the body's natural defences to fight the cancer. Immuno-oncology therapy is a fast growing and new therapeutic area, a market expected to grow to $80 billion worldwide by 2020 (Global & USA Cancer Immunotherapy Market Analysis 2020).
SalvaRx's strategy is to invest in a portfolio of companies involved in novel cancer immunotherapies and develop them up to clinical proof of concept. SalvaRx provides portfolio companies with operational support in addition to capital, either by managing its portfolio companies directly or augmenting an existing team.

Though its investment in iOx, SalvaRx is developing, under licence from the Ludwig Institute, a series of small molecules for cancer immunotherapy. iOx has a clinical trial sponsorship agreement with the University of Oxford to fund the first in human Phase I/II clinical trial for its lead compound.
SalvaRx's management team have a proven track record of discovering and commercialising drugs in the area of cancer immunotherapy with Bristol-Myers Squibb and Johnson & Johnson. The team is supported by an extended network of senior academic and industry executives to promote commercial and scientific outcomes, including licensing and partnering discussions. SalvaRx benefits from an investment by Jim Mellon.

For more information please visit: www.salvarx.io