



SalvaRx Group plc

("SalvaRx", the "Company" or the "Group")

Drug Pipeline Progress including Patent Grants

Issue of Convertible Loan for \$1million by iOx Therapeutics

SalvaRx (LON: SALV), a biotechnology company focused on discovering and developing immunotherapies for cancer, today announces a business update as of March 2018.

The Group continues to make progress across all aspects of its business with the goal of gathering more safety and efficacy data in cancer patients over the course of 2018. In addition, the Company's management is continuing to investigate opportunities to partner and collaborate on its portfolio of immunotherapy assets. Recent highlights include:

iOx Therapeutics

- Granted additional patents
- Improvements in manufacturing, and initiation of toxicology and final manufacturing
- Placement of a convertible loan for US\$1M
- Progression of IMM60 towards clinical trials application with the goal of starting its first human clinical trial this year

Intensity Therapeutics

- Granted additional US patent expanding protection
- Progression of its human trial beyond superficial tumours to deep tumours with good safety data

iOx Therapeutics ("iOx")

iOx, in which SalvaRx Limited (the Company's 94.2% subsidiary) has a 60.5% interest, has recently been granted additional patents covering liposomal formulation of its iNKT agonist (US patent 15/253,307, EU patent 2654779). It continues to progress both the toxicology program and manufacturing process as discussed with the Medicines and Healthcare products Regulatory Agency (MHRA) to enable testing in humans to commence soon. IMM60 is now poised to enter the clinic later this year to be tested alone and in combination with an anti-PD1 agent. This first study is supported by a collaborative research agreement from Oxford University.

iOx is also making progress with its second therapy, IMM65, where progress has been made to enable the determination of the final formulation. This study is supported by a Horizon 2020 grant from the European Commission.

In order to fund these ongoing research and development activities, iOx has issued US\$1M of unsecured convertible loan notes ("Notes").

The Notes have the following key terms:

1. the Notes entitle the holder thereof to interest of 7% per annum on the principal amount of the Notes and would be added to the principal amount of the Notes outstanding to be redeemed or converted, as the case may be;
2. the Notes are convertible into ordinary shares in iOx on the earlier the first anniversary of the effective date or the date on which iOx conducts a sale or listing or it undertakes an eligible third party fundraising of not less than US\$2M;
3. the conversion price of the Notes would be either (a) 25% discount to the next financing, (b) the price per share of the relevant sale, or, in the case of event that both (a) or (b) do not occur within one year (c), GBP120 per share; and
4. the Notes would only be repayable (rather than convertible) in an event of default.

Portage Biotech Inc., ("Portage") a biotechnology company listed on the Canadian Securities Exchange (CSE: PBT.U) focused on researching and developing pharmaceutical and biotech products, is

subscribing for US\$950,000 of the Notes with existing iOx shareholder Oxford Sciences Innovation plc subscribing for the balance of the Notes.

Related Party Transaction

Jim Mellon, Greg Bailey, Ian Walters and Kam Shah are directors of the Company and Portage, consequently the subscription by Portage for the Notes is deemed a related party transaction under the AIM Rules for Companies. Richard Armstrong and Colin Weinberg who are independent for the purposes of the transaction, consider, having consulted with the Company's Nominated Adviser, that the terms of the transaction are fair and reasonable insofar as the Company's shareholders are concerned.

Intensity Therapeutics ("Intensity")

The Company is pleased to announce that Intensity, in which SalvaRx Limited has a 8.5% interest, which is developing proprietary cancer immunotherapy products, has recently been granted a US patent expanding its protection for the use of novel cell penetration enhancers with anti-cancer therapies (US Patent 9,636,406). Intensity has Investigational New Drug (IND) status in the US and a Clinical Trial Application in Canada for studying its novel intratumoural agent INT230-6 in solid tumours, alone and in combination with an anti PD1 agent (www.clinicaltrials.gov NCT#03058289). This trial recently released results from its first cohort, with good safety in superficially-palpable tumours. The trial has moved into deep tumours such as pancreatic, liver, and colon tumours. The trial will continue to generate data about INT230-6's safety and is expected to generate preliminary efficacy data.

Nekonal, RIFT and Saugatuck Therapeutics

These portfolio companies continue to explore the utility of their technologies across a broad range of tumour models. The SalvaRx team continues to work closely with these companies, in particular to explore the utility of modulating the tumour microenvironment to improve tumour specific immunity. The Company is confident that these companies will be able to nominate full development candidates shortly.

Ian Walters, CEO of SalvaRx, said: *"I am delighted with the portfolio of assets that we have put together as well as the teams behind these technologies. We have seen substantial progress across the portfolio and now are beginning to evolve into a clinical stage company with multiple assets expected in the clinic by the end of the year. The appetite for early stage immuno-oncology assets is still strong with*

recent record-breaking deals showing significant premiums (in February Bristol Myers Squibb acquired 35% of Nektar's compound NKTR-214 for \$1.8billion upfront with additional milestones). Analysts also predict that recent tax reform in the US will stimulate additional mergers and acquisitions in this area. SalvaRx is well poised to deliver a series of novel first in class products which can augment the pipelines in big pharma."

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) 596/2014.

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About SalvaRx Group plc

SalvaRx Limited 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. 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.

For more information please visit: www.salvarx.io