Aravive Biologics Achieves Proof-of-Mechanism for Novel GAS6-AXL Pathway Inhibitor, AVB-S6-500, in Ongoing Phase 1 Trial

HOUSTON, TEXAS (May 10, 2018): Aravive Biologics, Inc. announced today that the company has demonstrated clinical proof-of-mechanism for AVB-S6-500 in neutralizing GAS6, based on analysis of the single ascending dose portion of the ongoing Phase 1 study (32 subjects). The objective of this study is to evaluate the safety, pharmacokinetics and pharmacodynamics for AVB-S6-500, as well as to demonstrate proof-of-mechanism based on the dose-dependent decrease in measurable, circulating free GAS6 in serum.

The Phase 1 study is being conducted in healthy volunteers in two phases: single-ascending dose and repeat-dose phases. At all doses tested in the single-ascending dose portion, AVB-S6-500 demonstrated pharmacological activity and suppressed serum GAS6 levels. Single doses of AVB-S6-500 were well-tolerated. Aravive expects to complete the repeat-dose portion of the study during the second quarter and will present full results of the trial at a major medical meeting later in 2018.

As a decoy molecule, AVB-S6-500 has been shown to neutralize GAS6 activity by binding to that molecule with very high affinity. In doing so, the molecule selectively inhibits triggering of the GAS6-AXL signaling pathway. “We believe this mechanism of action represents a novel approach to inhibiting tumor growth and metastasis, as well as addressing tumor immune evasion and resistance to other anticancer agents,” said Gail McIntyre Ph.D., DABT, Senior Vice President of R&D at Aravive. “We are very pleased to have successfully achieved clinical proof-of-mechanism for AVB-S6-500 by showing a dose-related reduction of circulating free GAS6, a measurement that we anticipate will be a valuable biomarker of drug activity for future clinical studies.”

“Showing proof of mechanism for this first-in-class drug candidate is a significant milestone, as it is an important step towards removing the risk of the drug’s activity with respect to its intended action in humans,” said Laura Bonifacio, Pharm. D., Ph.D., Vice President, Clinical Programs. “This result positions us well for our upcoming Ph1b/Ph2 studies of AVB-S6-500 in ovarian cancer patients where we will evaluate the effect of lowering GAS-6 in the treatment of cancer.”

Elevated GAS6 levels have been associated with poor prognosis in cancer. In preclinical studies, GAS6-AXL inhibition has shown activity, whether achieved by a single agent (including AVB-S6-500) or through combinations of a variety of anticancer therapies including radiation therapy, immuno-oncology agents, and drugs that affect DNA replication and repair. GAS6-AXL inhibition has also shown potential as a strategy for the treatment of certain fibrotic diseases.

About Aravive Biologics

Aravive Biologics is a privately held clinical stage biopharmaceutical company developing novel, highly selective therapies designed to treat serious cancers and certain fibrotic diseases. The company's lead program is focused on the GAS6-AXL pathway. Aravive Biologics has generated strong preclinical data for its lead drug candidate AVB-S6-500 in a variety of cancer models and is currently conducting a Ph 1 clinical study. The company is based in Houston, Texas, and receives support from the Cancer Prevention & Research Institute of Texas (CPRIT). For more information, please visit our website at http://www.aravive.com.

Forward Looking Statement

This press release contains forward-looking statements. Forward-looking statements contained in this press release include, without limitation, statements regarding Aravive completing the repeat-dose portion of the Phase 1 study during the second quarter and presenting full results of the trial at a major medical meeting later in 2018, AVB-S6-500's mechanism of action representing a novel approach to inhibiting tumor growth and metastasis, as well as addresses tumor immune evasion and resistance to other anticancer agents, and the achievement of clinical proof-of-mechanism for AVB-S6-500 by showing a dose-related reduction of circulating free GAS6 being a measurement that will be a valuable biomarker of drug activity for future clinical studies. These forward-looking statements are not guarantees of future performance and involve a number of unknown risks, assumptions, uncertainties and factors that are beyond Aravive Biologics' control, including the ability of Aravive to successfully complete the repeat-dose portion of the Phase 1 study during the second quarter, the potential of AVB-S6-500's mechanism of action to represent a novel approach to inhibiting tumor growth and metastasis, as well as address tumor immune evasion and resistance to other anticancer agents, the Phase 1 study demonstrating proof-of-mechanism for AVB-S6-500 by showing a dose-related reduction of circulating free GAS6 and being a measurement that is a valuable biomarker of drug activity for future clinical studies, the potential of the inhibition of the GAS6-AXL signaling pathway to overcome tumor resistance and increase the efficacy of a variety of anticancer agents, the potential of GAS6-AXL inhibition as a strategy for the treatment of certain fibrotic diseases, the potential of AVB-S6-500 in a variety of solid tumors and acute myeloid leukemia, the ability of AVB-S6-500 to treat cancer, the ability of AVB-S6-500 to demonstrate safety and efficacy, as well as clinical results that are consistent with prior in vitro results, the ability to enroll patients and complete clinical trials on time and achieve desired results and benefits, our ability to obtain regulatory approvals for commercialization of product candidates or to comply with ongoing regulatory requirements, regulatory limitations relating to our ability to promote or commercialize our product candidates for specific indications, acceptance of our product candidates in the marketplace and the successful development, marketing or sale of products, our ability to maintain our license agreements, the continued maintenance and growth of our patent estate, our ability to establish and maintain collaborations, our ability to obtain or maintain the capital or grants necessary to fund our research and development activities, and our ability to retain our key scientists or management personnel. All forward-looking statements are based on Aravive Biologics' expectations and assumptions as of the date of this press release. Actual results may differ materially from these forward-looking statements. Except as required by law, Aravive Biologics expressly disclaims any

responsibility to update any forward-looking statement contained herein, whether as a result of new information, future events or otherwise.

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