PRESS RELEASE

KPI Therapeutics to Present Updated Dalazatide Study Data in Lupus

SEATTLE, WA May 23, 2016--KPI Therapeutics, a clinical stage biotechnology company today announced it will present updated data on the effects of its lead drug dalazatide in an ex-vivo study in lupus at the European League Against Rheumatism conference on June 9th in London. Dr. Anne Stevens, a researcher at Seattle Children’s Research Institute will present the poster study. Lupus is a chronic, autoimmune disease with limited treatment options.

KPI’s President and CEO Dr. Charles Magness will be making a full corporate presentation at the Biotechnology Innovation Organization (BIO) conference on June 6th in San Francisco. Dr. Magness will report on KPI’s clinical and business milestones.

About dalazatide
Dalazatide completed a Phase 1B clinical trial in plaque psoriasis. It has a novel mechanism of action (MOA). Preclinical and clinical data have shown that dalazatide is a selective and potent blocker of the voltage-gated Kv1.3 potassium channel - a key channel in the activation of effector-memory T cells. Effector memory T cells are implicated in the pathology of many autoimmune diseases. Dalazatide was the first specific Kv1.3 inhibitor advanced into human clinical trials. Dalazatide is being studied as a potential therapy for autoimmune diseases including lupus, ANCA Vasculitis, multiple sclerosis, psoriasis,
psoriatic arthritis, rheumatoid arthritis, type 1 diabetes, inflammatory bowel diseases, and asthma. Dalazatide is being developed jointly with Kineta Inc.

**ABOUT KPI THERAPEUTICS**
KPI Therapeutics is a clinical stage biotechnology company which develops first in class therapies for unmet medical needs in autoimmunity and chronic pain. KPI leads an alliance of development partners under a common purpose to drive focused and efficient drug development. KPI partners include Kineta, Inc, Chimera Biotec, Life Chemicals, MPI Research, Medical Marketing Economics, CoMotion, the University Of Washington School Of Medicine and the Alliance for Children’s Therapeutics which includes Seattle Children’s Research Institute. With its lead development partner Kineta, Inc, KPI is advancing the development of dalazatide (systemic autoimmune diseases including lupus) and CSP conopeptides (chronic pain). For more information about KPI please visit our website: kpitherapeutics.com

**ABOUT KINETA**
Kineta, Inc. is an emerging and sustainable biotech company that fills a void in the biopharmaceutical industry by efficiently advancing therapies from discovery to clinical proof of concept. We actively collaborate with a broad array of private, government and industry partners to advance our innovative research in autoimmune diseases, antivirals and chronic pain. Kineta has established and is expanding on a diverse pipeline of novel life improving therapies that address critical unmet patient needs. For more information on Kineta, Inc. visit our website, www.kinetabio.com

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**NOTICE:** This document contains certain forward-looking statements, including without limitation statements regarding KPI’s plans for future research and development activities. You are cautioned that such forward-looking statements are not guarantees of future performance and involve risks and uncertainties inherent to KPI’s business which could significantly affect expected results, including without limitation progress of drug development, ability to raise capital to fund drug development, successful completion of clinical testing, and achievement of regulatory approval. All forward-looking statements are qualified in their entirety by this cautionary statement, and KPI undertakes no obligation to revise or update any forward-looking statement to reflect events or circumstances after the issuance of this press release.

Contact Dan Eramian, Senior Vice President Communications and Investor Relations, KPI Therapeutics, Inc., deramian@kpitherapeutics.com 206-518-5566