Aridis Pharmaceuticals Receives Multiple NIH Grants

-- Proceeds to Fund Development of Several Novel Anti-infective Programs --

SAN JOSE, Calif., October 13, 2015 - Aridis Pharmaceuticals, Inc., a biopharmaceutical company applying proprietary technologies to produce novel therapies for infectious diseases, announced today that it has secured several grants which bring Aridis' total non-dilutive funding in excess of $40 million. The grants were awarded by the National Institutes of Health (NIH) and through its Small Business Innovations Research (SBIR) program. These latest grants continue Aridis' track record of securing non-dilutive funding to advance its pipeline programs through to the completion of multiple Phase 2 clinical programs.

The grants are intended to help fund the manufacturing of drug and placebo supplies sufficient for a Phase 2 clinical study of Aerucin™, accelerate development of Aridis' AR-201 monoclonal antibody (mAb) for treating resistant respiratory syncytial virus (RSV) infection, develop the second-generation AR-101 mAb against *P. aeruginosa* lipopolysaccharide (LPS) with improved immune potentiating function, and to advance Aridis' Advanced Pharmaceutical Formulation technology.

Founder and Chief Executive Officer, Vu Truong, Ph.D., stated, "The latest batch of non-dilutive grant funding further adds to Aridis' growing list of grant awards, which includes more than 19 distinct awards from multiple agencies including the NIH, BARDA (Biomedical Advanced Research and Development Authority), U.S. Dept. of Defense, and USAID. These awards not only provide valuable non-dilutive funding to the company, but also show that our products and technologies have gone through numerous scientific expert review panels with great outcome and validation."

The NIH grant for Aerucin funds the manufacturing of drug and placebo supplies to sufficiently accommodate the monoclonal antibody's Phase 2 clinical study that Aridis is initiating in the first half of next year. The funding includes scale-up process development at 2000 liters, manufacturing of bulk drug substance, fill/finish into final drug and placebo products, and all necessary analytical release and stability testing.

The NIH's SBIR program granted an award to Aridis and Mapp Biopharmaceutical, Inc. to apply advanced molecular engineering techniques to improve the durability of action and functionality of AR-201 mAb. AR-201 is a human IgG1 mAb with specificity and affinity for the F-protein of human respiratory syncytial virus (hRSV). RSV infections are amongst the most common cause of hospitalization in early childhood, yet the need for new therapies remains high with only one therapy approved to prevent RSV infections in at-risk patients.

Dr. Truong added, "Aridis scientists have developed a fully human anti-RSV F-protein monoclonal antibody, AR-201, which exhibited more than ten-fold improved

viral neutralization potency than palivizumab (Synagis®), able to bind to Synagis-resistant RSV isolates, and engineered to exhibit sufficient plasma half-life to last through an entire RSV season with a single dose. AR-201 is a naturally occurring antibody that was recovered from screening the B-cell repertoire of a convalescent human infant."

Another grant provided by NIH's SBIR for AR-101, a highly specific IgM mAb against *P. aeruginosa* serotype O11 that is prevalent in approximately 22% of all *P. aeruginosa* hospital-acquired infections worldwide, was awarded also in collaboration with Mapp Biopharmaceutical, Inc. to develop the next generation of AR-101 mAb with further improved functionality. Aridis has completed a Phase 2a clinical study of AR-101 in hospital-acquired pneumonia (HAP) and ventilator-associated pneumonia (VAP) patients with published results demonstrating strong safety and preliminary efficacy.

The fourth grant, from NIH's SBIR program, was awarded to Aridis to develop its Advanced Pharmaceutical Formulation technology encases proteins into room temperature stable formulations on thin films. The technology thermodynamically stabilizes proteins or complex vaccines that otherwise require specialized storage and enables them to exhibit longer shelf life and improved handling during transport and distribution.

About Aridis Pharmaceuticals, Inc.

Aridis is a privately held biopharmaceutical company applying proprietary monoclonal antibody discovery technology MabIgX® to produce novel infectious disease focused therapies. Aridis' product pipeline includes AR-101 anti-*Pseudomonas aeruginosa* LPS human monoclonal antibody; AR-301 anti-*Staphylococcus aureus* human monoclonal antibody to treat acute pneumonia; Aerucin™, a broadly reactive monoclonal antibody against *Pseudomonas aeruginosa* initially being developed to treat acute pneumonia; Panaecin™, a small molecule anti-infective gallium compound with broad spectrum activities against bacteria, viruses, and fungi; AR- 401 anti-*Acinetobacter baumannii* human monoclonal antibody; and AR-201 anti-RSV human monoclonal antibody.

Forward-Looking Statements

Certain statements in this press release are forward-looking statements that involve a number of risks and uncertainties. Such forward-looking statements include statements relating to the therapeutic applications of AR-101, AR-301, Aerucin™, Panaecin™, AR-401, AR-201, Aridis' proprietary formulation and delivery technologies, about Aridis' strategy, pre-clinical and clinical programs, and ability to identify and develop drugs, as well as other statements that are not historical facts. Actual events or results may differ materially from Aridis' expectations. Factors that could cause actual results to differ materially from the forward-looking statements include, but are not limited to, the timing, success and cost of Aridis' research and clinical studies and its ability to obtain additional financing. These forward-looking

statements represent Aridis' judgment as of the date of this release. Aridis disclaims any intent or obligation to update these forward-looking statements.

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