



Mustang Bio Announces Full Exercise of Option

New York, NY – May 8, 2019 – Mustang Bio, Inc. (“Mustang”) (NASDAQ: MBIQ), a clinical-stage biopharmaceutical company focused on translating today’s medical breakthroughs in cell and gene therapies into potential cures for hematologic cancers, solid tumors and rare genetic diseases, today announced that the underwriters of its recent public offering of common stock have exercised in full their option and purchased an additional 1,031,250 shares at the public offering price of \$4.00 per share. The exercise of the underwriters’ option closed on May 8, 2019, with all of the option shares sold by Mustang. After giving effect to the sale of the option shares, a total of 7,906,250 shares of common stock were offered and sold in the offering.

On April 30, 2019, Mustang priced its public offering of 6,875,000 shares of common stock at \$4.00 per share. Following the closing of the exercise of the underwriters’ option, Mustang has received aggregate gross proceeds, before deducting underwriting discounts and commissions and offering expenses, of approximately \$31.6 million.

Cantor Fitzgerald & Co. acted as lead book running manager for the offering. Oppenheimer & Co. Inc. acted as book running manager, and H.C. Wainwright & Co. and Roth Capital Partners acted as co-managers for the offering.

Mustang intends to use the net proceeds from the offering primarily for the continued development of its product candidates, the potential in-license, acquisition, development and commercialization of other pharmaceutical products and for general corporate purposes.

A shelf registration statement on Form S-3 (File. No. 333-226175) (the “Registration Statement”) relating to the shares of common stock being offered was filed with the U.S. Securities and Exchange Commission (SEC) and was declared effective on July 27, 2018. Copies of the prospectus supplement and accompanying prospectus, may be obtained from Cantor Fitzgerald & Co., Attention: Capital Markets, 499 Park Ave., 6th Floor, New York, New York 10022, or by e-mail at prospectus@cantor.com; or the on the SEC’s website at <http://www.sec.gov>.

The offering was made only by means of a prospectus. A final prospectus supplement to the base prospectus describing the terms of the offering was filed with the SEC. **This press release shall not constitute an offer to sell or a solicitation of an offer to buy securities of the Company, nor shall there be any sale of these securities in any state or jurisdiction in which such an offer, solicitation or sale is not permitted.**

About Mustang Bio

Mustang Bio, Inc. (“Mustang”) is a clinical-stage biopharmaceutical company focused on translating today’s medical breakthroughs in cell and gene therapies into potential cures for hematologic cancers, solid tumors and rare genetic diseases. Mustang aims to acquire rights to these technologies by licensing or otherwise acquiring an ownership interest, to fund research and development, and to outlicense or bring the technologies to market. Mustang has partnered with top medical institutions to advance the development of CAR T and CRISPR/Cas9-

enhanced CAR T therapies across multiple cancers, as well as a lentiviral gene therapy for XSCID. Mustang is registered under the Securities Exchange Act of 1934, as amended, and files periodic reports with the U.S. Securities and Exchange Commission. Mustang was founded by Fortress Biotech, Inc. (NASDAQ: FBIO).

Forward-Looking Statements

This press release may contain “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, each as amended. Such statements include, but are not limited to, any statements relating to our growth strategy and product development programs and any other statements that are not historical facts. Forward-looking statements are based on management’s current expectations and are subject to risks and uncertainties that could negatively affect our business, operating results, financial condition and stock value. Factors that could cause actual results to differ materially from those currently anticipated include: risks relating to our growth strategy; our ability to obtain, perform under and maintain financing and strategic agreements and relationships; risks relating to the results of research and development activities; risks relating to the timing of starting and completing clinical trials; uncertainties relating to preclinical and clinical testing; our dependence on third-party suppliers; our ability to attract, integrate and retain key personnel; the early stage of products under development; our need for substantial additional funds; government regulation; patent and intellectual property matters; competition; as well as other risks described in our SEC filings. We expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in our expectations or any changes in events, conditions or circumstances on which any such statement is based, except as required by law.

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