



Mustang Bio Announces City of Hope Receives \$4.1 Million in Grant Awards for Recently Opened First-of-Its-Kind Clinical Trial for Patients with Recurrent Malignant Glioma

New York, NY – October 10, 2019 – Mustang Bio, Inc. (“Mustang”) (NASDAQ: MBIO), 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 congratulated City of Hope, a world-renowned independent cancer research and treatment center, on its receipt of \$4.1 million in grant awards for a clinical trial of MB-101 (IL13R α 2-specific CAR T) in combination with nivolumab (commercial name: Opdivo®) and ipilimumab (commercial name: Yervoy®) in patients with recurrent malignant glioma. The trial, which is now enrolling patients, is the first human study to combine IL13R α 2 CAR T cells with checkpoint inhibitors, as well as the first to locally deliver CAR T cells with combination treatment with systemic nivolumab treatment.

With nivolumab and ipilimumab products provided by Bristol-Myers Squibb, patients in the randomized Phase 1 trial will receive MB-101 dosed weekly combined with nivolumab, an anti-PD-1 antibody, dosed every other week. Patients on the experimental arm will additionally receive ipilimumab – an anti-CTLA-4 antibody – and nivolumab, each dosed once 14 days prior to the start of combination therapy with MB-101 plus nivolumab.

To launch the trial, the National Institutes of Health awarded \$3.3 million over five years to Behnam Badie, M.D., City of Hope’s Heritage Provider Network Professor in Gene Therapy and chief of its Division of Neurosurgery, and Christine Brown, Ph.D., City of Hope’s Heritage Provider Network Professor in Immunotherapy and associate director of its T Cell Therapeutics Research Laboratory. Drs. Brown and Badie also received \$800,000 from Gateway for Cancer Research.

“Our hope is that by combining two powerful immunotherapies – CAR T cell therapy and checkpoint inhibitors – we can find additional treatments for patients with malignant glioma, who currently have few options,” said Brown. “In addition, this trial will allow us to conduct liquid biopsies of the cerebrospinal fluid throughout the treatment time to query the central nervous system, furthering our understanding of how checkpoint inhibitors alter the function and persistence of CAR T cells, as well as how they potentially promote endogenous immune responses in the brain.”

Manuel Litchman, M.D., President and Chief Executive Officer of Mustang, said, “We congratulate City of Hope on these prestigious grants, which recognize the extraordinary work of Drs. Badie and Brown in advancing MB-101, which has demonstrated compelling potential to treat glioblastoma multiforme. We are excited to learn more about MB-101’s therapeutic potential for patients with recurrent malignant gliomas.”

Mustang is the exclusive licensee of City of Hope patents covering its IL13R α 2-specific CAR T cell therapy.

Additional information about the trial can be found on www.clinicaltrials.gov using the identifier [NCT04003649](https://clinicaltrials.gov/ct2/show/study/NCT04003649).

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). For more information, visit www.mustangbio.com.

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.

Company Contact:

Jaclyn Jaffe and William Begien
Mustang Bio, Inc.
(781) 652-4500
ir@mustangbio.com

Investor Relations Contact:

Daniel Ferry
LifeSci Advisors, LLC
(617) 535-7746
daniel@lifesciadvisors.com

Media Relations Contact:

Tony Plohoros
6 Degrees
(908) 940-0135
tplohoros@6degreespr.com