Sun BioPharma Completes First Patient Cohort and Starts Recruitment of Second Cohort Patients in Dose Escalation Phase 1 Study of SBP101 for Pancreatic Cancer

MINNEAPOLIS, MN, (GLOBE NEWSWIRE)–MAY 23, 2016 Sun BioPharma, Inc. (OTCPink: SNBP), a biopharmaceutical company developing disruptive therapeutics for the treatment of patients with pancreatic diseases, today announced completion of the independent safety review of the data from the initial dosing of the first cohort of three patients and the resulting progression to the second patient cohort in the dose escalation phase of the study.

“Our preliminary safety data are encouraging,” said Suzanne Gagnon, M.D., Sun BioPharma’s Chief Medical Officer. “There were no dose-limiting toxicities in the first group and no drug-related serious adverse events occurred. Based on review by the Data Safety Monitoring Board, the decision was made to move forward with enrollment of the next cohort of patients using a higher dose of SBP-101.”

The Data Safety Monitoring Board is co-chaired by James Abbruzzese, MD, Professor of Medicine, member of Duke Cancer Institute and Chief, Division of Medical Oncology at Duke University School of Medicine, who is one of the foremost leaders in the clinical study and treatment of pancreatic cancer and co-chaired by Dr. David Goldstein, Conjoint Professor and a Senior Staff Specialist in the Department of Medical Oncology at Prince of Wales Hospital in Sydney, Australia who has extensively studied the influence of host cells on tumor progression in pancreatic cancer.

“Four active sites are now recruiting patients into our study, which is listed on clinicaltrials.gov and ANZCTR.org.au,” said David B. Kaysen, President and CEO of Sun BioPharma. “With site enthusiasm for this study and their outreach to pancreatic cancer patients, we anticipate rapid recruitment of this and future cohorts.”

Three of the Company's study sites are in Australia: The Ashford Cancer Centre in Adelaide, the Olivia Newton-John Cancer & Wellness Centre and Box Hill Hospital at Monash University, both in Melbourne, and one study site is in the United States: The Mayo Clinic in Scottsdale, AZ.

About SBP-101

SBP-101 is a first-in-class, proprietary, polyamine compound developed to exert therapeutic effects in a mechanism specific to the pancreas. Sun BioPharma originally licensed SBP-101 from the University of Florida in 2011. The molecule has been shown to be highly effective in human pancreatic cancer models, demonstrating superior activity to existing chemotherapy agents. Combination potential has also been shown for pancreatic cancer. SBP-101 is expected to differ from current pancreatic cancer therapies, in that it specifically targets the exocrine pancreas and has shown efficacy against primary and metastatic disease in animal models of human pancreatic cancer. Therefore we believe that SBP-101 may effectively treat both primary and metastatic pancreatic cancer, while leaving the insulin-producing islet cells and non-pancreatic tissue unharmed.

About Sun BioPharma

Sun BioPharma Inc. is a clinical-stage biopharmaceutical company developing disruptive therapeutics for urgent unmet medical needs. The Company's development programs target diseases of the pancreas, including pancreatitis and pancreatic cancer; the Company's initial product candidate is SBP-101 for the treatment of patients with pancreatic cancer. Sun BioPharma has scientific collaborations with pancreatic disease experts at Cedars Sinai Medical Center in Los Angeles, the University of Miami, the University of Florida, the Mayo Clinic Scottsdale, the Austin Health Cancer Trials Centre and the Box Hill Hospital in Melbourne, Australia and the Ashford Cancer Centre in Adelaide, Australia. Further information can be found at: www.sunbiopharma.com. Sun BioPharma's common stock is currently quoted on the OTCPink tier of the over-the-counter markets administered by the OTC Markets Group, Inc. under the symbol: SNBP.

Forward-Looking Statements Safe Harbor

Statements pertaining to future financial and/or operating results, future growth in research, technology, clinical development, and potential opportunities for Sun BioPharma, along with other statements about the future expectations, beliefs, goals, plans, or prospects expressed by management constitute "forward-looking statements" For purposes of the safe harbor provisions of the Private Securities Litigation Reform Act of 1955. Any statements that are not historical fact (including, but not limited to statements that contain words such as "will", "believes," "may," "anticipates," "expects," "estimates" or "plans") should also be considered to be forward-looking statements. Forward-looking statements involve risks and uncertainties, including, without limitation, our need to obtain additional capital to support our business plan, which may not be available on acceptable terms or at all, risks inherent in the development and/or commercialization of potential products, uncertainty in the pace of

enrollment and results of clinical trials or regulatory approvals and maintenance of intellectual property rights. Actual results may differ materially from the results anticipated in these forward-looking statements and as such should be evaluated together with the many uncertainties that affect Sun BioPharma and its business, particularly those disclosed from time to time in Sun BioPharma's filings with the Securities and Exchange Commission. Shareholders and other readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date on which they are made. Sun BioPharma disclaims any intent or obligation to update these forward-looking statements.

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