Sun BioPharma Achieves Significant Milestone with Successful Completion of Patient Enrollment in Phase 1a Dose Escalation Safety Study of SBP-101 for Patients with Pancreatic Cancer

- *Updated Preliminary Top-Line Data Continue to Show Signals of Efficacy*

MINNEAPOLIS, MN, October 4, 2017 (GLOBE NEWSWIRE) – Sun BioPharma, Inc. (OTCQB: SNBP), a clinical stage biopharmaceutical company developing disruptive therapeutics for the treatment of pancreatic diseases, today announced the successful completion of patient enrollment in the Company's Phase 1a dose escalation safety study using SBP-101 for patients with previously treated locally advanced or metastatic pancreatic ductal adenocarcinoma (PDA).

Phase 1a Trial Completion of Patient Enrollment

After reviewing data from the sixth and final cohort of patients, as well as data from all 29 patients enrolled in the study, the Data Safety Monitoring Board (DSMB) has recommended a safe and well-tolerated dose level of SBP-101 to be used for further clinical development. "We were pleased to see a relatively benign safety profile at the recommended dose level," said James Abbruzzese, MD, the study's DSMB Chair. "With no evidence of bone marrow toxicity at the doses tested, we are comfortable supporting the testing of SBP-101 in treatment combinations."

According to Suzanne Gagnon, MD, Sun BioPharma's Chief Medical Officer, "We are now finalizing the design of a new study to assess SBP-101 in combination with gemcitabine and nab-paclitaxel in previously untreated patients with metastatic PDA. Enrollment is expected to begin in early 2018."

Update of Preliminary Top-Line Data

Of the 29 patients enrolled in the study, all but five patients had received two or more prior chemotherapy regimens. In addition to being evaluated for safety, 24 of the patients were

evaluable for preliminary signals of efficacy prior to or at the eight-week conclusion of their first cycle of treatment. Based upon Response Evaluation Criteria in Solid Tumors (RECIST), the current standard for evaluating changes in the size of tumors, 8 of the 24 patients (33%) had Stable Disease (SD) and 16 of 24 had Progressive Disease (PD). Of the 28 patients who had follow-up blood tests measuring the tumor marker CA 19-9 associated with PDA, 11 (39%) had reductions in CA 19-9 levels, as measured at least once after the baseline assessment.

To date, the best response outcome and survival have been observed in the group of 13 patients who received total cumulative doses of SBP-101 of between 2.5 and 8.0mg/kg. Twelve patients in this group were evaluable for preliminary signs of efficacy at eight weeks. Five (42%) had Stable Disease at week eight accompanied by stable or decreased levels of CA19-9. Although enrollment is complete, four patients continue to be followed for survival. As of the most recent update from study sites, median survival in this group was 3.8 months. Eight patients (62%) have exceeded 3 months of overall survival (OS), four patients (31%) have exceeded 4 months of OS and three patients (23%) have exceeded 8 months of OS.

Significant Company Milestone Achieved

"We are very encouraged by the results of this first study of SBP-101 in patients suffering from locally advanced or metastatic pancreatic cancer, a cancer in which most patients do poorly," said David B. Kaysen, President and CEO of Sun BioPharma. "Median survival for patients with metastatic disease is still less than one year despite treatment with recommended standard of care chemotherapy regimens. Completion of patient enrollment in this study is a significant milestone for the Company. The results have have shown that SBP-101 can be safely administered. In addition, the emergence of important efficacy signals, including patients' overall and median survival, is extremely encouraging considering the heavily pretreated condition of these patients. We and our investigators are enthusiastic about beginning our next clinical trial in combination with standard chemotherapy in newly diagnosed, untreated patients. We deeply appreciate all of the clinicians, the DSMB members and, especially, the patients and their families for participating in this study."

About SBP-101

SBP-101 is a first-in-class, proprietary, polyamine compound designed to exert therapeutic effects in a mechanism specific to the pancreas. Sun BioPharma originally licensed SBP-101 from the University of Florida Research Foundation in 2011. The molecule has been shown to be highly effective in preclinical studies of human pancreatic cancer models, demonstrating

superior activity to existing FDA-approved chemotherapy agents. Combination therapy 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 management believes 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. SBP-101 was invented by Raymond Bergeron, Ph.D., a Distinguished Professor Emeritus at the University of Florida. 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 in Melbourne, Australia and the Ashford Cancer Centre in Adelaide, Australia. The Company's independent Data Safety Monitoring Board (DSMB) is Chaired by James Abbruzzese, MD, Professor of Medicine, Charles Johnson, M.D. Professor of Medicine, a member of the Duke Cancer Institute and Chief, Division of Medical Oncology at Duke University School of Medicine. Further information can be found at: www.sunbiopharma.com. Sun BioPharma's common stock is currently quoted on the OTCQB 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, potential effects of SBP-101, 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 1995. For example, when Sun BioPharma states that enrollment in its new study is expected to begin in early 2018, and when it discusses that efficacy signals are encouraging, it is using forward-looking statements. 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 results or timing 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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