June 17, 2015

KaloBios to Present at the JMP Securities Life Sciences Conference

SOUTH SAN FRANCISCO, Calif., June 17, 2015 /PRNewswire/ -- KaloBios Pharmaceuticals, Inc. (Nasdaq: KBIO) today announced that it will present at the JMP Securities Life Sciences Conference 2015 in New York City, New York on June 23, 2015.

Herb C. Cross, the company's Interim Chief Executive Officer, will provide an update on KaloBios' overall corporate strategy, development focus, and clinical development programs. The company's lead immuno-oncology program, KB004, is a monoclonal antibody (mAb) targeting EphA3. KB004 has the potential to treat hematologic malignancies and solid tumors, and is currently enrolling patients with myelofibrosis (MF) or myelodysplastic syndrome (MDS) in the Phase 2 expansion portion of its Phase 1/2 clinical trial. KB003, an anti-GM-CSF mAb, is being evaluated in oncology indications where GM-CSF may play a key role, such as chronic myelomonocytic leukemia (CMML), and KaloBios intends to commence clinical evaluation of KB003 in this patient population beginning in the second half of 2015. Details of the presentation are as follows:

JMP Securities Life Sciences Conference 2015	
Venue:	The St. Regis Hotel, New York City, New York
Date:	Tuesday, June 23, 2015
Time:	10:30AM-10:55AM U.S. Eastern Time (7:30AM-7:55AM U.S. Pacific Time)

Individuals may access a live audio webcast of this presentation by visiting the company's Events & Presentations page. A replay of the webcast will be available on this site for 90 days following the live event.

About KaloBios
KaloBios Pharmaceuticals, Inc. is seeking to improve the lives of patients by developing

innovative therapies to treat diseases of high unmet medical need, with a focus on oncology.

Currently, KaloBios is focused on advancing the following oncology programs in clinical development:

- KB004 is a defucosylated mAb targeting EphA3 with the potential to treat hematologic malignancies and solid tumors. KB004 is designed to kill tumor cells through multiple mechanisms, including invoking an enhanced immune response, killing via direct apoptosis or by disrupting the tumor stem cell environment and the vasculature that feeds it. KaloBios is conducting an ongoing Phase 1/2 study evaluating KB004 in hematologic malignancies. The Phase 1 dose escalation portion of the study in subjects with hematologic malignancies is fully enrolled, and KaloBios is currently enrolling in the Phase 2 expansion portion of the study. The Phase 2 study, which is screening patients for EphA3 expression, is currently focused on patients with myelofibrosis (MF) or myelodysplastic syndrome (MDS). KaloBios is evaluating other potential oncology indications for KB004, including additional hematologic malignancies as well as solid tumors.
- KB003 is an anti-GM-CSF mAb that KaloBios intends to evaluate in oncology indications where GM-CSF may play a key role such as chronic myelomonocytic leukemia (CMML). KaloBios is working with investigators to commence clinical evaluation of KB003 in this patient population in the second half of 2015.

All of the company's antibodies were generated using its proprietary Humaneered® technology, a method that converts non-human antibodies (typically mouse) into recombinant antibodies that have a high binding affinity to their target and are designed for chronic therapeutic use.

For more information on KaloBios Pharmaceuticals, please visit our web site at http://www.kalobios.com.

Forward-Looking Statements

This release contains forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, and statements regarding the company's clinical development of KB004 and KB003. Forward-looking statements reflect management's current knowledge, assumptions, judgment and expectations regarding future performance or events. Although management believes that the expectations reflected in such statements are reasonable, they give no assurance that such expectations will prove to be correct and you should be aware that actual results could differ materially from those contained in the forward-looking statements. Forward-looking statements are subject to a number of risks and uncertainties including, but not limited to, the potential timing and outcomes of clinical studies of KB004 undertaken now or in the future; the company's limited cash reserves and its ability to obtain additional capital on acceptable terms, or at all, including the additional capital which will be necessary to complete the clinical trials that the company has initiated or plans to initiate; the ability of the company to timely source adequate supply of its development products from third party manufacturers on whom the company depends; the potential, if any, for future development of KB003 and KB001-A; the company's ability to successfully

progress, partner or complete further development of its programs; the uncertainties inherent in clinical testing; the timing, cost and uncertainty of obtaining regulatory approvals; the company's ability to protect the company's intellectual property; competition; changes in the regulatory landscape or the imposition of regulations that affect the company's products; and other factors listed under "Risk Factors" in the company's most recent quarterly report on Form 10-Q filed with the Securities and Exchange Commission on May 11, 2015, the Annual Report on Form 10-K filed on March 16, 2015, and the company's other filings with the Securities and Exchange Commission.

All forward-looking statements are expressly qualified in their entirety by this cautionary notice. You are cautioned not to place undue reliance on any forward-looking statements, which speak only as of the date of this release. The company has no obligation, and expressly disclaims any obligation to update, revise or correct any of the forward-looking statements, whether as a result of new information, future events or otherwise.

For more information, visit http://www.kalobios.com.

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