SAVARA COMPLETES ACQUISITION OF SERENDEX

Strengthens pipeline serving patients with rare respiratory diseases

Austin, Texas – July 18, 2016 – Savara Pharmaceuticals, an emerging specialty pharmaceutical company focused on rare respiratory diseases, today announced the closing of its acquisition of Serendex Pharmaceuticals, strengthening its pipeline of rare respiratory diseases products.

Savara now has three product candidates, including AeroVanc, the first inhaled antibiotic being developed to address the growing problem of methicillin-resistant *Staphylococcus aureus* (MRSA) lung infection in people with cystic fibrosis (CF), currently preparing for a Phase 3 trial, and Molgradex®, an inhaled form of granulocyte-macrophage colony-stimulating factor (GM-CSF) currently in a Phase 2/3 clinical study to treat autoimmune pulmonary alveolar proteinosis (PAP).

Concurrent with the acquisition, Savara has opened a bridge financing, already largely subscribed by existing investors of Savara and Serendex, intended for general corporate use.

About Savara Pharmaceuticals
Savara Pharmaceuticals is a specialty pharmaceutical company focusing on innovative drugs for the treatment of serious and life-threatening rare respiratory diseases.

The company's lead product, AeroVanc, is the first dry powder inhaled antibiotic being developed for the treatment of persistent MRSA infection in people with cystic fibrosis (CF). By delivering vancomycin directly to the lungs, higher vancomycin concentrations are achieved at the site of infection, which is expected to lead to improved clinical efficacy. In addition, direct delivery of the drug into the lungs reduces exposure to the drug elsewhere in the body, and is thereby expected to reduce the risk of systemic drug-related side effects. Infection by MRSA has become increasingly common with a prevalence of almost 30 percent of the estimated 32,000 people with CF in the U.S. Persistent MRSA infection is associated with faster decline in lung function, increased hospitalizations and reduced survival. Currently there is no approved inhaled therapy for MRSA infection in people with CF.

AeroVanc has received from the FDA, Fast Track and Orphan Drug designations as well as Qualified Infectious Disease Product (QIDP) status providing a total of 12 years of market exclusivity.

Visit www.savarapharma.com or www.aerovanc.com to learn more or find us on Twitter, Facebook and LinkedIn.

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