June 28, 2017

Pelican Therapeutics, a Subsidiary of Heat Biologics, Receives First Tranche of $15.2 Million CPRIT Grant Award

DURHAM, NC / ACCESSWIRE / June 28, 2017 /Heat Biologics, Inc. ("Heat") (NASDAQ: HTBX), a leader in the development of novel therapies designed to activate a patient's immune system against cancer, reported that its Pelican Therapeutics subsidiary is on track to meet product development milestones and has received the first tranche of its $15.2 million Cancer Prevention and Research Institute of Texas (CPRIT) grant award.

"We have made significant progress in advancing PTX-25, our lead antibody, towards the clinic, having completed key milestones, including epitope mapping, affinity maturation and antibody development studies," said Jeff Wolf, Founder and CEO of Heat. "We are pleased that Pelican has received the first tranche of its CPRIT award, which provides non-dilutive funding to cover costs of IND-enabling studies towards a comprehensive, 70-patient Phase 1 clinical trial combining PTX-25 with other immune-oncology drugs"

The recent acquisition of Pelican strengthens Heat's portfolio in the emerging T cell activation space. PTX-25 is a novel costimulatory antibody against TNFRSF25, an emerging costimulatory receptor on T cells. PTX-25 has the potential to improve clinical response in combination with Heat's *ImPACT* vaccine platform, as well as with other immunotherapy drugs, by stimulating the production of antigen specific "memory" CD8+ T cells - the immune cells critical in tumor eradication. T cell costimulatory therapy such as PTX-25, when combined with checkpoint inhibitors and other treatments, could significantly improve clinical responses for a broader range of patients.

About Heat Biologics, Inc.

Heat Biologics, Inc. (NASDAQ: HTBX) is an immuno-oncology company developing novel therapies designed to activate a patient's immune system against cancer. Heat has generated highly specific T cell-stimulating therapeutic vaccine platform technologies, known as *ImPACT* and *ComPACT*. These technologies, in combination with other therapies such as checkpoint inhibitors, are designed to address three distinct but synergistic mechanisms-of-action: robust activation of CD8+ "killer" T cells (one of the immune system's most potent weapons against cancer); reversal of tumor-induced immune suppression; and T cell co-stimulation to further enhance a patient's immune response. Currently, Heat is conducting a Phase II trial with HS-110 (viagenpumatucel-L) in combination with an anti-PD-1 checkpoint inhibitor to treat patients with non-small, cell lung cancer (NSCLC).

In addition to Heat's recent portfolio expansion due to the acquisition of Pelican Therapeutics, the company's wholly-owned subsidiary, Zolovax, Inc., is developing therapeutic and preventative vaccines to treat infectious diseases based on Heat's gp96

vaccine technology Its current focus is on the development of a Zika vaccine in conjunction with the University of Miami.

For more information, please visit www.heatbio.com.

About the Cancer Prevention and Research Institute of Texas (CPRIT)

To date, CPRIT has awarded approximately $1.8 billion in grants to Texas researchers, institutions and organizations. CPRIT provides funding through its academic research, prevention, and product development research programs. Programs made possible with CPRIT funding have reached all 254 counties of the state, brought more than 127 distinguished researchers to Texas, advanced scientific and clinical knowledge, and provided more than three million life-saving education, training, prevention and early detection services to Texans. Learn more at cprit.texas.gov. Follow CPRIT at twitter.com/CPRITTexas and facebook.com/CPRITTexas.

Forward Looking Statements

This press release includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 on our current expectations and projections about future events. In some cases, forward-looking statements can be identified by terminology such as "may," "should," "potential," "continue," "expects," "anticipates," "intends," "plans," "believes," "estimates," and similar expressions. These statements are based upon current beliefs, expectations and assumptions and include statements regarding the potential of PTX25 to improve clinical response in combination with Heat's *ImPACT* vaccine platform, as well as with other immunotherapy drugs by stimulating the production of antigen specific "memory" CD8+ T cells - the immune cells critical in tumor eradication, that T cell costimulatory therapy such as PTX-25, when combined with checkpoint inhibitors and other treatments, could significantly improve clinical responses for a broader range of patients and the New Company Product Development Award from the Cancer Prevention and Research Institute of Texas (CPRIT), enabling Pelican to cover costs of IND-enabling studies towards a comprehensive, 70-patient Phase 1 clinical trial combining PTX-25 with other immune-oncology drugs. These statements are based on management's expectations and assumptions as of the date of this press release and are subject to a number of risks and uncertainties, many of which are difficult to predict that could cause actual results to differ materially from current expectations and assumptions from those set forth or implied by any forward-looking statements, including the ability of Heat's *ImPACT* and *ComPACT* therapies and Pelican's PTX25 to perform as designed, to demonstrate safety and efficacy, as well as results that are consistent with prior results, the ability to enroll patients and complete the clinical trials on time and achieve desired results and benefits, the company's ability to obtain regulatory approvals for commercialization of product candidates or to comply with ongoing regulatory requirements, regulatory limitations relating to the company's ability to promote or commercialize its product candidates for specific indications, acceptance of its product candidates in the marketplace and the successful development, marketing or sale of products, Heat's ability to maintain its license agreements, the continued maintenance and growth of its patent estate, its ability to establish and maintain collaborations, its ability to obtain or maintain the capital or grants necessary to fund its research and development activities, and its ability to retain its key scientists or management personnel, its ability to successfully integrate Pelican and the other factors described in the company's most recent annual report on Form 10-K and other filings with the SEC. The information in this release is

provided only as of the date of this release and the company undertakes no obligation to update any forward-looking statements contained in this release based on new information, future events, or otherwise, except as required by law.

Contacts

For Investor Inquiries
David Waldman
+1 919-240-7133
investorrelations@heatbio.com

For Media Inquiries
Melissa M Conger
Corporate Communications and Investor Relations, Heat Biologics
+1 919 289 4017
mconger@heatbio.com

SOURCE: Heat Biologics, Inc.