



NEWS RELEASE

SELLAS Life Sciences Announces Pricing of Upsized \$24.2 Million Public Offering

7/12/2018

NEW YORK, July 12, 2018 (GLOBE NEWSWIRE) -- SELLAS Life Sciences Group, Inc. (NASDAQ:SLS) ("SELLAS" or the "Company"), a clinical-stage biopharmaceutical company focused on the development of novel cancer immunotherapies for a broad range of cancer indications, today announced the pricing of an underwritten public offering of 11,520,000 shares of common stock or, in lieu of shares of common stock, pre-funded warrants exercisable for shares of common stock, and accompanying common stock warrants to purchase an aggregate of 11,520,000 shares of common stock.

The shares of common stock and accompanying common stock warrants are being sold at a combined public offering price of \$2.10 per share and accompanying common stock warrant. The pre-funded warrants and accompanying common stock warrants are also being sold at a combined public offering price of \$2.10 per pre-funded warrant and common stock warrant. Each common stock warrant being sold with the shares of common stock and pre-funded warrants will represent the right to purchase one share of the Company's common stock at an exercise price of \$2.10 per share. The common stock warrants will be exercisable immediately and will expire five years from the date of issuance. Each pre-funded warrant will represent the right to purchase one share of the Company's common stock at an exercise price of \$0.0001 per share. The pre-funded warrants will be exercisable immediately and may be exercised at any time until the pre-funded warrants are exercised in full. All shares of common stock and warrants are being sold by SELLAS. The shares of common stock and pre-funded warrants, and accompanying common stock warrants, will be issued separately and will be immediately separable upon issuance.

The gross offering proceeds to SELLAS from the offering, before deducting the underwriting discounts and commissions and other estimated offering expenses, and excluding the exercise of any warrants, are expected to be approximately \$24.2 million. The offering is expected to close on or about July 16, 2018, subject to customary

closing conditions.

SELLAS intends to use the net proceeds from the offering to commence a pivotal Phase 3 trial of GPS in acute myeloid leukemia (AML), and to develop GPS in combination with pembrolizumab (Keytruda) in a Phase 1/2 proof of concept study, as well as for general corporate purposes and funding its working capital needs.

Cantor Fitzgerald & Co. and Oppenheimer & Co. Inc. are acting as joint book-running managers for the offering. Maxim Group LLC is acting as lead manager.

A registration statement on Form S-1 relating to the offering was filed with the Securities and Exchange Commission (the "SEC") on May 23, 2018, amended on June 26, 2018 and July 11, 2018 and was declared effective on July 11, 2018. The offering is being made only by means of a prospectus. SELLAS' SEC filings are available to the public from the SEC's website at www.sec.gov. Copies of the final prospectus relating to the offering may also be obtained, when available, by contacting Cantor Fitzgerald & Co., Attention: Equity Capital Markets, 499 Park Avenue, 6th Floor New York, New York 10022 or by email at prospectus@cantor.com or Oppenheimer & Co. Inc., Attention: Equity Capital Markets, 85 Broad Street, 26th Floor, New York, NY 10004 or by email at EquityProspectus@opco.com.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy these securities, nor shall there be any sale of these securities in any state or other jurisdiction in which such offer, solicitation, or sale would be unlawful prior to the registration or qualification under the securities laws of any such state or other jurisdiction.

About SELLAS

SELLAS is a clinical-stage biopharmaceutical company focused on novel cancer immunotherapeutics for a broad range of cancer indications. SELLAS' lead product candidate, galinpepimut-S (GPS), is licensed from Memorial Sloan Kettering Cancer Center and targets the Wilms Tumor 1 (WT1) protein, which is present in an array of tumor types. GPS has potential as a monotherapy or in combination to address a broad spectrum of hematologic malignancies and solid tumor indications. SELLAS has Phase 3 clinical trials planned (pending funding availability) for GPS in two indications, acute myeloid leukemia (AML) and malignant pleural mesothelioma (MPM) and is also developing GPS as a potential treatment for multiple myeloma (MM) and ovarian cancer. SELLAS plans to study GPS in up to four additional indications. SELLAS has received Orphan Drug designations for GPS from the U.S. Food & Drug Administration (FDA) for AML, MPM, and MM, as well as from the European Medicines Agency, for AML and MPM; GPS also received Fast Track designation for AML and MPM from the FDA. SELLAS' second product candidate, NeuVax™ (nelipepimut-S), is a HER2-directed cancer immunotherapy being investigated for the prevention of the recurrence of breast cancer after standard of care treatment in the adjuvant setting. NeuVax™ has received Fast Track status designation by FDA for the treatment of patients with early stage breast cancer with low to intermediate HER2 expression, otherwise known as HER2 1+ or 2+, following standard of care.

Forward-Looking Statements

This press release contains forward-looking statements, including, but not limited to, statements related to SELLAS' future expectations, plans and prospects. These forward-looking statements are based on current plans, objectives, estimates, expectations and intentions, and inherently involve significant risks and uncertainties. Actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of these risks and uncertainties, which include, without limitation, risks and uncertainties associated with market conditions; SELLAS's ability to satisfy customary closing conditions related to the offering; and the volatility of the trading price of the Company's common stock. These risks and uncertainties are described more fully in Amendment No. 2 to Registration Statement on Form S-1 filed with the SEC on July 11, 2018 and other filings with the Securities and Exchange Commission. Other risks and uncertainties of which SELLAS is not currently aware may also affect SELLAS' forward-looking statements. The forward-looking statements herein are made only as of the date hereof. SELLAS undertakes no obligation to update or supplement any forward-looking statements to reflect actual results, new information, future events, changes in its expectations or other circumstances that exist after the date as of which the forward-looking statements were made.

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