



Palisade Bio Announces \$5.2M Investment By The Yuma Regional Medical Center

August 20, 2021

- \$5.2M invested at \$3.45 stock price
- Funds to be used to advance clinical development of LB1148
- Investment driven by Phase 2 clinical data that the medical center believes may lead to LB1148 being used as standard of care for the protection and healing of the GI tract in surgical patients if approved by the FDA

CARLSBAD, Calif., Aug. 20, 2021 (GLOBE NEWSWIRE) -- Palisade Bio, Inc. (Nasdaq: PALI) ("Palisade Bio" or the "Company"), a late-stage biopharma company advancing therapies for acute and chronic gastrointestinal (GI) complications, today announces a new private investment of approximately \$5.2 million from the Yuma Regional Medical Center ("YRMC"), an Arizona-based, not-for-profit hospital providing high-quality, patient-centered care. The funds will be used to advance the clinical development of Palisade's lead oral liquid drug candidate LB1148, which is being developed to accelerate the return of bowel function after surgery and to reduce post-surgical adhesions.

"There are almost seven million surgeries each year in the United States where patients may benefit from LB1148. The surgical community is still looking for safe therapeutics to improve postoperative bowel function and reduce abdominal adhesions," said Tom Hallam, Ph.D., CEO of Palisade Bio. "If approved, LB1148 may provide an easy-to-adopt solution to help surgical patients return to GI normalcy faster and help these patients spend less time in the hospital. Investments from end-users like YRMC help validate the excitement for this treatment and its potential impact on patient lives."

Under the terms of the agreement, YRMC purchased 1,509,896 unregistered common shares at a purchase price of \$3.45 per share. In addition, YRMC received a five-year warrant to purchase an additional 377,474 common shares at \$3.45 per share. The Company is required to register the common shares and the shares underlying the warrants within 60 days.

Dr. Bob Trenchel, D.O., M.P.H., Yuma Regional Medical Center's President and CEO added, "With the recent announcement of positive topline Phase 2 data, we are encouraged by the prospects that LB1148 presents to patients, caregivers, and hospitals as a simple and effective way to accelerate GI recovery after surgery. Delayed postsurgical recovery can affect quality of life and increase healthcare costs. As LB1148 has consistently been shown to accelerate the return of GI function in clinical studies with a favorable safety profile, we believe LB1148 may one day be the standard of care for patients undergoing major surgery. This investment is a continuation of our long-standing dedication to clinical research. Our support of Palisade Bio is a testament to a shared commitment to advancing care for patients as the company brings forth new treatment through clinical development."

About LB1148

LB1148 is an oral formulation of a broad-spectrum serine protease inhibitor designed to neutralize the activity of potent digestive proteases released from the gut during surgery. Evidence suggests that the release of digestive proteases contributes to the temporary loss of normal gastrointestinal function and formation of postoperative adhesions. By inhibiting the activity of these digestive proteases, LB1148 has the potential to prevent damage to GI tissues, accelerate the time to return of normal GI function, and shorten the duration of costly post-surgery hospital stays.

About Palisade Bio, Inc.

Palisade Bio is a late-stage biopharma company advancing therapies that help patients with acute and chronic gastrointestinal complications stemming from post-operative digestive enzyme damage. Palisade Bio's innovative lead asset, LB1148, is a Phase 3-ready protease inhibitor with the potential to both reduce abdominal adhesions and help restore bowel function following surgery. Positive data from two Phase 2 trials of LB1148 demonstrated safety and tolerability as well as a statistically significant improvement in return to bowel function and decrease in length of stay in ICU and hospital compared to placebo. Palisade Bio believes that its investigational therapies have the potential to address the myriad health conditions and complications associated with chronic disruption of the gastrointestinal epithelial barrier. For more information, please go to www.palisadebio.com.

Forward Looking Statements

This communication contains "forward-looking" statements, including, without limitation, statements related to expectations regarding future clinical development and potential regulatory approval of LB1148 and the potential for LB1148 to be the standard of care for patients undergoing major surgery. Any statements contained in this communication that are not statements of historical fact may be deemed to be forward-looking statements. These forward-looking statements are based upon Palisade's current expectations. Forward-looking statements involve risks and uncertainties. Palisade's 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, related to the Company's ability to advance LB1148 through clinical development and the uncertain and time-consuming regulatory approval process. Additional risks and uncertainties can be found in Palisade Bio's (formerly known as Seneca Biopharma, Inc.) Quarterly Report on Form 10-Q for the quarter ended March 31, 2021. Palisade expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in Palisade's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based.

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