Altimmune Receives $7.3 Million Contract Modification from BARDA to Fund Manufacturing of its First-In-Class Anthrax Vaccine Candidate NasoShield™

Total BARDA Five-Year Contract Value is $127.5 Million

Gaithersburg, Maryland – March 28, 2017 - Altimmune, Inc., a clinical stage immunotherapeutics company, today announced that the Company was awarded a contract modification to their previously announced contract. Under the U.S. Biomedical Advanced Research and Development Authority (BARDA) contract HHSO100201600008C, Altimmune has been awarded an additional $7.3 million for the manufacturing, scale up and testing of clinical materials to support planned clinical trials of NasoShield™, its first in class anthrax vaccine candidate. This increases the amount of the base contract performance period (July 2016 – July 2018) to $21.6 million and the total five-year contract value to $127.5 million, including options to receive up to $105.9 million to fund further pre-clinical, clinical and manufacturing development activities.

NasoShield has been supported by BARDA, a division of the Office of the Assistant Secretary for Preparedness and Response at the U.S. Department of Health and Human Services, as a development stage medical countermeasure product and is designed to provide rapid, stable protection after one intranasal administration. In a head-to-head comparison with the existing approved anthrax vaccine in a gold-standard animal model, a single intranasal dose of NasoShield showed complete protection from inhaled anthrax and was non-inferior to multiple doses of the existing approved anthrax vaccine while providing for a more rapid and stable immune response.

Scot Roberts Ph.D., Chief Scientific Officer of Altimmune, commented, "We are excited to be able to take our NasoShield program to the next level as we work to advance this program into clinical development. Our anthrax vaccine candidate has the potential to provide more rapid, stable and durable protection from a single intranasally administered dose, based on preclinical studies. We remain on track to file an IND with the FDA and commence a Phase 1 trial in early 2018."

The initial award under the BARDA contract will cover the GMP manufacture and the Phase 1 trial. The remainder of the five-year contract is expected to encompass a dose-selection Phase 1b study; scale-up in manufacturing; non-clinical studies; Phase 2 studies for immunogenicity, effectiveness and interactions with antibiotics; regulatory efforts; and formulation development to improve stability.

About Altimmune
Altimmune is a clinical stage immunotherapeutics company focused on the development of products to stimulate robust and durable immune responses for the prevention and treatment of disease. The Company has two proprietary platform technologies, RespirVec and Densigen, each of which has been shown to activate the immune system in distinctly different ways than traditional vaccines. Using these technologies, Altimmune has developed three novel clinical stage product candidates that potentially represent an entirely new approach to harnessing the immune system. The Company's most advanced product candidate, NasoVAX, is a Phase 2-ready intranasally-delivered recombinant influenza vaccine offering broad and rapid protection with potential for significant advantages over traditional flu vaccines. The second most advanced product candidate, HepTcell, is being tested as an immunotherapy for patients chronically infected with hepatitis B and has the potential to provide a functional cure. With the support of the U.S. Biomedical Advanced Research and Development Authority, or BARDA, the Company is developing a third product candidate, NasoShield, a first-in-class anthrax vaccine designed to provide rapid, stable protection after one intranasal administration. The Company intends to leverage the RespirVec and Densigen platforms to develop additional product candidates for a variety of indications.

On January 19, 2017, the Company announced the signing of a definitive agreement to merge with PharmAthene, Inc. (NYSE MKT: PIP) in an all-stock transaction. The combined company will be a fully-integrated and diversified immunotherapeutics company with four clinical stage and one preclinical stage programs.

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