Fortress Biotech Announces that its Subsidiary, Mustang Bio, Enters into License Agreements with City of Hope for Novel CAR T Immunotherapies

Three new licenses to expand Mustang's CAR T pipeline into prostate cancer and multiple myeloma

New York, NY – June 5, 2017 – Fortress Biotech, Inc. (NASDAQ: FBIO) ("Fortress"), a biopharmaceutical company dedicated to acquiring, developing and commercializing novel pharmaceutical and biotechnology products, today announced that Mustang Bio, Inc. ("Mustang"), a subsidiary of Fortress, has entered into exclusive, worldwide licensing agreements with City of Hope ("COH") for the use of three novel CAR T therapies in the development of cancer treatments.

The CAR T therapies covered under the agreements include: human epidermal growth factor receptor 2 (HER2) CAR T technology (HER2 Technology), which will initially be applied in the treatment of glioblastoma multiforme; CS1-specific CAR T technology (CS1 Technology) to be directed against multiple myeloma; and prostate stem cell antigen (PSCA) CAR T technology (PSCA Technology) to be used in the treatment of prostate cancer. All three technologies were developed in the laboratory of Stephen J. Forman, M.D., director of COH's T cell Immunotherapy Research Laboratory.

Dr. Manuel Litchman, President and Chief Executive Officer of Mustang, said, "We believe the in-licensing of this COH technology will enable us to expand our CAR T portfolio through the application of novel product candidates and new indications. We look forward to our continued partnership with Dr. Forman and his team at COH, as we work together to advance cutting-edge treatment options for cancer patients."

This announcement builds upon established exclusive patent license agreements that Mustang has entered into with COH related to Mustang's lead CAR T therapies, MB-101 (IL13Rα2-specific CAR) and MB-102 (CD123 CAR), spacer technology to be used in the development of CAR T treatments, and intraventricular and intracerebroventricular methods of delivering T cells that express CARs.

About Mustang Bio

Mustang Bio, Inc., a subsidiary of Fortress Biotech, Inc., is a clinical-stage biopharmaceutical company focused on the development and commercialization of novel cancer immunotherapy products designed to leverage the patient's own immune system to eliminate cancer cells. Mustang aims to acquire rights to these technologies by licensing or otherwise acquiring an ownership interest, funding research and development, and outlicensing or bringing the technologies to market. Mustang is currently developing proprietary chimeric antigen receptor (CAR) engineered T cell (CAR T) technology, which was licensed from Drs. Stephen Forman and Christine Brown's laboratory at the City of Hope National Medical Center ("COH"). Mustang and COH have established a research agreement to develop CARs across multiple cancers. Mustang's lead programs are in Phase 1 trials at COH: MB-101 for the treatment of brain cancer, and MB-102 as a therapeutic agent in acute myeloid leukemia. Mustang is registered under the Securities Exchange Act of 1934, as amended, and files periodic reports with the U.S. Securities and Exchange Commission. For more information, visit www.mustangbio.com.

About Fortress Biotech

Fortress Biotech, Inc. ("Fortress") is a biopharmaceutical company dedicated to acquiring, developing and commercializing novel pharmaceutical and biotechnology products. Fortress develops and commercializes products both within Fortress and through certain of its subsidiary companies, also known as Fortress Companies. In addition to its internal development programs, Fortress leverages its biopharmaceutical business expertise and drug development capabilities and provides

funding and management services to help the Fortress Companies achieve their goals. Fortress and the Fortress Companies may seek licensings, acquisitions, partnerships, joint ventures and/or public and private financings to accelerate and provide additional funding to support their research and development programs. For more information, visit www.fortressbiotech.com.

Forward-Looking Statements

This press release may contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, each as amended. Such statements include, but are not limited to, any statements relating to our growth strategy and product development programs and any other statements that are not historical facts. Forward-looking statements are based on management's current expectations and are subject to risks and uncertainties that could negatively affect our business, operating results, financial condition and stock value. Factors that could cause actual results to differ materially from those currently anticipated include: risks relating to our growth strategy; our ability to obtain, perform under and maintain financing and strategic agreements and relationships; risks relating to the results of research and development activities; risks relating to the timing of starting and completing clinical trials; uncertainties relating to preclinical and clinical testing; our dependence on third-party suppliers; our ability to attract, integrate and retain key personnel; the early stage of products under development; our need for substantial additional funds; government regulation; patent and intellectual property matters; competition; as well as other risks described in our SEC filings. We expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in our expectations or any changes in events, conditions or circumstances on which any such statement is based, except as required by law.

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