Aravive Biologics and Versartis Complete Merger

October 15, 2018

The combined company, Aravive, Inc., to trade on Nasdaq under ticker symbol "ARAV" beginning October 16, 2018, concurrent with a 1-for-6 reverse split of common shares

HOUSTON, Oct. 15, 2018 (GLOBE NEWSWIRE) -- Aravive Biologics, Inc. and Versartis, Inc. (Nasdaq:VSAR) announced that the merger of the two companies has closed following Versartis stockholder approval on October 5, 2018. Beginning tomorrow, October 16, 2018, the combined company will operate as Aravive, Inc. and its shares will trade on the Nasdaq Global Select Market under the new ticker symbol "ARAV". Aravive, Inc. is a clinical stage biotechnology company focusing on developing innovative therapies that target important survival pathways for cancer.

Concurrent with the close of the merger, the combined company, Aravive, Inc., announced a 1-for-6 reverse split of its common shares. The reverse split will be effective upon opening of trading tomorrow, October 16, 2018. When the reverse split becomes effective, every 6 shares of issued and outstanding "ARAV" common stock will be combined into 1 issued and outstanding share of common stock with no changes to the par value of the shares. The reverse split will reduce the number of shares of Aravive's outstanding common stock from approximately 67.1 million to approximately 11.2 million.

"We are excited to launch Aravive, Inc. as a newly merged, public company with a promising development program that has the potential to bring innovative cancer therapies to patients in need," said Jay Shepard, president and chief executive officer. "Our initial focus is on the development of a first-in-class, GAS6 binding protein designed to prevent AXL signaling, a pathway known to play a role in tumor metastasis and treatment resistance. Aravive completed the first Phase 1 clinical trial of our lead candidate, AVB-S6-500, and we expect to initiate the Phase 1b portion of our Phase 1b/2 trial in patients with platinum resistant ovarian cancer before the end of the year. Based on compelling results from our non-clinical studies, we also plan to evaluate AVB-S6-500 in additional tumor types and, longer term, its potential for treating fibrosis."

Unaudited pro forma cash and cash equivalents for the combined company as of the close of the merger is expected to be in the range of $60.0 million to $62.0 million, net of all estimated transaction costs. Following the completion of the merger, the board of directors of the combined company will include Srinivas Akkaraju, M.D., Ph.D., chairman; Jay Shepard, president and chief executive officer; Shahzad Malik, M.D; Amato Giaccia, Ph.D., scientific founder of Aravive Biologics; Ray Tabibiazar, M.D., founder and former executive chairman of Aravive Biologics; and Eric Zhang, CFA. In addition, concurrent with the close of the merger, the board of directors has appointed an additional independent director, Robert E. Hoffman. Mr. Hoffman is currently chief financial officer and senior vice president, finance of Heron Therapeutics.

About Aravive

Aravive, Inc. (Nasdaq: ARAV effective October 16, 2018) is a clinical stage biotechnology company focused on developing innovative therapies that target important survival pathways for cancer. Aravive's lead candidate, AVB-S6-500, is a novel, high-affinity, soluble Fc-fusion protein designed to block the activation of the GAS6-AXL signaling pathway by intercepting the binding of GAS6 to its receptor AXL. AXL receptor signaling plays an important role in multiple types of malignancies by promoting metastasis, cancer cell survival, resistance to treatments, and immune suppression. Aravive expects to initiate the Phase 1b portion of a Phase 1b/2 clinical trial of AVB-S6-500 combined with standard of care therapies in patients with platinum-resistant ovarian cancer before the end of 2018, and intends to expand development into additional tumor types. For more information, please visit www.aravive.com.

Forward Looking Statements

This communication contains forward-looking statements (including within the meaning of Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended) concerning the Company's potential to bring innovative cancer therapies to patients in need, the expected timing of initiation of the Phase 1b portion of the Company's Phase 1b/2 trial in patients with platinum resistant ovarian cancer and the plan to evaluate and expand the development of AVB-S6-500 in additional tumor types and, longer term, its potential for treating fibrosis. Forward-looking statements are based on current beliefs and assumptions that are subject to risks and uncertainties and are not guarantees of future performance. Actual results could differ materially from those contained in any forward-looking statement as a result of various factors. The foregoing review of important factors that could cause actual events to differ from expectations should not be construed as exhaustive and should be read in conjunction with statements that are included herein and elsewhere, including the risk factors included in the Company's proxy statement/prospectus/information statement filed with the SEC on September 6, 2018, the Company's Form S-4 filed with the SEC on August 3, 2018, as subsequently amended, Annual Report on Form 10-K and Form 10-K/A for the fiscal year ended December 31, 2017, Quarterly Report on Form 10-Q for the quarter ended June 30, 2018, and recent Current Reports on Form 8-K, each as filed with or furnished to the SEC. Except as required by applicable law, the Company undertakes no obligation to revise or update any forward-looking statement, or to make any other forward-looking statements, whether as a result of new information, future events or otherwise.

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