Biostage to Participate at the MassBio 2017 Annual Meeting

Biostage to present in the 3D Printing and BioEngineering panel on Thursday, March 30 at 2:30 PM ET

HOLLISTON, Mass., March 28, 2017 /PRNewswire/ -- Biostage, Inc. (Nasdaq: BSTG), ("Biostage" or the "Company"), a biotechnology company developing bioengineered organ implants to treat cancers and other life-threatening conditions of the esophagus, bronchus and trachea, today announced that Jim McGorry, CEO of Biostage, will present on the *3D Printing and BioEngineering* panel at the MassBio 2017 Annual Meeting on Thursday, March 30, 2017 at 2:30 PM ET in Cambrige, Massachussetts. The *3D Printing and BioEngineering* panel will address the developments and discoveries in 3D printing in medicine and research, focusing on how advances in 3D printing are pushing the boundaries of medical innovation.

As part of his participation, Mr. McGorry will discuss the Company's proprietary Cellframe™ technology platform, which is engineered to stimulate the body's signaling pathways and natural healing process to regenerate and restore organ function. Combining a synthetic scaffold with tissue engineering and cell biology, Biostage's Cellframe platform will be used to create organ specific Cellspan implants for the esophagus, bronchus and trachea. Mr. McGorry will also discuss the Company's lead product candidate, the Cellspan esophageal implant, which is being developed to treat adult esophageal cancer. Biostage expects to commence its first-in-human studies for its Cellspan esophageal implant before the end of 2017.

In addition to developing its Cellspan esophageal implant for use in adults with esophageal cancer, the Company is evaluating its Cellspan esophageal implant for use to treat pediatric esophageal atresia (EA). EA is a rare birth defect in which a baby is born with a gap between the upper and lower esophagus, which effects about 1 in 2,500 babies in the U.S. Biostage remains encouraged with its EA co-development efforts with Connecticut Children's Medical Center. The Company is also evaluating additional partnerships with children's hospitals showing strong interest in this program.

About MassBio

MassBio is a not-for-profit organization founded in 1985 that represents and provides services and support for the world's leading life sciences supercluster.

MassBio is committed to advancing Massachusetts' leadership in the life sciences to grow the industry, add value to the healthcare system and improve patient lives.

Representing 975+ biotechnology companies, academic institutions, disease foundations and other organizations involved in life sciences and healthcare, MassBio leverages its unparalleled network of innovative companies and industry thought leaders to advance policy and promote education, while providing member programs, events, industry information, and services.

About Cellframe™ Technology

The Company's proprietary Cellframe technology is designed to harness the full potential of the *in vivo* microenvironment to achieve tissue regeneration and restore organ function. It employs a multi-step process in which the patient's own stem cells would be taken from a simple adipose/fat tissue biopsy, expanded and

banked, and then seeded onto a proprietary scaffold that mimics the natural dimensions of the organ being regenerated. After several days in a rotating bioreactor, the biocompatible scaffold containing the stem cells will then be ready to be implanted. Preclinical studies suggest that the organ implant signals the stem cell niche in the surrounding native tissue to guide the regeneration of a biological structure. This technology is based on the concept of *in situ* tissue regeneration using the body's own biologic resources and reparative capability in combination with tissue-specific biomaterials implanted at the sites of disease or injury.

About Biostage

Biostage is a biotechnology company developing bioengineered organ implants based on the Company's new Cellframe™ technology which combines a proprietary biocompatible scaffold with a patient's own stem cells to create Cellspan™ organ implants. Cellspan implants are being developed to treat life-threatening conditions of the esophagus, bronchus or trachea with the hope of dramatically improving the treatment paradigm for patients. Based on its preclinical data, Biostage has selected life-threatening conditions of the esophagus as the initial clinical application of its technology.

Cellspan implants are currently being advanced and tested in collaborative preclinical studies. Preclinical, large-animal safety studies, conducted in compliance with the FDA Good Laboratory Practice (GLP) regulations, for the Company's Cellspan Esophageal Implant product candidate are ongoing, in support of Biostage's goal of filing an Investigational New Drug application (IND) with the U.S. FDA in the third quarter of 2017. The IND will seek approval to initiate clinical trials for its esophageal implant product candidate in humans.

For more information, please visit www.biostage.com and connect with the Company on Twitter and LinkedIn.

Forward-Looking Statements:

Some of the statements in this press release are "forward-looking" and are made pursuant to the safe harbor provision of the Private Securities Litigation Reform Act of 1995. These "forward-looking" statements in this press release include, but are not limited to, statements relating to the development expectations and regulatory approval of any of our product candidates, including those utilizing our Cellframe technology, by the U.S. Food and Drug Administration, the European Medicines Agency or otherwise, which expectations or approvals may not be achieved or obtained on a timely basis or at all; or success with respect to any collaborations, clinical trials and other development and commercialization efforts of our product candidates, including those utilizing our Cellframe technology, which such success may not be achieved or obtained on a timely basis or at all. These statements involve risks and uncertainties that may cause results to differ materially from the statements set forth in this press release, including, among other things, our ability to obtain and maintain regulatory approval for our products; plus other factors described under the heading "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2016 or described in our other public filings. Our results may also be affected by factors of which we are not currently aware. The forward-looking statements in this press release speak only as of the date of this press release. Biostage expressly disclaims any obligation or undertaking to release publicly any updates or revisions to such statements to reflect any change in its expectations with regard thereto or any changes in the events, conditions or circumstances on which any such statement is based.

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