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Alliqua BioMedical, Inc. Expands Regenerative Medicine Portfolio with the Commercial Introduction of Interfyl Connective Tissue Matrix

YARDLEY, Pa., Sept. 19, 2016 (GLOBE NEWSWIRE) -- Alliqua BioMedical, Inc. (Nasdaq:ALQA) ("Alliqua" or "the Company"), a functional regeneration company, today announced the commercial introduction of the Company's latest regenerative technology, Interfyl Connective Tissue Matrix ("Interfyl").

Interfyl is a connective tissue extracellular matrix derived from human placental tissue collected following healthy full-term pregnancies and offered by Alliqua in both particulate and flowable forms. In these forms, Interfyl can be used to fill voids and correct defects in soft tissue, providing mechanical and structural support to facilitate the tissue repair process.

"As our second regenerative product, Interfyl will complement Biovance in the approximately \$700 million advanced wound care and surgical market, particularly in the rapidly emerging flowable and injectable subsegment of the market," said Nino Pionati, Chief Strategy and Marketing Officer of Alliqua. "With its easy-to-manipulate forms and clinical benefits, Interfyl is useful in several surgical applications and during the treatment regimen of deep and tunneling wounds, even where vital structures such as bones and tendons are exposed."

Interfyl is regulated as a 361 human tissue product, indicated for the replacement or supplementation of damaged or inadequate integumental soft tissue, including podiatric and orthopedic applications, as well as for homologous use in the management of wounds.

"Interfyl could be a significant game changer in extremity surgery," said Stephen A. Brigido, DPM, FACFAS and Department Chair of Foot and Ankle Reconstruction at Coordinated Health. "For the foot and ankle surgeon, Interfyl has a great balance of easy handling characteristics and a diverse indication for use. I am not aware of any other product in the regenerative healing space that can support deficient connective tissue when we repair tendons or ligaments with such ease, while still being applicable to treat chronic overuse conditions in the office setting. In my experience in both the operative and office settings, supplementing damaged connective tissue with the healthy extracellular matrix of Interfyl led to support of healing processes in a variety of lower extremity pathologies, resulting in a decrease of signs and symptoms of inflammation."

These factors give us a product that should benefit the patient, surgeon, and surgical facility all at the same time."

Alliqua licenses Interfyl, as well as Biovance, from HLI Cellular Therapeutics, LLC, a subsidiary of Human Longevity, Inc.

About Alliqua BioMedical, Inc.

Alliqua is a functional regeneration company, committed to restoring tissue and rebuilding lives. Through its sales and distribution network, together with its proprietary products, Alliqua offers technological solutions that allow clinicians to utilize the latest advances in regenerative therapies to bring improved patient outcomes to their practices.

Alliqua currently markets the human biologic regenerative medicine products, Biovance® and Interfyl®. The Company also markets its Mist Therapy System®, which uses painless, noncontact low-frequency ultrasound to stimulate cells below the wound bed to promote the healing process. In addition to these technologies, Alliqua markets its line of dressings for wound care under the SilverSeal® and Hydress® brands, as well as its TheraBond 3D® advanced dressing which incorporates the TheraBond 3D® Antimicrobial Barrier Systems technology.

In addition, Alliqua can provide a custom manufacturing solution to partners in the medical device and cosmetics industry, utilizing its hydrogel technology. Alliqua's electron beam production process, located at its 16,500 square foot Good Manufacturing Practice (GMP) manufacturing facility, allows Alliqua to custom manufacture a wide variety of hydrogels. Alliqua's hydrogels can be customized for various transdermal applications to address market opportunities in the treatment of wounds as well as the delivery of numerous drugs or other agents for pharmaceutical and cosmetic industries. The Company has locations in Yardley, PA, Langhorne, PA and Eden Prairie, MN.

For additional information, please visit <http://www.alliqua.com>. To receive future press releases via email, please visit <https://ir.stockpr.com/alliqua/email-alerts>.

Legal Notice Regarding Forward-Looking Statements:

This release contains forward-looking statements. Forward-looking statements are generally identifiable by the use of words like "may," "will," "should," "could," "expect," "anticipate," "estimate," "believe," "intend," or "project" or the negative of these words or other variations on these words or comparable terminology. The reader is cautioned not to put undue reliance on these forward-looking statements, as these statements are subject to numerous factors and uncertainties outside of our control that can make such statements untrue, including, but not limited to, the adequacy of the Company's liquidity to pursue its complete business objectives; inadequate capital; the Company's ability to obtain reimbursement from third party payers for its products; loss or retirement of key executives; adverse economic conditions or intense competition; loss of a key customer or supplier; entry of new competitors and products; adverse federal, state and local government regulation; technological obsolescence of the Company's products; technical problems with the Company's research and products; the Company's ability to expand its business through strategic acquisitions; the Company's ability to integrate acquisitions and

related businesses; price increases for supplies and components; and the inability to carry out research, development and commercialization plans. In addition, other factors that could cause actual results to differ materially are discussed in our filings with the SEC, including our most recent Annual Report on Form 10-K filed with the SEC, and our most recent Form 10-Q filings with the SEC. Investors and security holders are urged to read these documents free of charge on the SEC's web site at <http://www.sec.gov>. We undertake no obligation to publicly update or revise our forward-looking statements as a result of new information, future events or otherwise.

Investor Relations:

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