



Jaguar Enters Exclusive Evaluation Period With Multinational Animal Health Pharmaceutical Firm Regarding Equilevia, Jaguar's Drug Product Candidate for Equine Gastric Ulcer Syndrome

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SAN FRANCISCO--(BUSINESS WIRE)--Mar. 28, 2017-- Jaguar Animal Health, Inc. (NASDAQ: JAGX) (Jaguar), an animal health company focused on developing and commercializing first-in-class gastrointestinal products for companion and production animals, foals, and high value horses, announced today that it has entered an exclusive, 60-day evaluation period, commencing April 3, 2017, with a leading multinational animal health pharmaceutical firm regarding Equilevia™ (formerly referred to as SB-300), Jaguar's drug product candidate for Equine Gastric Ulcer Syndrome (EGUS). Equilevia™ is a pharmaceutical formulation of a standardized botanical extract.

Jaguar completed a dose determination study of the target commercial paste formulation of Equilevia™ in the fourth quarter of last year. The equine veterinarians who performed the study were blinded to the treatment assignment, and Jaguar was also blinded to the data at that time. A full analysis of the study data with scoring of squamous and glandular ulcers has undergone independent, blinded review by Dr. Frank Andrews, DVM, MS, Dipl. ACVIM, Professor and Director of the Equine Health Studies Program at Louisiana State University College of Veterinary Medicine, an equine internist specializing in gastric ulcer disease. All data from the dose determination study will remain confidential during the 60-day evaluation period.

The third-party review Dr. Andrews conducted of the study data involved viewing gastroscopy videos for all participating horses and evaluating each horse against three separate EGUS grading scales: the McAllister scoring system (which assesses the number and severity of ulcers), the EGUS Council scoring system (which is relevant only for squamous ulcers), and a new visual analog scoring system, relevant for both squamous and glandular ulcers, developed by Dr. Andrews.

"This study showed consistency in the evaluation of gastric ulcers by the newly developed visual analog scoring system compared to the published McAllister and EGUS Council grading scales," stated Dr. Andrews. "The visual analog scoring system could be an important tool in providing greater precision in gastric ulcers of differing tissue type, such as glandular lesions."

As Jaguar announced in January 2016, topline results from the Company's proof-of-concept study to evaluate the safety and effectiveness of Equilevia™ indicate that 78 to 89% of horses treated with Equilevia™ (depending on dose) had resolution or improvement of glandular ulcers as soon as 14 days during treatment. The proof-of-concept study evaluated a dose of 10 grams of Equilevia™ given orally four times daily (total daily dose of 40 g) and five grams of Equilevia™ given twice daily (total daily dose of 10 g). The horses studied were in training but were not actively racing.

As Jaguar announced in February 2016, further analysis of the results of the proof-of-concept study indicates that Equilevia™ did not alter gastric pH during the 28-day trial or for seven days after therapy. A treatment for EGUS that does not alter gastric pH is important because maintaining low gastric pH may be helpful for digestion, for gut immunity and first line defense against pathogens, for the absorption of vitamins and minerals, and for potentially additional downstream effects. As Jaguar announced in May 2016, standard drug testing in race horses that received Equilevia™ did not detect any substances commonly disallowed by horse racing authorities.

In November 2016 Jaguar issued a summary of racing data for horses taking part in the Company's Equilevia™ dose determination study. Racing results in horses treated with Equilevia™ are of interest because ulcers are a particular problem in equine athletes. In races during the study treatment period, horses on treatment with Equilevia™ had higher average winnings, higher average total dollar winnings, and a higher likelihood of finishing a race in the top 3 or in the top 5, compared with the period in which they raced prior to the study.

Data from the American Horse Council states that there are currently 9.2 million horses in the U.S., a population that includes 844,531 race horses, more than 2.7 million show horses, and more than 3.9 million recreational horses. Data from the Food and Agriculture Organization of the United Nations indicate that there were approximately 5.7 million horses in Europe in 2013 and nearly 60 million horses in 2013 worldwide. According to a third-party 2005 study, as many as 55% of performance horses have both colonic and gastric ulcers, and 97% of performance horses have either a gastric (87%) or a colonic (63%) ulcer.¹

"The partnering strategy of both Jaguar and Napo is focused on bringing novel gastrointestinal medicines from the two company's extremely broad pipelines to market in a productive and efficient manner, and entering a possible collaboration with a leading animal health company focused on equine athletes would be an important component of this strategy," commented Lisa Conte, Jaguar's president and CEO and Napo's interim CEO.

About Jaguar Animal Health, Inc.

Jaguar Animal Health, Inc. is an animal health company focused on developing and commercializing first-in-class gastrointestinal products for

companion and production animals, foals, and high value horses. Canalevia™ is Jaguar's lead prescription drug product candidate, intended for the treatment of various forms of diarrhea in dogs. Equilevia™ (formerly referred to as SB-300) is Jaguar's prescription drug product candidate for the treatment of gastrointestinal ulcers in horses. Canalevia™ and Equilevia™ contain ingredients isolated and purified from the *Croton lechleri* tree, which is sustainably harvested. Neonorm™ Calf and Neonorm™ Foal are the Company's lead non-prescription products. Neonorm™ is a standardized botanical extract derived from the *Croton lechleri* tree. Canalevia™ and Neonorm™ are distinct products that act at the same last step in a physiological pathway generally present in mammals. Jaguar has nine active investigational new animal drug applications, or INADs, filed with the FDA and intends to develop species-specific formulations of Neonorm™ in six additional target species, formulations of Equilevia™ in horses, and Canalevia™ for cats and dogs.

For more information, please visit www.jaguaranimalhealth.com.

Forward-Looking Statements

Certain statements in this press release constitute "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. These include statements regarding the belief that the visual analog scoring system developed by Dr. Andrews could be an important tool in providing greater precision in gastric ulcers of differing tissue type, such as glandular lesions, Jaguar's plan to develop formulations of Equilevia™ in horses and species-specific formulations of Neonorm™ in additional target species, and Jaguar's plan to develop formulations of Canalevia™ for cats and dogs. In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "expect," "plan," "aim," "anticipate," "could," "intend," "target," "project," "contemplate," "believe," "estimate," "predict," "potential" or "continue" or the negative of these terms or other similar expressions. The forward-looking statements in this release are only predictions. Jaguar has based these forward-looking statements largely on its current expectations and projections about future events. These forward-looking statements speak only as of the date of this release and are subject to a number of risks, uncertainties and assumptions, some of which cannot be predicted or quantified and some of which are beyond Jaguar's control. Except as required by applicable law, Jaguar does not plan to publicly update or revise any forward-looking statements contained herein, whether as a result of any new information, future events, changed circumstances or otherwise.

¹Pellegrini FL. Results of a large-scale necroscopic study of equine colonic ulcers. *J Equine Vet Sci.* 2005;25(3):113-117.

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