UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 6, 2017

Mast Therapeutics, Inc.

(Exact name of Registrant as Specified in Its Charter)

Delaware	**001-32157**	**84-1318182**
(State or Other Jurisdiction of Incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**

3611 Valley Centre Drive, Suite 500, San Diego, CA	**92130**
(Address of Principal Executive Offices)	**(Zip Code)**

Registrant's Telephone Number, Including Area Code: (858) 552-0866

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instructions A.2. below):

☒ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 7.01 Regulation FD Disclosure.

As previously announced, on January 6, 2017, Mast Therapeutics, Inc. ("Mast" or the "Company"), Victoria Merger Corp., a Delaware corporation and a wholly-owned subsidiary of Mast ("Merger Sub"), and Savara Inc., a privately-held Delaware corporation focused on the development and commercialization of novel therapies for the treatment serious or life-threatening rare respiratory diseases ("Savara"), entered into an Agreement and Plan of Merger and Reorganization (the "Merger Agreement"), pursuant to which, among other things, subject to approval of the stockholders of Mast and Savara and the satisfaction or waiver of the other conditions set forth in the Merger Agreement, Merger Sub will merge with and into Savara, with Savara becoming a wholly-owned subsidiary of the Company (the "Merger").

The information furnished in Exhibit 99.1 to this report, which relates to Savara and its development programs, may be presented from time to time by Savara at various meetings with securities market participants. Mast has not independently verified the material in this presentation. The presentation shall not be deemed "filed" for any purpose, including for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that Section.

The information in this Item 7.01, including Exhibit 99.1, shall not be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in the filing.

By furnishing the information in this Item 7.01 of this Current Report on Form 8-K, including Exhibit 99.1, the Company makes no admission as to the materiality of such information. The information contained herein is intended to be considered in the context of the Company's filings with the Securities and Exchange Commission ("SEC") and other public announcements that the Company makes, by press release or otherwise, from time to time. The Company undertakes no duty or obligation to publicly update or revise the information contained in this report, although it may do so from time to time as its management believes is appropriate. Any such updating may be made through the filing of other reports or documents with the SEC, through press releases or through other public disclosure.

Item 8.01 Other Events.

On March 6, 2017, the Company issued a press release announcing an investigator-sponsored Phase 1/2 clinical study of its lead product candidate, AIR001, for the treatment of *Pseudomonas aeruginosa* infection in cystic fibrosis patients. A copy of the press release is attached hereto as Exhibit 99.2 and is incorporated by reference herein.

Additional Information about the Merger and Where to Find It

In connection with the Merger, the Company has filed relevant materials with the SEC, including a registration statement on Form S-4 that contains a prospectus, proxy statement and information statement. Investors and security holders of the Company and Savara are urged to read these materials when the registration statement becomes effective because they contain important information about the Company, Savara and the Merger. The proxy statement/prospectus/information statement and any other documents filed by the Company with the SEC may be obtained free of charge at the SEC web site at www.sec.gov. In addition, investors and security holders may obtain free copies of the documents filed with the SEC by the Company by directing a written request to: Mast Therapeutics, Inc., 3611 Valley Centre Drive, Suite 500, San Diego, CA 92130, Attention: Investor Relations. Investors and security holders are urged to read the proxy statement/prospectus/information statement and the other relevant materials when they become available before making any voting or investment decision with respect to the Merger.

This communication shall not constitute an offer to sell or the solicitation of an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

Participants in the Solicitation

The Company and its directors and executive officers and Savara and its directors and executive officers may be deemed to be participants in the solicitation of proxies from the stockholders of the Company in connection with the proposed transaction. Information regarding the special interests of these directors and executive officers in the merger will be included in the proxy statement/prospectus/information statement referred to above. Additional information regarding the directors and executive officers of the Company is also included in the Company's Annual Report on Form 10-K for the year ended December 31, 2015 and the proxy statement for the Company's 2016 Annual Meeting of Stockholders. These documents are available free of charge at the SEC web site (www.sec.gov) and from the Company, Attn: Investor Relations, at the address described above.

Item 9.01 Financial Statements and Exhibits.

Reference is made to the Exhibit Index included with this Current Report on Form 8-K.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Mast Therapeutics, Inc.

Date: March 6, 2017

By: */s/ Brandi L. Roberts*
Brandi L. Roberts
Chief Financial Officer and Senior Vice President

Exhibit Index

Exhibit Number	Description
99.1	Savara Inc. corporate presentation, March 2017
99.2	Mast Therapeutics, Inc. press release, dated March 6, 2017

Exhibit 99.1

CORPORATE PRESENTATION

MARCH 2017

SAVARA

SAFE HARBOR STATEMENTS

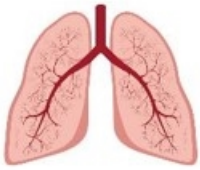
Forward Looking Statements. Savara cautions you that statements in this presentation that are not a description of historical fact are forward-looking statements which may be identified by the use of words such as “expect,” “intend,” “plan,” “anticipate,” “believe,” and “will,” among others. Such statements include, but are not limited to, statements regarding the sufficiency of the combined organization's resources to fund the advancement of any development program or the completion of any clinical trial; the nature, strategy and focus of the combined organization; the safety, efficacy and projected development timeline and commercial potential of any product candidates; and the market size or potential for any of our products. Savara may not actually achieve the proposed merger with Mast, or any plans or product development goals in a timely manner, if at all, or otherwise carry out the intentions or meet the expectations or projections disclosed in its forward-looking statements, and you should not place undue reliance on these forward-looking statements. Because such statements are subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. These forward-looking statements are based upon Savara's current expectations and involve assumptions that may never materialize or may prove to be incorrect. Actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of various risks and uncertainties, which include, without limitation, risks and uncertainties associated with the ability to consummate the proposed merger, the ability to project future cash utilization and reserves needed for contingent future liabilities and business operations, the availability of sufficient resources for combined company operations and to conduct or continue planned clinical development programs, the timing and ability of Mast or Savara to raise additional equity capital to fund continued operations; the ability to successfully develop any of Savara's product candidates, and the risks associated with the process of developing, obtaining regulatory approval for and commercializing drug candidates that are safe and effective for use as human therapeutics. You are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date on which they were made. Savara undertakes no obligation to update such statements to reflect events that occur or circumstances that exist after the date on which they were made, except as may be required by law.

Additional Information about the Proposed Merger and Where to Find It. In connection with the proposed merger, Mast has filed relevant materials with the SEC, including a registration statement on Form S-4 that contains a prospectus and a joint proxy statement. Investors and security holders of Mast and Savara are urged to read these materials when the registration statement becomes effective because they contain important information about Mast, Savara and the proposed merger. The joint proxy statement, prospectus, amendments and other relevant materials filed by Mast with the SEC, may be obtained free of charge at the SEC web site at www.sec.gov. In addition, investors and security holders may obtain free copies of the documents filed with the SEC by Mast by directing a written request to: Mast Therapeutics, Inc. 3611 Valley Centre Drive, Suite 500, San Diego, California 92130, Attn: Investor Relations. Investors and security holders are urged to read the joint proxy statement, amendments, prospectus and the other relevant materials when they become available before making any voting or investment decision with respect to the proposed merger. Mast and its directors and executive officers and Savara and its directors and executive officers may be deemed to be participants in the solicitation of proxies from the stockholders of Mast and Savara in connection with the proposed transaction. Information regarding the special interests of these directors and executive officers in the proposed merger are included in the joint proxy statement/prospectus referred to above.

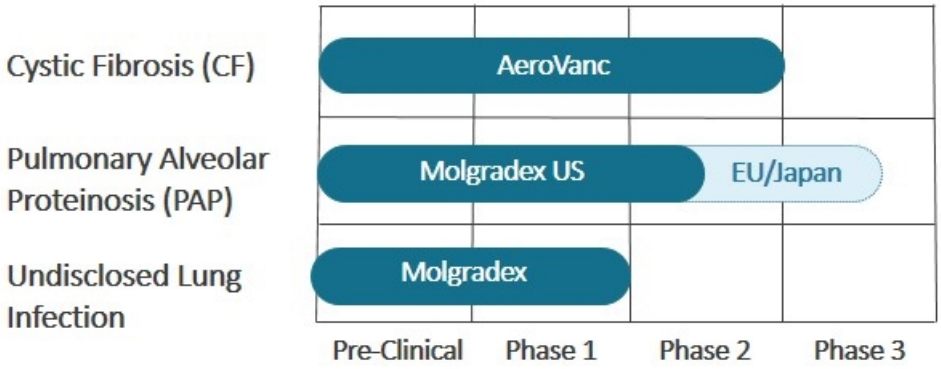
SAVARA

SAVARA OVERVIEW

- Clinical Stage Specialty Pharmaceutical Company…
  …Focused on Rare Respiratory Diseases



  - Late-stage products
  - Growth through pipeline expansion
  - Reverse merger with NYSE MKT:MSTX pending



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MAST MERGER UNDERWAY

- Merger announced in Jan 2017
- Pending Mast and Savara shareholder consent

	Expected Ownership post-merger*	Proforma Market Cap at $0.13 SP
Savara	76 %	$140M
Mast Therapeutics	24 %	

- Name change to Savara Inc.
- Ticker symbol change to SVRA
- Merger anticipated closing Q2 2017

*Subject to certain adjustments as discussed in the registration statement on Form S-4

SAVARA

AEROVANC

Inhaled Vancomycin for MRSA in CF

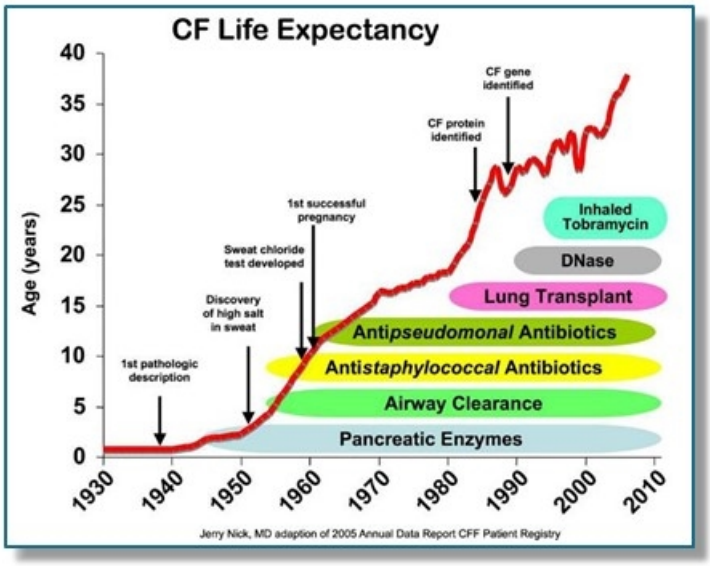
CF: GENETIC DISEASE WITH CHRONIC INFECTIONS

Prevalence (US)
30,000 patients

Genetic disease with thick, sticky mucus in the lung

Persistent lung infections leading to lung damage, transplantation, death

Inhaled antibiotics established as routine infection management



- Inhaled anti-pseudomonal antibiotic market (TOBI & Cayston) reached ~$500 million*

*Based on Novartis and Gilead SEC filings

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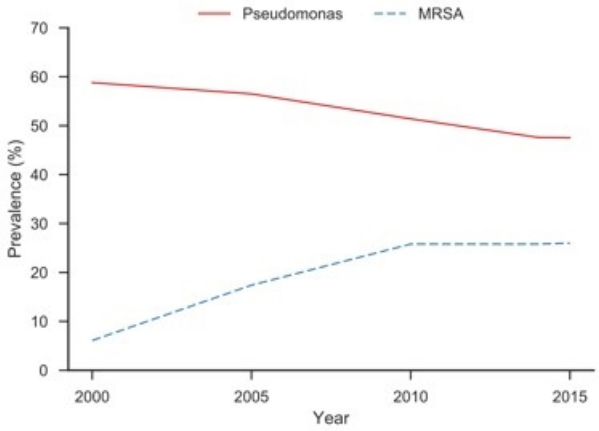
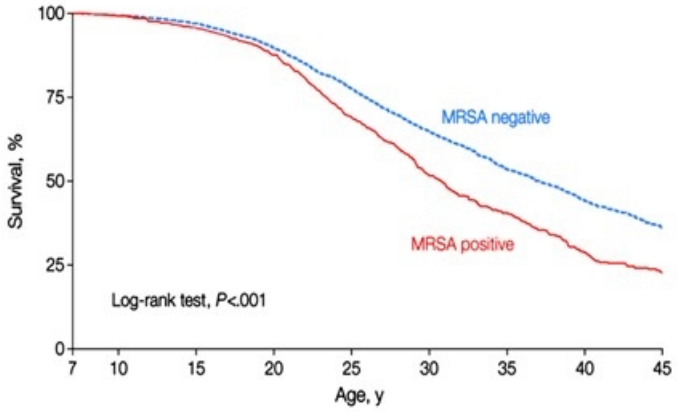
HIGH UNMET NEED FOR INHALED MRSA TREATMENT



Source: 2015 CFF Patient Registry



- Prevalence of MRSA increasing
- MRSA lung infection in CF associated with worse clinical outcomes
- No approved inhaled antibiotics active against MRSA
- Clinicians indicate high unmet need, and high utilization rates[1]

[1]Medacorp (2010), Bio Strategies (2010), MME (2013)

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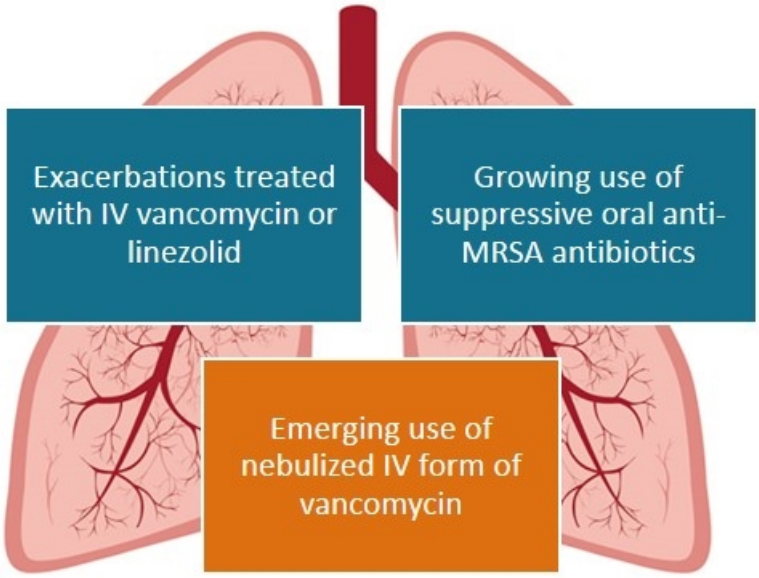
LIMITED TREATMENT OPTIONS FOR MRSA IN CF



- High antibiotic concentrations in the lung required in CF
- No approved inhaled options for MRSA

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AEROVANC: FIRST INHALED MRSA ANTIBIOTIC

Inhaled Dry Powder Vancomycin

Drug Directly to Site of Infection

Reduced Systemic Toxicity

Orphan & QIDP status (12 years exclusivity)

Grants from CFF & NIH

Manufacturing at Commercial Scale

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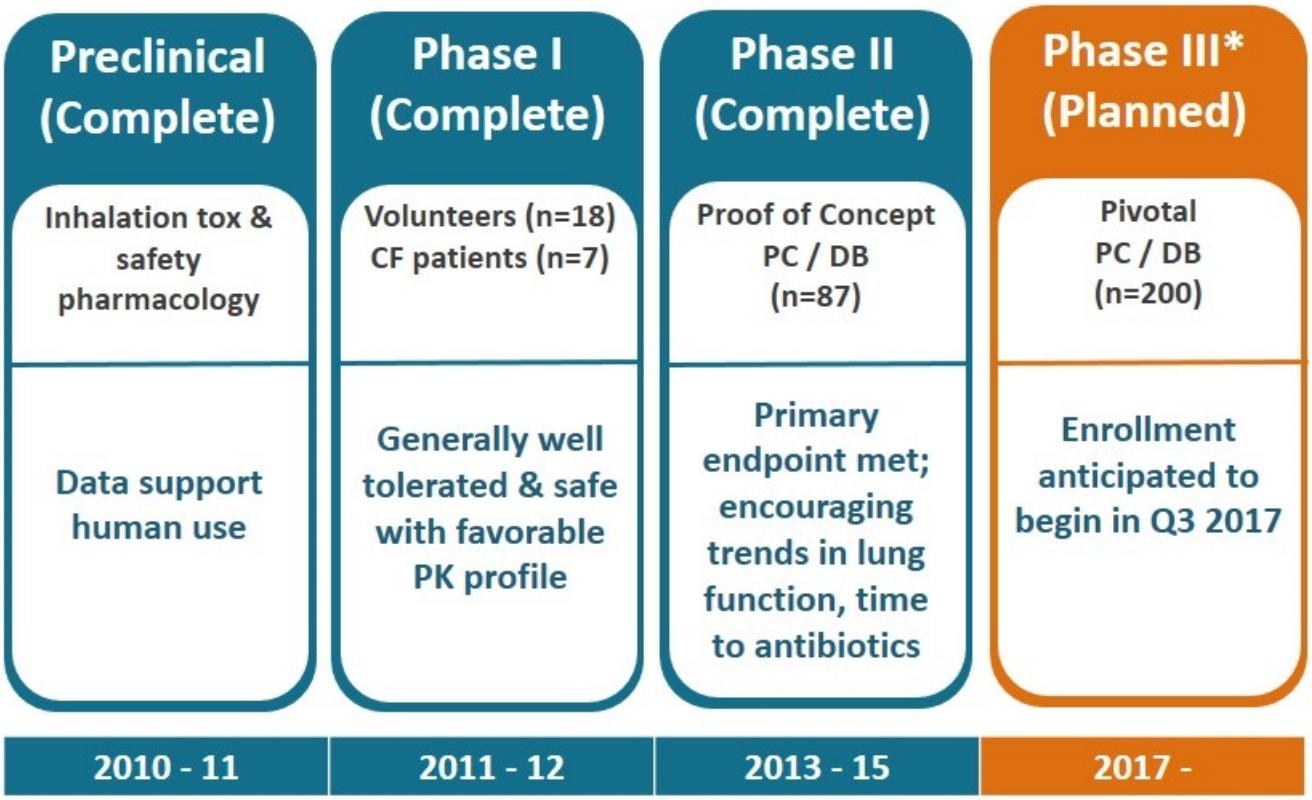
AEROVANC PHASE III READY



*Proposal subject to regulatory approval of final protocol

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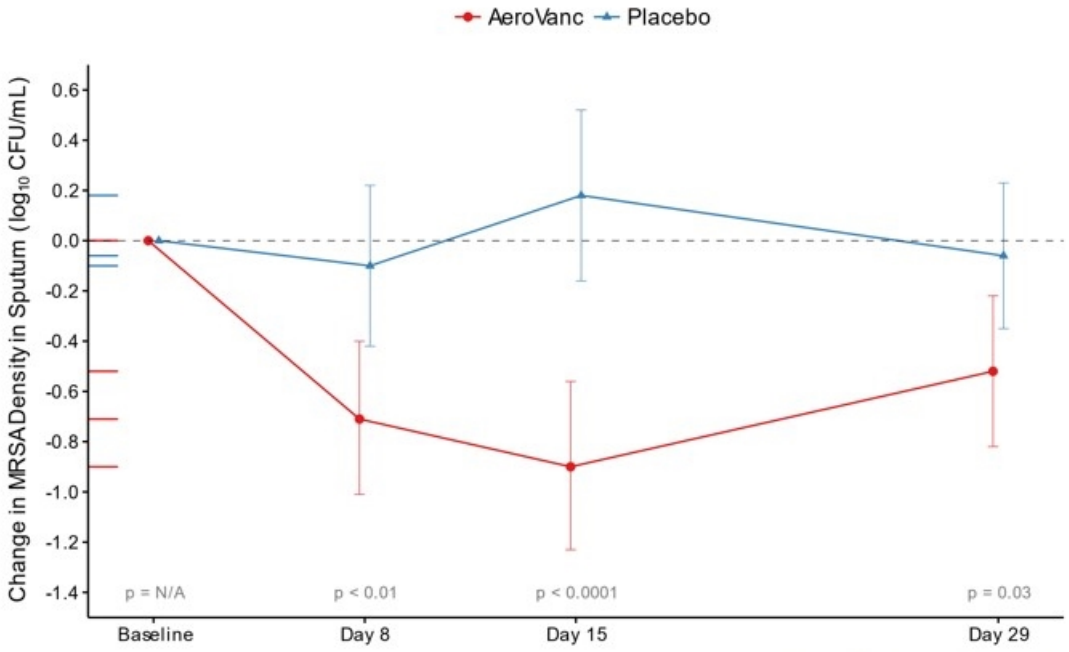
PHASE II: MRSA IN SPUTUM - PRIMARY ENDPOINT MET



ITT population, n = 87 patients

- Proof of concept established
- Microbiology not acceptable to FDA as Phase III primary endpoint

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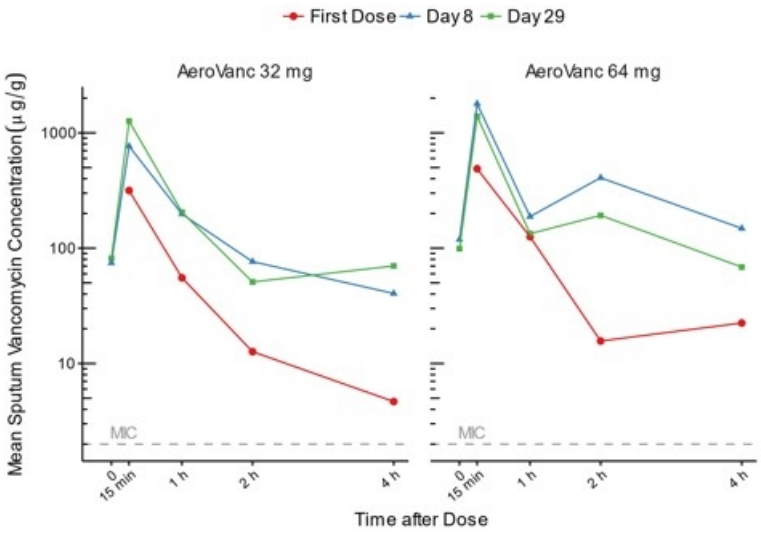
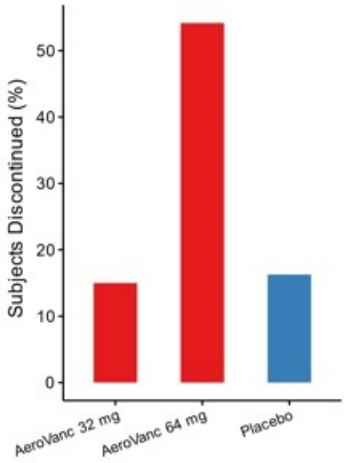
32 MG DOSE SELECTED FOR PHASE III STUDY





PK Population, AeroVanc treatments only, n=11

- Vancomycin trough concentrations in high excess over MIC at both doses
- ~ 50 % premature study drug discontinuations at 64 mg dose

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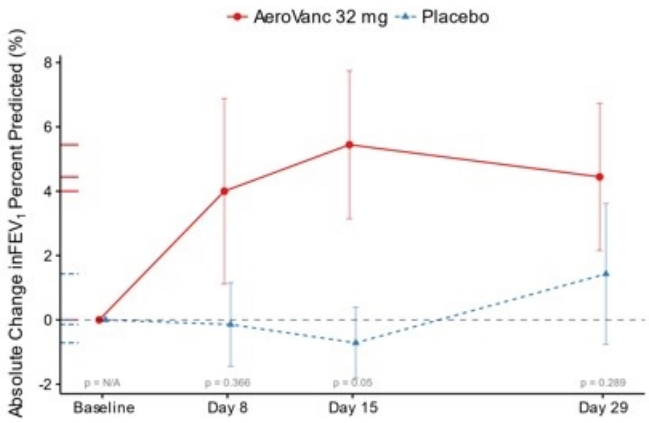
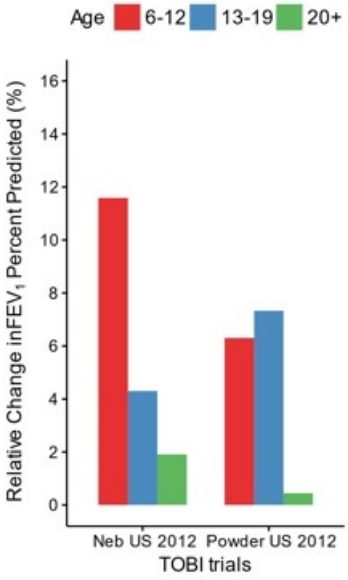
FEV_1 IMPROVEMENT CONSISTENT WITH TOBI DATA





PP population, 32 mg dose cohort, < 21 years of age, n = 16, post hoc analysis

- In TOBI trials, best FEV_1 improvement in young patients
- Similar FEV_1 response profile with AeroVanc, study not powered for secondary endpoints
- Absolute change in FEV_1 selected as Phase III primary endpoint
- Phase III to be adequately powered and enriched with < 21 year olds

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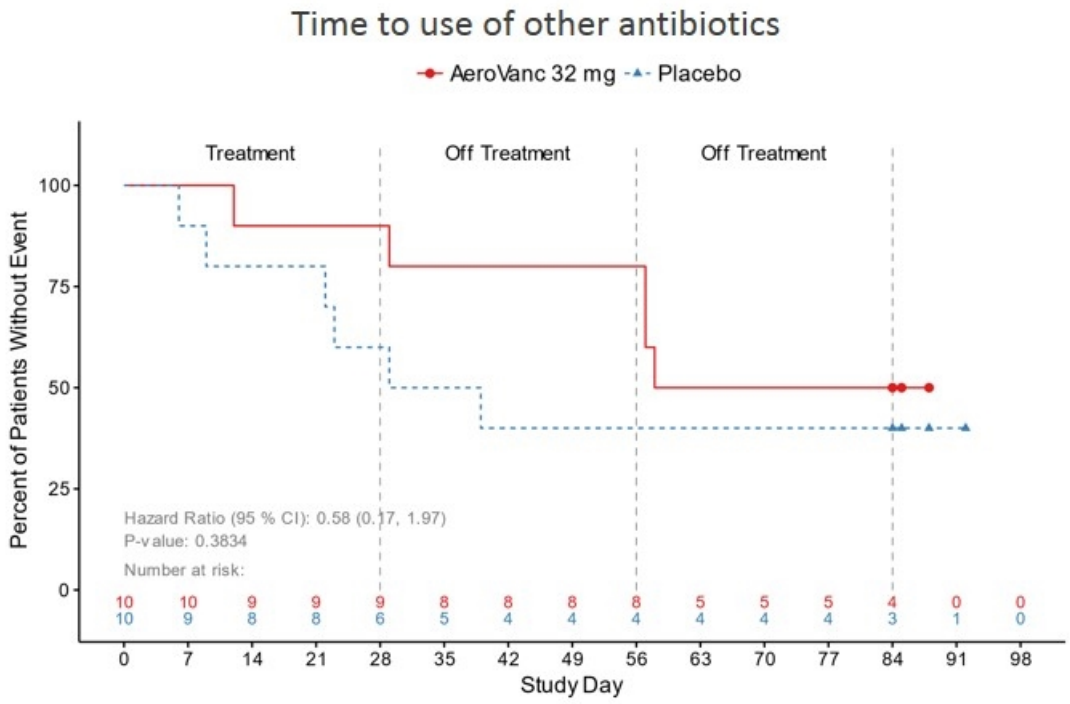
IMPROVEMENT IN TIME TO OTHER ANTIBIOTICS



ITT, 32 mg dose cohort, < 21 years of age, n = 20 , post hoc analysis

- Prolongation of time to use of other antibiotics
- In chronic use, a new treatment cycle would start at day 56, and events (use of other antibiotics) would not be expected at that time

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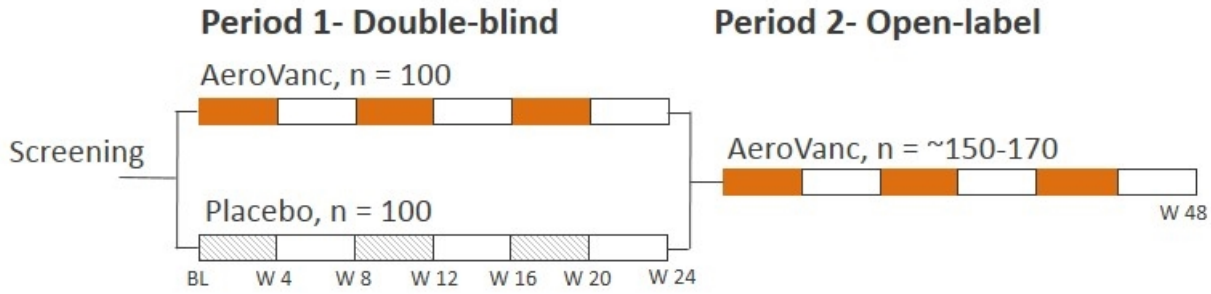
PHASE III DESIGN AGREED WITH FDA



Primary Endpoint	Secondary Endpoints
• FEV_1 improvement at Week 4 and Week 20 (absolute change)	• Time to use of another antibiotic for pulmonary infection • FEV_1 improvement (relative change, number of response cycles) • Respiratory Symptoms Diary

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MOLGRADEX

Inhaled GM-CSF for Autoimmune Pulmonary Alveolar Proteinosis (aPAP)

PAP: EXCESS OF SURFACTANT IN THE LUNGS

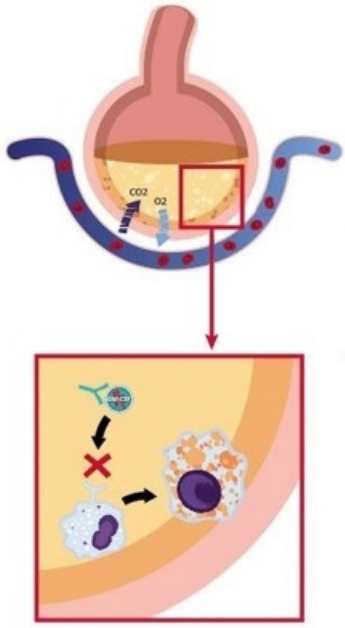
US prevalence of 2000-3000 patients

Anti-GM-CSF antibodies cause accumulation of surfactant in the alveoli

Decreased oxygen delivery

Hypoxia and shortness of breath

Currently treated by whole lung lavage (WLL)



- Mechanism of disease well understood

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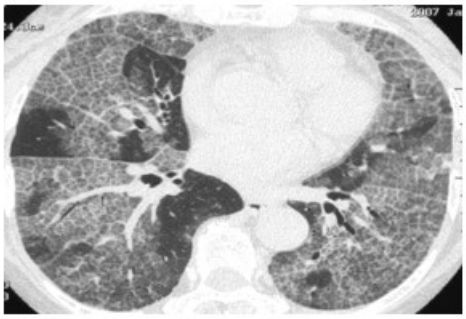
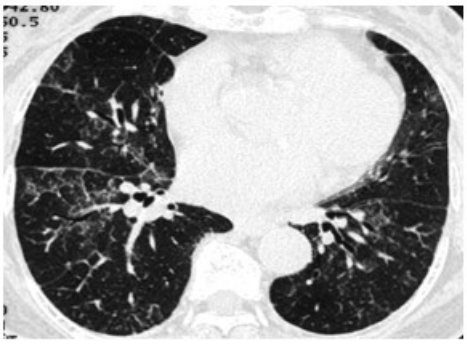
INHALED GM-CSF PROMISING IN ACADEMIC STUDIES

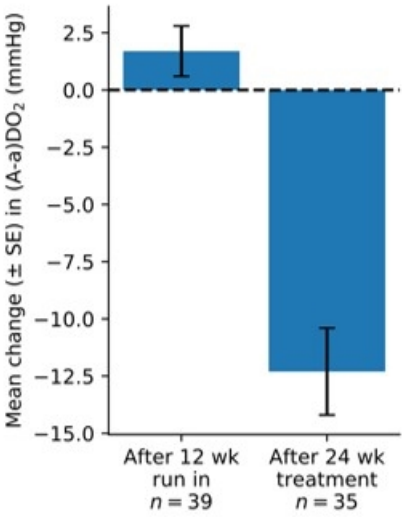
aPAP patient before inhaled GM-CSF



After 6 months of inhaled GM-CSF



Improvement in alveolar to arterial oxygen gradient ($(A\text{-}a)DO_2$)



Tazawa et al. *AJRCCM*. 181:1345; 2010.

- Published experience from treatment of more than 80 aPAP patients suggests potential for profound impact on oxygenation and clinical symptoms

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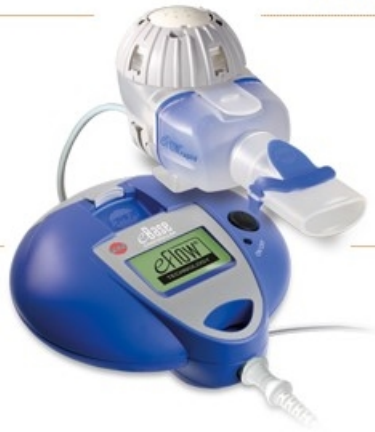
MOLGRADEX: FIRST INHALED GM-CSF

Inhalation solution of rhGM-CSF

Direct lung delivery to overcome functional GM-CSF deficiency



PARI eFlow® Nebulizer

Orphan status (7-10 years exclusivity)

No approved drug treatments

Considerable indication extension opportunity

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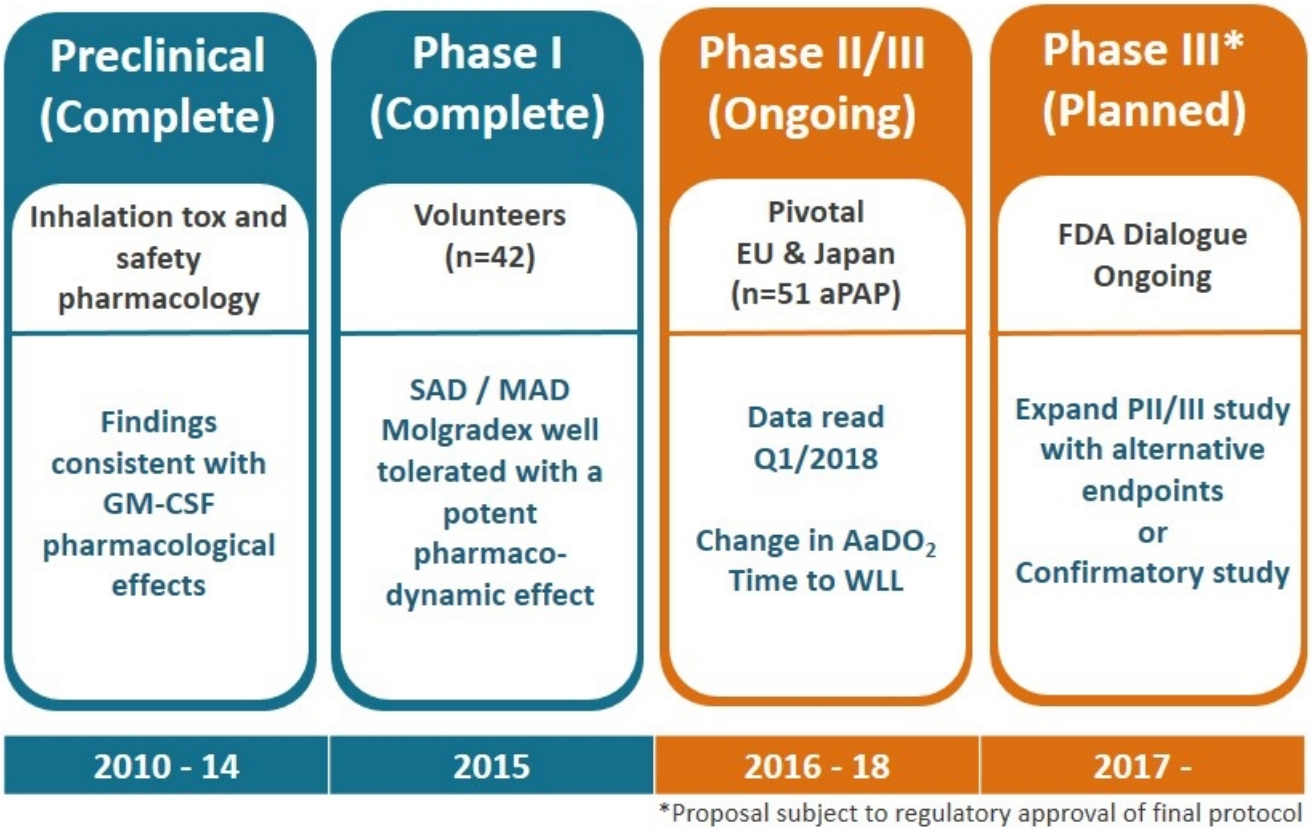
MOLGRADEX: PIVOTAL STUDY FOR EUROPE ENROLLING



*Proposal subject to regulatory approval of final protocol

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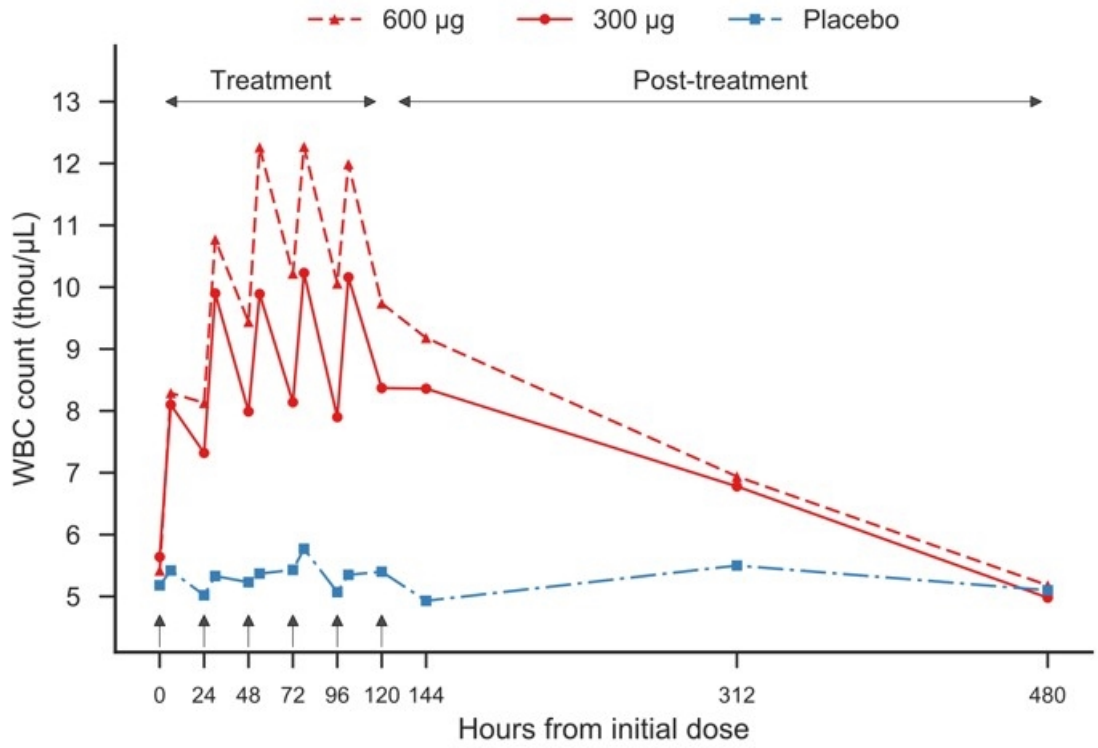
PHASE I – CONSISTENT WBC RESPONSE TO EACH DOSE



- Safety in healthy volunteers comparable to placebo
- Potent dose-dependent pharmacodynamic effect

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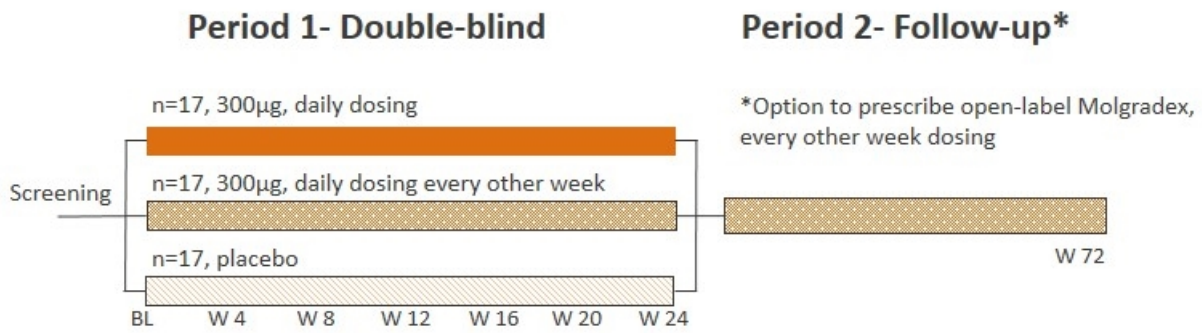
DESIGN OF ONGOING MOLGRADEX PHASE II/III STUDY



Primary Endpoint

- Change from baseline in (A-a)DO_2 following 24 weeks of treatment

Secondary Endpoints

- Requirement for/time to WLL during 24 weeks
- Vital Capacity (VC) following 24 weeks of treatment

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ANTICIPATED CORPORATE MILESTONES

SAVARA

INVESTMENT HIGHLIGHTS

Pipeline	• Multiple late-stage assets addressing orphan diseases • Previously approved active drug substances and drug delivery technologies • High local drug concentrations reducing systemic toxicity • Strong market protection
Strategy	• Pursue AeroVanc and Molgradex indication expansion • Grow pipeline of best-in-class products through strategic partnerships and acquisitions • Operate by outsourcing capital intensive operations • Commercialize through own salesforce in US

SAVARA

MANAGEMENT & ADVISORS

Executive Team

Rob Neville, CEO
Serial entrepreneur / Evity exit $100M / Series A lead investor

Dr. Taneli Jouhikainen, COO
Serial drug developer / 10+ license deals / public company and IPO experience / 20 yrs. in pharma mgmt.

David Lowrance, CPA
15 years biotech / pharma, public company and IPO experience

Dr. Cecilia Ganslandt, Medical
Serial drug developer / 20 yrs. in pharma mgmt.

Dr. John Lord, Pharm Dev
Ex-Nektar / Exubera program mgr. / 20 yrs. in pharm dev

Mette Vinge, Regulatory
Ex-Pfizer & Takeda / 14 yrs. in regulatory

Dr. Inge Tarnow, Non-clinical
Ex- Actelion / 12 yrs. in Academia / Professor in Veterinary Science

Clinical Advisors

Dr. Elliott Dasenbrook
Dr. Bruce Trapnell
Dr. Patrick Flume
Dr. Francesco Bonella
Dr. Michael Konstan
Dr. Cliff Morgan
Dr. Felix Ratjen
Dr. Yoshikazu Inoue

Board of Directors

Nevan Elam
CEO Antriabio, Former head of Nektar Inhalation

Rick Hawkins
CEO Lumos, Founder and former CEO Pharmaco

Joe McCracken
Former global head of BD Roche

Yuri Pikover
37 Technology Ventures

Rob Neville
Two Mast Directors (upon closing)

SAVARA


THANK YOU!
SAVARA

Exhibit 99.2

MAST THERAPEUTICS ANNOUNCES CLINICAL STUDY OF AIR001 FOR THE TREATMENT OF CHRONIC INFECTION IN CYSTIC FIBROSIS PATIENTS

SAN DIEGO – March 6, 2017 – Mast Therapeutics, Inc. (NYSE MKT: MSTX) today reported that its wholly-owned subsidiary, Aires Pharmaceuticals, Inc., has entered into an agreement with the University of Pittsburgh related to a Phase 1/2 open-label safety and proof of concept clinical trial of the Company's lead product candidate, AIR001, for the treatment of *Pseudomonas aeruginosa (P. aeruginosa*) infection in cystic fibrosis (CF) patients. The study is being conducted by the University of Pittsburgh and the University of Pittsburgh Medical Center. Mast's subsidiary will provide study drug and nebulizers for the study, but no direct financial support.

"We are excited that CF experts at University of Pittsburgh wish to study the therapeutic potential of AIR001 in this patient population," stated Brian M. Culley, Chief Executive Officer of Mast Therapeutics, Inc. "We believe this initiative opens an entirely new area of potential clinical and commercial opportunity for AIR001 and enjoys synergy with the pipeline of our anticipated reverse merger partner, Savara Inc."

"AIR001 may represent a new therapeutic approach for the treatment of chronic infection in CF patients because it has demonstrated broad *in vitro* antimicrobial activity against *P. aeruginosa* and other airway pathogens," stated Edwin L. Parsley, D.O., Chief Medical Officer of Mast Therapeutics, Inc. "The antimicrobial activity of nitrite increases under anaerobic and acidotic conditions such as those found in the CF airways, and in non-clinical studies, AIR001 has been shown to prevent *P. aeruginosa* biotic biofilm growth on the surface of primary CF airway cells," continued Dr. Parsley.

The objective of the open-label Phase 1/2 study is to determine the safety of AIR001, a sterile, proprietary sodium nitrite solution for intermittent inhalation, administered in a dose escalation manner to adults with CF and *P. aeruginosa* airway infection. The study also aims to explore the effects of AIR001 on measures of lung function, exhaled airway nitric oxide, and bacterial density. Under the agreement with the University of Pittsburgh, the Company has rights to use the de-identified data and study results from the study for potential regulatory submissions.

About Cystic Fibrosis
Cystic fibrosis (CF) is a genetic disorder that results in persistent lung infections and permanent and progressive respiratory disability. CF affects mostly the lungs, but also the pancreas, liver, kidneys, and intestines. In the lungs of CF patients, mucus plugs the airways and allows the development of bacterial biofilms, resulting in chronic infection. Such infection leads to bronchiectasis, or damaged airways, obstructive lung disease, and ultimately death from chronic respiratory failure. CF is a rare, or orphan, disease, affecting approximately 30,000 people in the United States according to the Cystic Fibrosis Foundation Patient Registry.

About AIR001
AIR001 is a sodium nitrite solution for intermittent inhalation via nebulization. Nitrite is a direct vasodilator and can be recycled *in vivo* to form nitric oxide (NO) independent of the classical NO synthase (NOS) pathway. Nitrite mediated NO formation has several beneficial effects, including dilation of blood vessels and reduction of inflammation and undesirable cell growth and has demonstrated encouraging results in Phase 2 clinical trials conducted to date in patients with heart failure with preserved ejection fraction (HFpEF).

In cystic fibrosis (CF), chronic airway infection results in cycles of airway inflammation and bronchiectasis that ultimately lead to early death from respiratory failure. *Pseudomonas aeruginosa (P. aeruginosa*) is the most common infectious pathogen in CF, and once chronic airway infection is established, *P. aeruginosa* becomes difficult to eradicate because of resistance mechanisms including bacterial growth in biofilms. The high metabolic activity of *P. aeruginosa* and with neutrophilic interaction results in biofilm growth that is largely anaerobic and which confers resistance to many antibiotics. Bacteria growing in biotic biofilms can be greater than 100-fold more resistant to antibiotics. In work by Zemke et. al., nitrite prevented 99% of biofilm growth. Notably, nitrite resulted in inhibition of *P. aeruginosa* growth on primary CF airway cells at concentrations achievable clinically with AIR001. The inhibitory effect of nitrite on bacterial oxygen consumption and biofilm growth did not require nitric oxide (NO) as an intermediate, as chemically scavenging NO did not block growth inhibition. These data suggest an NO-radical independent nitrosative or oxidative inhibition

of respiration as the mechanism of action of nitrite on biotic biofilms. Thus AIR001 may provide a novel therapy for chronic *P. aeruginosa* infection in conditions such as CF and non-CF bronchiectasis.

About Mast Therapeutics
Mast Therapeutics, Inc. is a publicly traded biopharmaceutical company headquartered in San Diego, California. The Company's lead product candidate, AIR001, is a sodium nitrite solution for intermittent inhalation via nebulization in Phase 2 clinical development for the treatment of heart failure with preserved ejection fraction (HFpEF). More information can be found on the Company's web site at www.masttherapeutics.com. Mast Therapeutics™ and the corporate logo are trademarks of Mast Therapeutics, Inc.

The Company has entered into a definitive merger agreement with Austin, Texas-based Savara Inc. Under the terms of the agreement, upon the closing of the merger, the operations of the Company and Savara would be combined and the stockholders of Savara would be the majority owners of the combined company. The combined company would focus on the development and commercialization of novel therapies for the treatment of serious or life-threatening rare respiratory diseases. Subject to approval of the Company's and Savara's stockholders and the satisfaction or waiver of other conditions, the merger is expected to close in Q2 2017.

Safe Harbor Statements

Additional Information about the Proposed Merger and Where to Find It
In connection with the proposed merger with Savara, the Company has filed relevant materials with the Securities and Exchange Commission, or the SEC, including a registration statement on Form S-4 that contains a prospectus, proxy statement and information statement. Investors and security holders of the Company are urged to read these materials when the registration statement becomes effective because they contain important information about the Company, Savara and the proposed merger. The proxy statement/prospectus/information statement and other relevant materials, and any other documents filed by the Company with the SEC, may be obtained free of charge at the SEC web site at www.sec.gov. In addition, investors and security holders may obtain free copies of the documents filed with the SEC by the Company by directing a written request to: Mast Therapeutics, Inc. 3611 Valley Centre Drive, Suite 500, San Diego, California 92130, Attn: Investor Relations. Investors and security holders are urged to read the proxy statement/prospectus/information statement and the other relevant materials when they become available before making any voting or investment decision with respect to the proposed merger.

This communication shall not constitute an offer to sell or the solicitation of an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities in connection with the proposed merger shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

Participants in the Solicitation
The Company and its directors and executive officers and Savara and its directors and executive officers may be deemed to be participants in the solicitation of proxies from the stockholders of the Company and Savara in connection with the proposed transaction. Information regarding the special interests of these directors and executive officers in the proposed merger are included in the proxy statement/prospectus/information statement referred to above. These documents are available free of charge at the SEC web site (www.sec.gov) and from Investor Relations at the Company at the address described above.

Forward Looking Statements
The Company cautions you that statements in this press release that are not a description of historical fact are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words referencing future events or circumstances such as "expect," "intend," "plan," "anticipate," "believe," and "will," among others. Such statements include, but are not limited to, statements regarding the structure, timing and completion of the Company's proposed merger with Savara; the Company's expectations regarding the capitalization, resources and ownership structure of the combined organization; the nature, strategy and focus of the combined organization; the safety, efficacy and projected development timeline and commercial potential of any product candidates; and the expectations regarding voting by the Company's and Savara's stockholders. The Company may not actually achieve the proposed merger with Savara, or any plans or product development goals in a timely manner, if at all, or otherwise carry out the intentions or meet the expectations or projections disclosed in the Company's forward-looking statements, and you should not place undue reliance on these forward-looking statements. Because such statements are subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. These forward-looking statements are based upon the Company's current expectations and involve assumptions that may never materialize or may prove to be incorrect. Actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of various risks and uncertainties, which

include, without limitation, risks and uncertainties associated with stockholder approval of and the ability to consummate the proposed merger through the process being conducted by the Company and Savara, the ability to project future cash utilization and reserves needed for contingent future liabilities and business operations, the availability of sufficient resources for combined company operations and to conduct or continue planned clinical development programs, the timing and ability of the Company or Savara to raise additional equity capital to fund continued operations; the ability to successfully develop any of the Company's or Savara's product candidates, and the risks associated with the process of developing, obtaining regulatory approval for and commercializing drug candidates that are safe and effective for use as human therapeutics. Risks and uncertainties facing the Company are described more fully in the Company's periodic reports filed with the SEC available at www.sec.gov. You are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date on which they were made. The Company undertakes no obligation to update such statements to reflect events that occur or circumstances that exist after the date on which they were made, except as may be required by law.

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