Sitavig® Licensing Strategy

Execution of licensing agreement with Innocutis for North America

Positive opinion from French and German Health Authorities for Marketing Authorization

Paris, March 19, 2014 – BioAlliance Pharma SA (Euronext Paris - BIO), an innovative Company dedicated to the development of orphan oncology products, announced major advancements in the licensing strategy of Sitavig® (acyclovir Lauriad®) for the treatment of recurrent labial herpes, with the execution of a licensing agreement with Innocutis Holding LLC to commercialize Sitavig® in North America. In Europe, the Company received a positive opinion from the Health Authorities in France and Germany for the Market Authorization of the drug.

Innocutis, based in Charleston (South Carolina), is a pharmaceutical company dedicated to Dermatology, with "best-in-class" branded prescription products in skin related therapies. Innocutis deploys a direct sales force to promote its products to the fastest-adopting, highest-prescribing dermatologists in the United States, providing clinicians with improved solutions for managing the challenges presented in their daily practice.

Innocutis will promote Sitavig® to dermatologists and top tier general practitioners alone, or with a sublicensee, allowing coverage of the largest panel of patients in the U.S. Product launch in the U.S. is expected as early as early third quarter 2014.

Under this agreement, BioAlliance Pharma is eligible to receive a total of $5 million in upfront and milestones payments. The agreement also includes double-digit royalties which should represent significant downstream revenues. In addition, Innocutis shall fund a major portion of the pediatric clinical study required by the FDA, as well as U.S. regulatory taxes. Locust Walk Partners, LLC served as transaction advisor to BioAlliance Pharma.

"Sitavig® represents a unique opportunity for Innocutis corporately and will change the way clinicians will treat herpes labialis. In order maximize Sitavig® opportunity, Innocutis will pursue sublicensing opportunities in multiple specialty fields while the Innocutis sales force focuses on dermatology. As an organization, Innocutis couldn't be more pleased with the partnership that has been develop with BioAlliance Pharma and we look forward to a successful launch of Sitavig® in North America", commented Joe Pecora, CEO of Innocutis Holdings LLC.

Regarding Europe, Sitavig® had already been registered in 8 countries through a decentralized procedure successfully achieved in December 2012. As its registration strategy, the Company had filed in these countries first to ensure optimized registration timelines, and then filed a mutual recognition procedure in France and Germany, which are two major European countries with the greatest commercial potential in the European herpes labialis market.

This second procedure is now finalized and both Health Authorities have issued a positive opinion for the registration of Sitavig®.

"Obtaining the opinion from these two countries was key, as they together represent more than 60% of the total European market, estimated to €90 million. Indeed, these will significantly accelerate the discussions with potential European partners, which are our priority now that Sitavig® is licensed in the U.S.", declared Aude Michel, Head of Corporate Development of BioAlliance Pharma.

"These 2 steps are key advancements in our licensing strategy for Sitavig.

We are delighted with this agreement with Innocutis, a strategic U.S. partner with a highly skilled management team and a dedicated sales force, and we trust this collaboration will ensure the rapid and successful commercialization of Sitavig® in the U.S., the largest sales potential market, estimated up to $500M", commented Judith Greciet, CEO of BioAlliance Pharma*.*

In Europe, regulatory procedure has been finalized with success and Sitavig® is now approved in all key countries. Indeed, we are confident that it will significantly help licensing discussions with potential European partners, already fairly well advanced".

About Sitavig®

Based on proprietary Lauriad® technology, Sitavig®, patented until 2029 in the major territories and 2031 in the U.S., comes in the form of a mucoadhesive tablet which the patient places on the gum and which delivers a high concentration of acyclovir directly to the lip, the site of the cold sore infection. In addition to its efficacy, Sitavig® offers the major advantage of a particularly unobtrusive and simple formulation with a single application for the episode's entire duration, representing major advantages for patients suffering from recurrent herpes sores.

Herpes labialis is an extremely widespread condition. Between 20% and 40% of Americans suffer from recurrent cold sores (1), namely between 60 and 120 million people in the U.S., representing a significant market potential of hundreds of million dollars.

(1). Young TB, Rimm EB, D'Alessio DJ. Cross-sectional study of recurrent herpes labialis: prevalence and risk factors. Am J Epidemiol. 1988;127:612-625.

About Innocutis

Innocutis is a pharmaceutical company specializing in the development and commercialization of therapies focused on medical treatment of dermatological conditions. Innocutis' current portfolio of products consists of established branded prescriptions. At Innocutis we believe our focus on medical dermatology sets us apart as a company that understands the growing needs of the dermatology specialty. Our commitment is to be "best-in-class" in skin-related therapies, providing clinicians with improved solutions for the management of daily challenges experienced in their practice. Our "search and development" efforts are designed to identify and acquire late-stage and/or marketed proprietary pharmaceutical products for the treatment of dermatological diseases that have an existing base of safety and efficacy data.

About BioAlliance Pharma

Dedicated to cancer treatments with a focus on resistance targeting and orphan products, BioAlliance Pharma conceives and develops innovative products for orphan or rare diseases. The Company has also successfully developed products based on its innovative muco-adhesive Lauriad® technology both registered in Europe and in the United States

Created in 1997 and introduced to the Euronext Paris market in 2005, BioAlliance Pharma's ambition is to become a leading player in these fields by coupling innovation to patient needs. The company's teams have the key competencies required to identify, develop and register drugs in Europe and the U.S.

BioAlliance Pharma has developed an advanced product portfolio:

Orphan Oncology products
Livatag® (Doxorubicin Transdrug™) (primary liver cancer): Phase III on going
Validive® (Clonidine Lauriad®) (mucositis): Phase II on going
AMEP® (invasive melanoma): Phase I on going

Products from the Lauriad® platform
Loramyc®/Oravig® (oropharyngeal candidiasis in immunocompromised patients): Registered in 21 countries (EU, U.S., Korea), commercialized in Europe and in the U.S.
Sitavig® (Acyclovir Lauriad®) (labialis herpes): Registered in the U.S. and in 10 European countries

For more information, visit the BioAlliance Pharma web site at www.bioalliancepharma.com

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For a discussion of risks and uncertainties which could cause actual results, financial condition, performance or achievements of BioAlliance Pharma SA to differ from those contained in the forward-looking statements, please refer to the Risk Factors ("Facteurs de Risque") section of the 2012 Reference Document filed with the AMF on April 18, 2013, which is available on the AMF website (http://www.amf-france.org) or on BioAlliance Pharma SA's website (www.bioalliancepharma.com).

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