Exalenz Biosciences Announces Collaboration with Galectin Therapeutics to use BreathID® to Monitor Patients with Cirrhosis Associated with NASH

Non-invasive BreathID test to be used to follow treatment effect of GR-MD-02 in Phase II Clinical Study

NASH represents a growing unmet medical need affecting up to 10 percent of the population

Modi'in, Israel – August 3, 2015 – Exalenz Bioscience (TASE: EXEN), a leader in developing and marketing non-invasive medical devices for diagnosing and monitoring a range of gastrointestinal and liver diseases, today announced a collaboration with Galectin Therapeutics (Nasdaq: GALT) to use the BreathID® test to monitor patients in a Phase II study evaluating GR-MD-02. GR-MD-02 is an investigational treatment for patients with cirrhosis associated with nonalcoholic steatohepatitis (NASH Cirrhosis).

The 156 patient, multicenter, randomized, placebo-controlled, double-blind clinical trial will evaluate the safety and efficacy of GR-MD-O2 for the treatment of liver fibrosis and portal hypertension in patients with NASH Cirrhosis. As part of the study, Exalenz will investigate the clinical utility of BreathID® to follow up the effect of treatment on patients with NASH Cirrhosis, compared to standard medical tests including hepatic venous pressure gradient (HVPG), liver biopsy results, and liver stiffness testing. Exalenz recently received approval from the U.S. Food and Drug Administration (FDA) of an investigational device exemption (IDE) for the trial.

"It has been reported that NASH affects up to 10 percent of the U.S. population and represents a significant unmet medical need with no currently approved pharmacological treatment. Currently the only valid measures for diagnosis and follow up are invasive liver biopsy and HVPG," said Raffi Werner, chief executive officer of Exalenz Bioscience. "We are excited to collaborate with Galectin Therapeutics in this clinical study and believe that our non-invasive, operator-independent, breath-based test has the potential to assist clinicians in determining patient suitability for treatment and to conveniently and cost-effectively monitor the effect of therapy at the point of care."

During the study, enrolled participants will receive three breath-based tests: the first will be given during the screening stage, the second will be given at week 25 of treatment and the third will be given after the final dose of GR-MD-02. The results of this study will be used to further evaluate the efficacy of BreathID® and to optimize the company's proprietary algorithm for monitoring the progression of NASH Cirrhosis to determine the clinical effectiveness of Galectin Therapeutics' GR-MD-02 treatment among enrolled patients. Exalenz Bioscience expects that the optimized algorithm will continue to be applied to data collected in its other ongoing studies.

"Early clinical data evaluating GR-MD-02 have been encouraging, demonstrating that our potential treatment for NASH Cirrhosis is safe, well-tolerated and achieved the targeted therapeutic dose," said Peter G. Traber,

M.D., Galectin's chief executive officer, president and chief medical officer. "We are excited to be initiating a larger study in a broader patient population, and proud to be partnering with Exalenz Bioscience to further validate how their novel, non-invasive, breath-based technology can be used to select patients with NASH Cirrhosis who are candidates for therapy and to follow up the effect of our drug. The data from the BreathID® will provide valuable information for clinical stage pharmaceutical companies actively working on bringing new therapeutic options to patients."

This study is part of Exalenz's growing clinical pipeline of investigational diagnostic applications utilizing BreathID® to diagnose for serious liver diseases. In addition to two trials related to NASH, the company has ongoing clinical trials for detection of primary liver cancer (Hepatocellular Carcinoma - HCC) and diagnosis of Clinically Significant Portal Hypertension (CSPH).

About Exalenz Bioscience:

Exalenz Bioscience develops and markets diagnostic and monitoring systems that use the breath to diagnose and help manage GI and liver conditions. The company's flagship BreathID® Hp test detects the presence of the H. pylori bacteria, associated with various illnesses including gastric cancer. Exalenz holds regulatory approvals in Europe the US and Israel for H. pylori detection and is currently in the process of obtaining approvals for additional applications.

About Galectin Therapeutics

Galectin Therapeutics is developing promising carbohydrate-based therapies for the treatment of fibrotic liver disease and cancer based on the Company's unique understanding of galectin proteins, which are key mediators of biologic function. Galectin seeks to leverage extensive scientific and development expertise as well as established relationships with external sources to achieve cost-effective and efficient development. The Company is pursuing a development pathway to clinical enhancement and commercialization for its lead compounds in liver fibrosis and cancer. Additional information is available at www.galectintherapeutics.com**.**

About Non-Alcoholic Steatohepatitis (NASH)

NASH is the most serious form of non-alcoholic fatty liver disease (NAFLD), characterized by the buildup of extra fat in liver cells that is not related to alcohol consumption[i]. NASH dramatically increases the risks of cirrhosis, liver failure, and hepatocellular carcinoma (HCC), and is an increasingly frequent reason for liver transplantation[ii]. Currently, a liver biopsy is the only way to definitively diagnose the condition.

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[i] http://www.liverfoundation.org/abouttheliver/info/nafld/
[ii] http://www.worldgastroenterology.org/assets/export/userfiles/2012_NASH%20and%20NAFLD_Final_long.pdf