AVEO Oncology Announces Commitment for an Incremental $10 Million Loan in Addition to Current Tranched, $35 Million Debt Facility with Hercules Capital

January 20, 2021

– $20M Tranche Available on Approval of Tivozanib –

BOSTON--(BUSINESS WIRE)--Jan. 20, 2021-- AVEO Oncology (Nasdaq: AVEO) today announced that it has received a commitment letter for an incremental $10 million loan from Hercules Capital, Inc. (NYSE: HTGC, "Hercules") and its affiliates, to be added to the current tranched, $35 million debt facility secured with Hercules in August 2020 through an amendment to the amended and restated loan and security agreement (the "Loan Agreement"). Terms of the facility would remain otherwise unchanged from the Loan Agreement, with the loan bearing a maturity of 36 months, extendable up to 48 months, and an interest-only period of 12 months, extendable up to 30 months upon the achievement of performance milestones related to the approval and commercialization of tivozanib.

Under the terms of the Loan Agreement, an initial tranche of $15 million was drawn down at signing. Under the terms of the commitment letter, a second tranche of $20 million would be available contingent upon the approval of the tivozanib New Drug Application ("NDA") by the U.S. Food and Drug Administration ("FDA") as a treatment for relapsed or refractory renal cell carcinoma ("RCC"). An additional $10 million will become available if certain sales criteria are met. As previously announced, the FDA has assigned AVEO's NDA a Prescription Drug User Fee Act target action date of March 31, 2021. The nonbinding commitment letter is subject to AVEO and Hercules entering into a definitive amendment of the Loan Agreement setting forth the terms of the additional borrowing.

"The additional $10 million that would be made available from Hercules Capital with execution of a definitive amendment and the potential approval of tivozanib further supports what we believe will be a robust launch of tivozanib in the U.S.," said Michael Bailey, president and chief executive officer of AVEO. "As we work on expanding our commercial organization in preparation for this potential launch, we also continue to progress our pipeline of clinical programs, including our immunotherapy combination programs for tivozanib, our Phase 2 study of ficlatuzumab and our recently initiated Phase 1 study of AV-380. Throughout 2021, we look forward to a number of milestones designed to enhance our long-term value."

"We are pleased to be expanding our financing partnership with AVEO as they prepare for the potential approval and launch of tivozanib. This amendment and the potential further additional capital from Hercules represents another example of our unique ability to support innovative life sciences companies at all stages of development and through multiple value inflection points," said Bryan Jadot, Senior Managing Director and Life Sciences Group Head for Hercules.

About AVEO Pharmaceuticals, Inc.

AVEO is an oncology-focused biopharmaceutical company committed to delivering medicines that provide a better life for cancer patients. AVEO's strategy is to focus its resources toward development and commercialization of its product candidates in North America, while leveraging partnerships to support development and commercialization in other geographies. AVEO's lead candidate, tivozanib, is approved as FOTIVDA ® in the European Union and other countries in the territory of the AVEO's partner, EUSA Pharma (UK) Limited for the treatment of adult patients with advanced RCC. Tivozanib is being studied in the TIVO-3 trial, which is supporting a regulatory submission of tivozanib in the U.S. seeking marketing approval as a treatment for relapsed or refractory RCC. AVEO has previously reported promising early clinical data on ficlatuzumab (anti-HGF mAb) in head and neck cancer, acute myeloid leukemia and pancreatic cancer and is conducting a randomized Phase 2 confirmatory clinical trial of ficlatuzumab in head and neck cancer. AVEO's earlier-stage pipeline includes several monoclonal antibodies in oncology development, including AV-203 (anti-ErbB3 mAb), AV-380 (anti-GDF15 mAb) and AV-353 (anti-Notch 3 mAb). AVEO is committed to creating an environment of diversity and inclusion as a foundation for innovation.

Cautionary Note Regarding Forward Looking Statements

This press release contains forward-looking statements of AVEO within the meaning of the Private Securities Litigation Reform Act of 1995 that involve substantial risks and uncertainties. All statements, other than statements of historical fact, contained in this press release are forward-looking statements. The words "anticipate," "believe," "design," "expect," "hope," "intend," "may," "plan," "potential," "could," "should," "would," "seek," "look forward," "advance," "goal," "strategy," or the negative of these terms or other similar expressions, are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. These forward-looking statements include, among others, statements about: AVEO's plan to amend the Loan Agreement; the planned terms of the amendment to the Loan Agreement; future borrowings available to AVEO pursuant to the Loan Agreement, as amended by the 2021 Amendment; AVEO's planned timing for making tivozanib available to patients in the U.S.; the potential for tivozanib as a treatment option for patients with advanced HCC or relapsed/refractory or advanced RCC; the potential efficacy, safety, and tolerability of tivozanib, both as a stand-alone drug candidate and in combination with other therapies in several indications; AVEO's execution of its clinical and regulatory strategy for tivozanib; AVEO's plans and strategies for current and future clinical trials of tivozanib, ficlatuzumab and AV-380 and for commercialization of tivozanib in the United States; the advancement of AVEO's pipeline, including the advancement of ficlatuzumab in multiple clinical studies; the potential efficacy, safety and tolerability of ficlatuzumab, both as a stand-alone drug candidate and in combination with other therapies; the potential outcomes from studies of ficlatuzumab to provide AVEO with opportunities to pursue regulatory strategies; the potential clinical utility of ficlatuzumab in areas of unmet need; and AVEO's strategy, prospects, plans and objectives for its product candidates and for the

Company generally. AVEO has based its expectations and estimates on assumptions that may prove to be incorrect. As a result, readers are cautioned not to place undue reliance on these expectations and estimates. Actual results or events could differ materially from the plans, intentions and expectations disclosed in the forward-looking statements that AVEO makes due to a number of important factors, including risks relating to: uncertainties related to AVEO's ability to access future borrowings under the Hercules loan facility, which turns on the achievement of milestones related to the approval and commercialization of tivozanib in the U.S., which milestones may not be achieved; whether the results of TIVO-3 are sufficient to obtain marketing approval for tivozanib in the U.S., which turns on the ability of AVEO to demonstrate to the satisfaction of the FDA the safety and efficacy of tivozanib based upon the findings of TIVO-3, including its data with respect to PFS, the rate of adverse events, OS and other information that the FDA may consider to be relevant to an approval determination; AVEO's ability to successfully implement its strategic plans, including its ability to successfully launch and commercialize tivozanib if it may be approved for commercialization by the FDA and to obtain and maintain market and third party payor acceptance of tivozanib if it may be approved for commercialization by the FDA; AVEO's ability to raise the substantial additional funds required to achieve its goals, including those goals pertaining to the launch and commercialization of tivozanib; AVEO's ability, and the ability of its licensees, to demonstrate to the satisfaction of applicable regulatory agencies such as the FDA the safety, efficacy and clinically meaningful benefit of AVEO's product candidates, and risks relating to the timing and costs of seeking and obtaining regulatory approvals; and AVEO's ability to enter into and maintain its third party collaboration and license agreements, and its ability, and the ability of its strategic partners, to achieve development and commercialization objectives under these arrangements; AVEO's and its collaborators' ability to successfully enroll and complete clinical trials; AVEO's ability to maintain compliance with regulatory requirements applicable to its product candidates; AVEO's ability to obtain and maintain adequate protection for intellectual property rights relating to its product candidates; unplanned capital requirements; adverse general economic and industry conditions; the potential adverse effects of the COVID-19 pandemic on AVEO's business continuity, financial condition, results of operations, liquidity and ability to successfully and timely enroll, complete and read-out data from its clinical trials; competitive factors; and those risks discussed in "Cautionary Note Regarding Forward-Looking Statements" in AVEO's September 2020 press release regarding ficlatuzumab, and in the sections titled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources" included in AVEO's quarterly and annual reports on file with the Securities and Exchange Commission (the "SEC") and in other filings that AVEO makes with the SEC. The forward-looking statements in this press release represent AVEO's views as of the date of this press release, and subsequent events and developments may cause its views to change. While AVEO may elect to update these forward-looking statements at some point in the future, it specifically disclaims any obligation to do so. You should, therefore, not rely on these forward-looking statements as representing AVEO's views as of any date other than the date of this press release.

Any reference to AVEO's website address in this press release is intended to be an inactive textual reference only and not an active hyperlink.

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