PRESS RELEASE

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ERYTECH LAUNCHES CAPITAL INCREASE BY MEANS OF A PRIVATE PLACEMENT

Lyon (France), April 12, 2017 – ERYTECH Pharma (Euronext Paris - ERYP), the French clinical-stage biopharmaceutical company developing innovative therapies by encapsulating drug substances inside red blood cells (the "Company"), intends to issue new shares, nominal value €0.10 per share (the "New Shares") for a total capital increase of approximately 50 million euros, by means of a private placement reserved for a specified category of investors described below (the "Reserved Offering").

The New Shares would be issued through a capital increase without shareholders' pre-emptive rights under the provisions of Article L. 225-138 of the French Commercial Code and pursuant to the 23rd resolution of the general meeting of the shareholders of the Company held on June 24, 2016. The Reserved Offering will be open only to investors who meet the category defined in the above-mentioned resolution, i.e. natural or legal persons, including commercial or industrial companies, or investment funds governed by French or foreign law and regularly investing in pharmaceutical and/or biotechnological, or technological sector or to French or foreign investment service providers or any foreign establishment with an equivalent status, likely to guarantee the completion of such an operation and, in this context, likely to subscribe to the securities issued.

The Reserved Offering will commence immediately and is expected to be finalized before market open on Euronext Paris tomorrow, subject to acceleration or extension at any time. The Company will announce the results of the Reserved Offering as soon as practicable thereafter in a subsequent press release.

The Company expects to use the net proceeds from this capital increase to provide the Company with additional resources in order to fund the continued clinical development of its product candidates, and notably, by order of priority:

- mainly, to finance preparatory steps for the launch of a potential Phase 3 for the pancreatic cancer indication and notably (i) the recruitment of team in charge of the preparation of future clinical developments, and (ii) the increase of its production unit in Europe and in the United States and to streamline its manufacturing processes ; and
- to assess the clinical development opportunities of eryaspase (GRASPA) for the treatment of other solid tumor indications; and
- to use the remainder for general corporate purposes and working capital to strengthen the Company's financial position.

The Company intends to use around half of the net proceeds from the proposed Reserved Offering to carry out the preparatory steps for the launch of the potential Phase 3 for the pancreatic cancer indication as mentioned above, based on its current assessment of the associated cost of preparatory steps and based on a proposed capital increase of approximately 50 million euros.

Erytech has active development programs evaluating GRASPA in acute lymphoblastic leukemia (ALL), acute myeloid leukemia (AML) and pancreatic cancer, as well as other development initiatives for additional indications and product candidates.

The Company's main objectives for 2017 are, based on the available cash position on 31 December 2016, (a) to prepare the launch of a pivotal Phase 2/3 study in the U.S. in newly diagnosed adult ALL patients, (b) to resubmit its European Marketing Authorization Application for patients with relapsed or refractory ALL,

(c) to advance its preclinical development programs, and (d) to launch a Phase 1 study with its erymethionase product candidate. In addition, the contemplated Reserved Offering will allow the Company to finance preparatory steps for the potential Phase 3 in the pancreatic cancer indication.

The Reserved Offering will be made, within the category of investors defined above, to (i) institutional investors in France and elsewhere outside the United States in reliance on Regulation S under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") via an accelerated bookbuilding process and (ii) qualified institutional buyers in the United States as defined in Rule 144A under the Securities Act, pursuant to the exemption from registration provided by Section 4(a)(2) of the Securities Act.

In connection with the Reserved Offering, the Company will enter into a lock-up agreement, which contemplates a 90-day standstill period on future share issuances, and the Company's board members and key executive officers who own shares of the Company have also entered into lock-up agreements restricting disposals of the shares they currently own for the same period, in each case, subject to certain customary exceptions and waiver by the joint bookrunners and ending 90 days after settlement and delivery of the New Shares in the Reserved Offering.

Jefferies International Limited is acting as Sole Global Coordinator for the Reserved Offering and is acting as Joint Bookrunner, together with Cowen and Company, LLC and Oddo & Cie, in the Reserved Offering.

Information available to the public

Application will be made to list the New Shares to be issued pursuant to the Reserved Offering on the regulated market of Euronext Paris pursuant to a listing prospectus comprising the 2016 Reference Document (*Document de Référence*) of the Company registered with the French Autorité *des Marchés Financiers* (the "**AMF**") on March 31, 2017 under number D. 17-0283 and a Securities Note (*Note d'opération*), including a summary of the prospectus will be subject to a visa application with the AMF. The attention of the public is drawn to the risk factors section that will be presented at section 2 of the Securities Note. Detailed information regarding the Company, including its business, results of operations and related risk factors are contained in the 2016 Reference Document and can be accessed, together with other regulated information and all of the Company's press releases, on the Company's website.

About ERYTECH and eryaspase (GRASPA®): www.erytech.com

Founded in Lyon, France in 2004, ERYTECH is a clinical-stage biopharmaceutical company developing innovative therapies for rare forms of cancer and orphan diseases. Leveraging its proprietary ERYCAPS platform, which uses a novel technology to encapsulate therapeutic drug substances inside red blood cells, ERYTECH has developed a pipeline of product candidates targeting markets with high unmet medical needs. ERYTECH's initial focus is on the treatment of blood cancers, including acute lymphoblastic leukemia (ALL) and acute myeloid leukemia (AML), by depriving tumors of nutrients necessary for their survival. ERYTECH plans to pursue regulatory approvals for its lead product candidate, eryaspase, also known as ERY-ASP or under the trade name GRASPA®, having achieved positive efficacy and safety results from its completed Phase 2/3 pivotal clinical trial in Europe in children and adults with relapsed or refractory ALL. ERYTECH also has an ongoing Phase 1 clinical trial of eryaspase in the United States in adults with newly diagnosed ALL, and a Phase 2b clinical trial in Europe in elderly patients with newly diagnosed AML, each in combination with chemotherapy. ERYTECH believes that eryaspase also has potential as a treatment approach in solid tumors. The Company has successfully completed a Phase 2 clinical study evaluating eryaspase in patients with second line metastatic pancreatic cancer.

Eryaspase consists of an enzyme, L-asparaginase, encapsulated inside donor-derived red blood cells. L-asparaginase depletes asparagine, a naturally occurring amino acid essential for the survival and proliferation of cancer cells, from circulating blood plasma. ERYTECH produces eryaspase at its own GMP-approved and operational manufacturing site in Lyon (France), and at a site for clinical production in Philadelphia (USA). ERYTECH has entered into licensing and distribution partnership agreements for eryaspase for ALL and AML in Europe with Orphan Europe (Recordati Group), and for ALL in Israel with TEVA, which will market the product under the GRASPA® brand name. The European Medicines Agency (EMA) and the U.S. Food and Drug Administration (FDA) have granted orphan drug designations for eryaspase for the treatment of ALL, AML and pancreatic cancer.

In addition to eryaspase, ERYTECH is developing two other product candidates that focus on using encapsulated enzymes to induce tumor starvation. The company is also exploring the use of its ERYCAPS platform for developing cancer immunotherapies and enzyme replacement therapies.

ERYTECH is listed on Euronext regulated market in Paris (ISIN code: FR0011471135, ticker: ERYP) and is part of the CAC Healthcare, CAC Pharma & Bio, CAC Mid & Small, CAC All Tradable, EnterNext PEA-PME 150 and Next Biotech indexes. ERYTECH is also listed in the U.S. under an ADR level 1 program (OTC, ticker EYRYY).

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ERYP LISTED EURONEXT

OTCMarkets Ticker : EYRYY

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This press release contains certain forward-looking statements. Although the Company believes its expectations are based on reasonable assumptions, these forward-looking statements are subject to numerous risks and uncertainties, which could cause actual results to differ materially from those anticipated in such forward-looking statements. For a discussion of risks and uncertainties which could cause the Company's actual results, financial condition, performance or achievements to differ from forward-looking statements, please refer to the Risk Factors section of the Company's registration document (document de reference) filed with the AMF on March 31, 2017 under number D. 17-0283, which is available on the AMF website (www.amf-france.org) and on the Company's website (http://erytech.com).

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