



PRESS RELEASE
FOR IMMEDIATE DISTRIBUTION
February 28, 2017

**ARCH BIOPARTNERS CLOSSES NON-BROKERED PRIVATE
PLACEMENT FINANCING**

Toronto, Canada - Arch Biopartners Inc., (Arch or the Company) (TSX Venture: ARCH and OTCBB: FOIFF) a portfolio based biotechnology company, announced today it has raised \$400,000 with the closing of the non-brokered private placement the Company announced in a press release February 21, 2017 (The "Offering"). Pursuant to the Offering, Arch issued 1,000,000 common shares priced at \$0.40 per common share (the "Common Shares"). All Common Shares issued in connection with the Offering will be subject to a hold period of four months and one day from the closing date.

Arch received Conditional Acceptance from the TSX Venture Exchange for this private placement on February 24, 2017.

The Company intends to use the proceeds from the private placement for the ongoing commercial development of AB569 including the commencement of a phase I inhalation safety trial in healthy volunteers. AB569 is the Company's drug candidate for treating drug resistant bacterial infections.

The Offering is subject to certain conditions including, but not limited to, the receipt of applicable regulatory approvals, including Final Approval of the TSXV. Finder's fees were not paid in connection with the Offering. There is no material fact or material change about the Company that has not been generally disclosed.

About Arch Biopartners

Arch Biopartners Inc. is focused on the development of innovative technologies that have the potential to make a significant medical or commercial impact. Arch works closely with the scientific community, universities and research institutions to advance and build the value of select preclinical technologies, develop the most promising intellectual property, and create value for its investors.

Arch has established a diverse portfolio that includes AB569, a potential new treatment for antibiotic resistant bacterial infections; Metablok, a potential treatment for sepsis and cancer metastasis; MetaMx, which targets elusive brain tumor initiating cells; and, 'Borg' peptide coatings that increase corrosion resistance and decrease biofilm on various medical grade metals and plastics.

For more information on Arch Biopartners, other public documents Arch has filed on SEDAR and its technologies including, please visit www.archbiopartners.com

The Company now has 54,849,679 common shares outstanding.

For more information, please contact:

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Forward-Looking Statements

All statements, other than statements of historical fact, in this news release are forward looking statements that involve various risks and uncertainties, including, without limitation, statements regarding the future plans and objectives of the Company. There can be no assurance that such statements will prove to be accurate. Actual results and future events could differ materially from those anticipated in such statements. These and all subsequent written and oral forward-looking statements are based on the estimates and opinions of management on the dates they are made and are expressly qualified in their entirety by this notice. The Company assumes no obligation to update forward-looking statements should circumstances or management's estimates or opinions change.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.