AVEO Oncology Announces Extension of Debt Facility Interest Only Period

Extends Cash Runway to Fund Planned Operations into the Third Quarter of 2019

CAMBRIDGE, Mass. – December 4, 2018 – AVEO Oncology (NASDAQ: AVEO) today announced a six-month extension to the interest only period under its existing amended and restated loan and security agreement with Hercules Capital, Inc. (Hercules). The extension was granted as a result of achieving certain predefined requirements under the agreement, including successfully meeting the primary endpoint of the Company's Phase 3 TIVO-3 study of tivozanib in refractory advanced or metastatic renal cell carcinoma (RCC), by demonstrating a significant improvement in progression free survival.

The Company will begin making principal payments on the $20.0 million facility starting on August 1, 2019. AVEO believes that its available cash, cash equivalents, and marketable securities, together with the extension of the interest only period under the Hercules loan agreement, which results in deferment of principal payments, will allow it to fund planned operations into Q3 2019. This estimate assumes no receipt of additional milestones from AVEO's partners, no additional funding from new partnership agreements, no additional equity or debt financings, and no sales of equity through the exercise of outstanding warrants issued in connection with the 2016 private placement or outstanding warrants issued in connection with the settlement of the securities class action litigation.

"Extension of our cash runway takes us through several key anticipated milestones, with the presentation of our TIVO-3 data, including a planned update to the preliminary OS analysis which will contain additional patient data recovered in the ongoing OS sweep, and potential submission of a New Drug Application with the FDA for tivozanib in RCC. Both milestones are expected in the first half of 2019," said Michael Bailey, president and chief executive officer. "We also look forward to making important progress within this period on our immunotherapy combination strategy, the third pillar of our tivozanib strategy."

About AVEO

AVEO Pharmaceuticals, Inc. is a biopharmaceutical company dedicated to advancing a broad portfolio of targeted medicines for oncology and other areas of unmet medical need. The Company's strategy is to retain North American rights to its oncology portfolio while securing partners in development and commercialization outside of North America. The Company is seeking to develop and commercialize its lead candidate tivozanib in North America as a treatment for RCC. The Company has outlicensed tivozanib (FOTIVDA®) for oncological indications in Europe and other territories outside of North America. Tivozanib is approved in the European Union, as well as Norway and Iceland, for the first-line treatment of adult patients with RCC and for adult patients who are vascular endothelial growth factor receptor and mTOR pathway inhibitor-naïve following disease progression after one prior treatment with cytokine therapy for RCC. The Company has entered into partnerships for the development and commercialization of AV-203 (CAN017) and ficlatuzumab, both clinical stage assets in oncology. The Company is currently seeking a partner to develop the AV-353 platform, a preclinical asset, worldwide for the potential treatment of pulmonary arterial hypertension and oncology. In addition, a new formulation of tivozanib is being explored in ocular conditions. The Company has recently regained the rights to its AV-380 program for the potential treatment of cachexia and is considering a variety of options to advance the program's development.

For more information, please visit the Company's website at www.aveooncology.com.

Cautionary Note Regarding Forward-Looking Statements

This press release contains forward-looking statements of AVEO 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," "expect," "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 plans to present data from the TIVO-3 study in the first half of 2019, including updated overall survival data; AVEO's plans and timing estimates regarding the potential submission of a New Drug Application to the FDA for tivozanib in the first half of 2019; AVEO's plans and strategies for commercialization of tivozanib in the United States and Europe; the potential for tivozanib in RCC and other indications, such as ocular conditions, and as either a monotherapy or combination therapy; AVEO's plan to seek a partner to develop the AV-353 platform; AVEO's plans regarding AV-380; AVEO's cash runway; and AVEO's strategy, prospects, plans and objectives, including its plans to advance its portfolio of targeted medicines. 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 AVEO's ability to enter into and maintain its third party collaboration and license agreements, and its ability, and the ability of its collaborators, licensees, and other strategic partners, to achieve development and commercialization objectives under these arrangements; and 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, including tivozanib. AVEO faces other risks relating to its business as well, including risks relating to the timing and costs of any product candidate seeking and obtaining regulatory approval; AVEO's ability to file an NDA for tivozanib in the timeframe it currently estimates or at all; AVEO's and its collaborators' ability to successfully enroll and complete clinical trials; AVEO's ability to achieve and 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 and technologies; AVEO's ability to successfully implement its strategic plans; AVEO's ability to raise the substantial additional funds required to achieve its goals, including those goals pertaining to the development and commercialization of tivozanib; unplanned capital requirements; adverse general economic and industry conditions; competitive factors; and those risks discussed 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 (SEC) and in other filings that AVEO may make with the SEC in the future. 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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