



INVESTOR PRESENTATION

ED GUDAITIS

PRESIDENT & CEO

BOB MOTZ

CHIEF FINANCIAL OFFICER

MAY, 2019

FORWARD LOOKING STATEMENTS

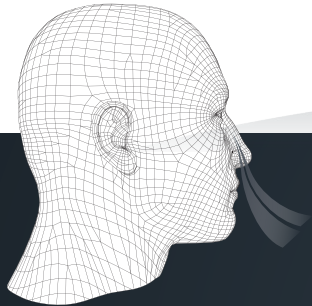
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ACERUS AT A GLANCE

COMMERCIAL STAGE SPECIALTY PHARMACEUTICAL COMPANY WITH A **LAUNCHED PRODUCT**
AND A PIPELINE OF COMPLIMENTARY ASSETS



Proprietary nasal delivery technology with applications across a range of API's and indications



Acerus developed product, **NATESTO**[®], generating increasing international revenue



Business Strategy focused on profitable growth, select geographic diversification and advancing near term pipeline opportunities

ACERUS 5 YEAR STRATEGIC ROADMAP

PHASE 1

Grow and expand core franchises

- Focus on core NATESTO® markets (US, EU, Canada)
- NDS submissions for avanafil and LIDBREE™
- Strengthen balance sheet

PHASE 2

Leverage internal R&D

- Advance cannabinoid initiative
- Identify and advance further opportunities for nasal gel delivery technology

PHASE 3

Expand existing therapeutic areas and pivot into new ones

- Act on opportunities to grow Urology & Androgen franchises
- Add complementary therapeutic areas via development or in-licensing

MULTIPLE GROWTH OPPORTUNITIES; FOCUS ON OPTIMIZED EXECUTION



 **Natesto**[®]
Testosterone Nasal Gel 4.5% w/w
Gel nasal de testostérone 4,5% p/p

OUR FOUNDATIONAL ASSET

NATESTO[®] is indicated for replacement therapy in adult males for conditions associated with a deficiency or absence of endogenous testosterone including primary hypogonadism and hypogonadotropic hypogonadism

AS MEN AGE THEY MAKE LESS TESTOSTERONE AND LESS TESTOSTERONE IS BIOAVAILABLE¹⁻⁴

- Testosterone levels decline with age in men
 - After 40, testosterone decreases ~1.6% per year
- Reduction in serum testosterone is associated with increases in SHBG (~1% per year)
- HIM Study: Prevalence of hypogonadism 38.7% in men ≥ 45 years presenting to primary care offices⁵



AS THE POPULATION AGES, THE INCIDENCE OF LOW TESTOSTERONE IS EXPECTED TO INCREASE

1. Rhoden EL, Morgantaler A. *N Engl J Med*. 2004;350:482-492. 2. Harman SM, et al. *J Clin Endocrinol Metab*. 2001;86(2):724-731.; 3. Feldman HA, et al. *J Clin Endocrinol Metab*. 2002;87(2):589-598.; 4. Stanworth RD, et al. *Clin Interv Aging*. 2008;3(1):25-44. 5. Mulligan T, et al. *Int J Clin Pract* 2006;60(7):762-769.

EFFECTS OF TESTOSTERONE DEFICIENCY - CLINICALLY SIGNIFICANT



SEXUAL

- Decreased libido*
- Erectile dysfunction*
- Orgasmic/ejaculatory dysfunction

PSYCHOLOGICAL

- Depression
- Mood changes
- Inability to concentrate
- Insomnia/sleep disturbances
- Decline in general feeling of well being

SOMATIC

- Increased visceral body fat/obesity
- Links to metabolic syndrome/ TDM/Fatty Liver
- Decreased lean muscle mass
- Decreased strength
- Fatigue/loss of energy
- Low bone mineral density
- Anemia

* Presenting symptoms to GP and/or Urologist

CHALLENGES WITH NON-NASAL TESTOSTERONE THERAPY OPTIONS



1 BLACK BOX WARNING

- Secondary exposure to testosterone
- Pulmonary oil micro embolism (POME) and anaphylatic shock
- MACE and hypertension

2 INCONVENIENT APPLICATION OR PAINFUL INJECTION

3 POOR PERSISTENCE

- 50% of topical gel patients discontinue at 5 months

4 INFERTILITY

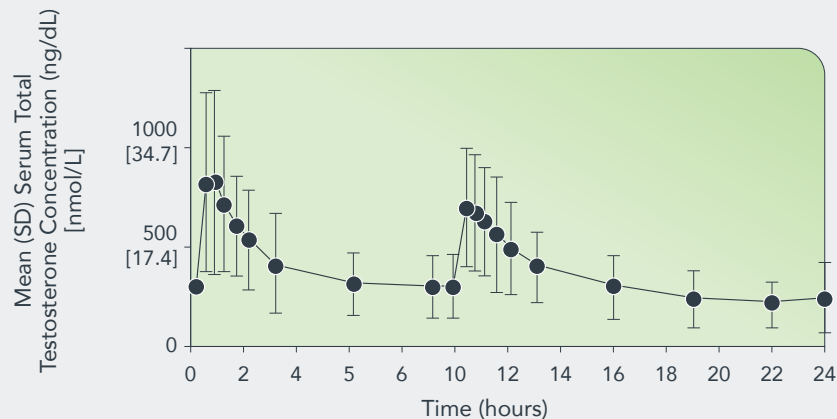
- Chronic, elevated levels of exogenous testosterone shut down HPG axis leading to infertility



INNOVATIVE, PULSATILE TESTOSTERONE THERAPY

NATESTO[®] IS SELF-ADMINISTERED VIA A FIXED-DOSE GEL DELIVERED FROM A NASAL APPLICATOR

- Simple and easy to administer – less than 10 seconds per application
- Highly concentrated, low volume of gel
- Low incidence of irritation to nose
- Small, discrete dispenser
- Minimizes the transference risk and secondary exposure



PK profile based on BID dosing. TID dosing approved in the U.S.

- Max conc. achieved within 45 minutes of administration
- Half-life ranging from 10 - 100 mins
- PK profile returns to near baseline after each dose

Maintained natural testosterone production

Improved hematocrit profile

Preserved spermatogenesis

\$1.8 B USD OPPORTUNITY DRIVEN BY 4 KEY GEOGRAPHIES

US IS KEY MARKET OPPORTUNITY



GEOGRAPHY	MALE POPULATION 55–64 YRS. (MILL.) ¹	ANNUAL TrT MKT VALUE \$ (USD) ²
UNITED STATES	20.4	1,700 M
EUROPE ³	10.9	109.4 M
CANADA	2.5	49.9 M
BRAZIL	8.9	33.3 M

Source:

1. Central Intelligence Agency – World FactBook

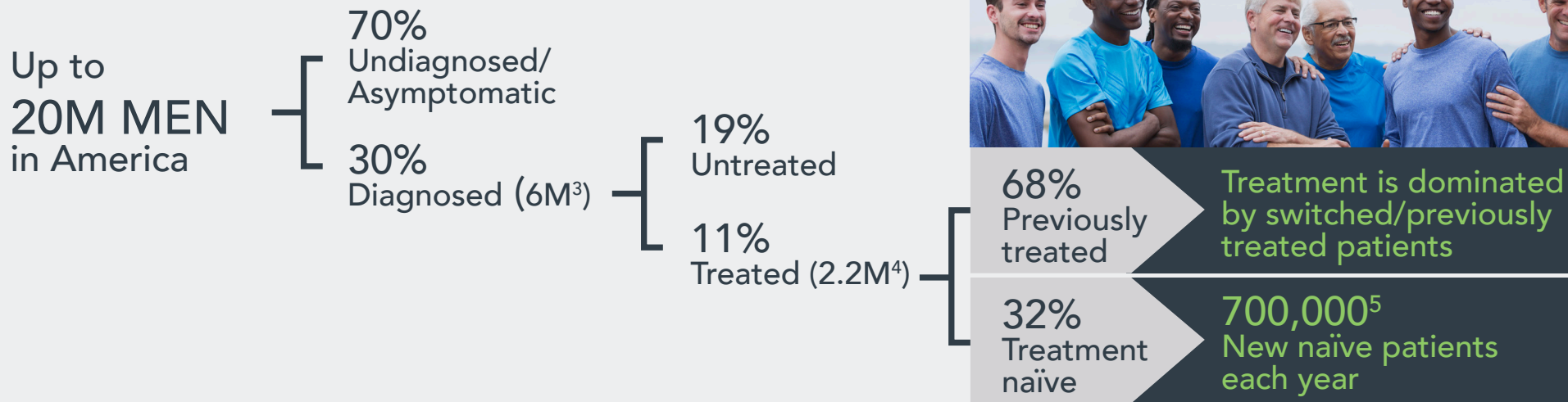
2. IQVA data MAT 03/2018

3. Europe defined as Ger, UK, Den, Nor, Swe

TrT = Testosterone Replacement Therapy

HYPOGONADISM AFFECTS UP TO 20M AMERICAN MEN^{1,2}

LARGE UNTAPPED MARKET OPPORTUNITY

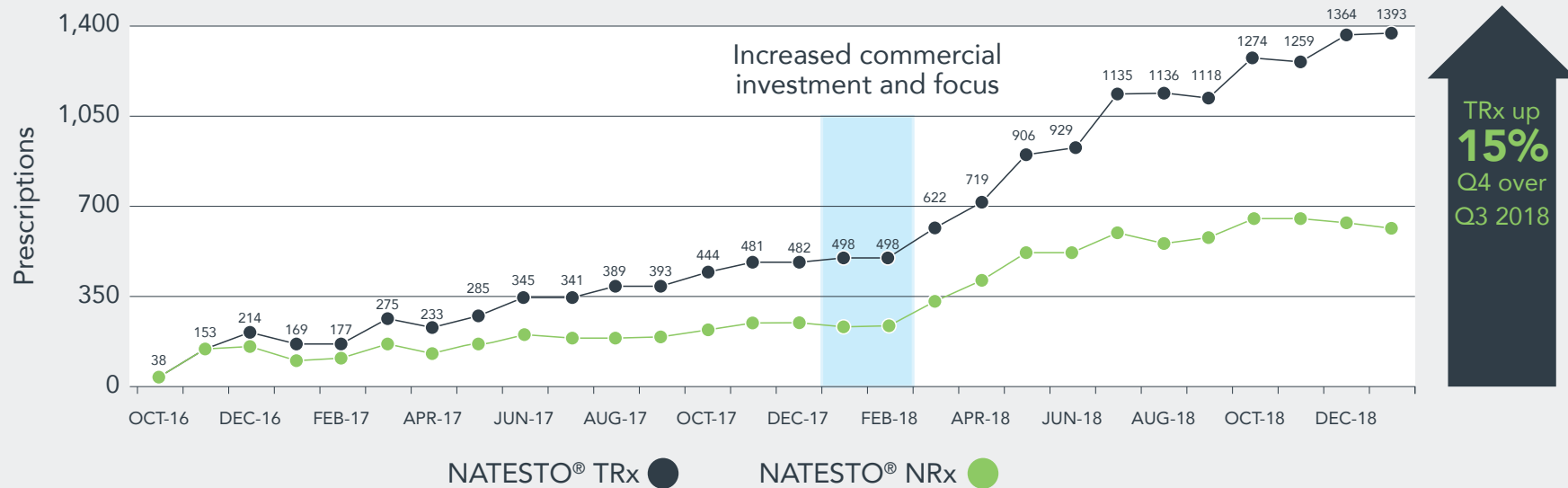


NATESTO[®] COMMERCIAL FOCUS

Capture switches from prior therapy | Capture treatment naïve patients | Capture diagnosed untreated patients in care

1. US Census data. <http://www.infoplease.com/us/census/data/demographic.html>. 2. Mulligan T, et al. *Int J Clin Pract*. 2006 Jul;60(7):762-9. 3. Araujo, et al. *J Clin Endo Metabol* 2007. 92(11):4241-7. 4. Symphony Healthcare 2014 5. IMS Health Sept 2015.

CANADIAN EXPERIENCE SHOWS PROMOTIONAL POTENTIAL OF NATESTO®



ACERUS HAS A **6%** SHARE OF THE CANADIAN TOPICAL TRT MARKET¹

Source: IQVIA CompuScript Audit, January 2019

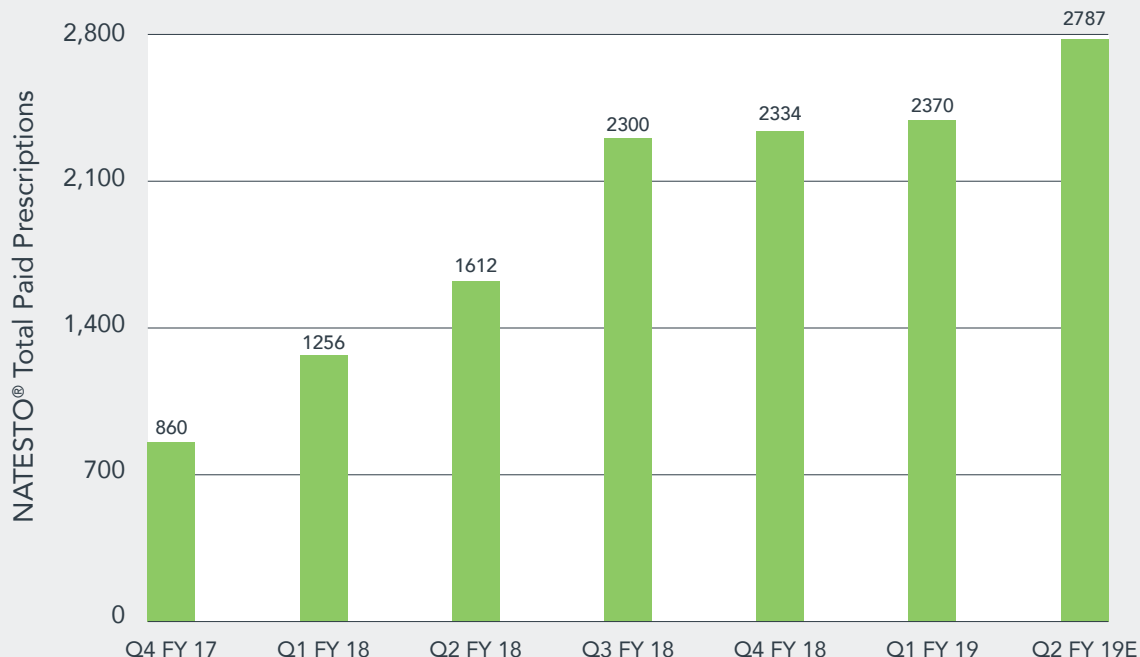
Restatement of TRx and NRx for NATESTO® was applied in January 2019 for all of 2017 and 2018. IQVIA has changed the projection methodology and now is including the TSA sales as part of the restatement to provide a better estimate of TRx and NRx.

¹ Defined as four key provinces where sales reps are detailing – BC, AB, ON, PQ

U.S. NATESTO® GROWTH BEGINNING TO ACCELERATE



- Reported a 37% increase in NATESTO® revenue (fiscal Q2 vs. fiscal Q1 2018)
- Gross to net stabilizing quarter over quarter
- NATESTO® Patient Direct Program driving prescription persistence



Source: IQVIA U.S. Prescription Audit
Aytu fiscal Q2 earnings call and press release
Aytu's fiscal year end is June 30

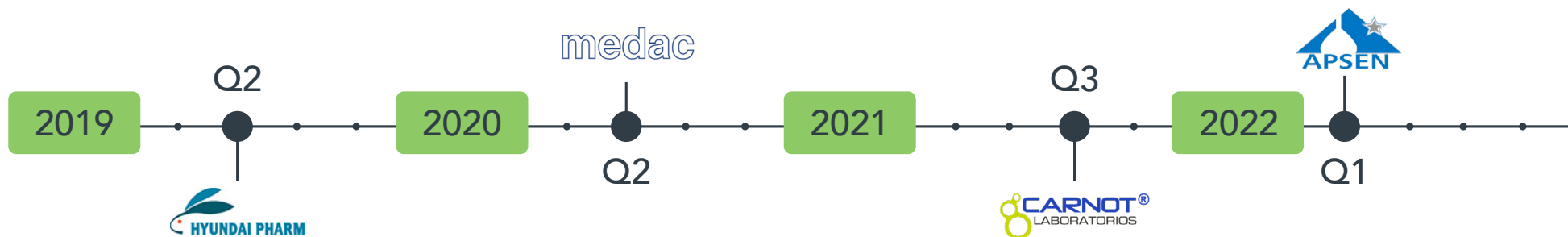
NATESTO® - UPCOMING INTERNATIONAL CATALYSTS

COMMERCIAL LAUNCH

- Germany, France, and UK are early launch markets
- Phased launch across EU

COMMERCIAL LAUNCH

- Brazil is 2nd largest TrT market globally by volume



COMMERCIAL LAUNCH

- South Korea is est. \$7.5 M USD TrT market¹
- Prior annual market growth of 11%¹

COMMERCIAL LAUNCH

- Mexico and Columbia are key markets
- Phased launch across geographies

ACERUS RECEIVES

25%

OF NET SALES SUPPLY PRICE, AS WELL AS REGULATORY AND SALES MILESTONES FROM THESE PARTNERS

OTHER APPLICATIONS OF NASAL GEL TECHNOLOGY

AVOID FIRST PASS METABOLISM

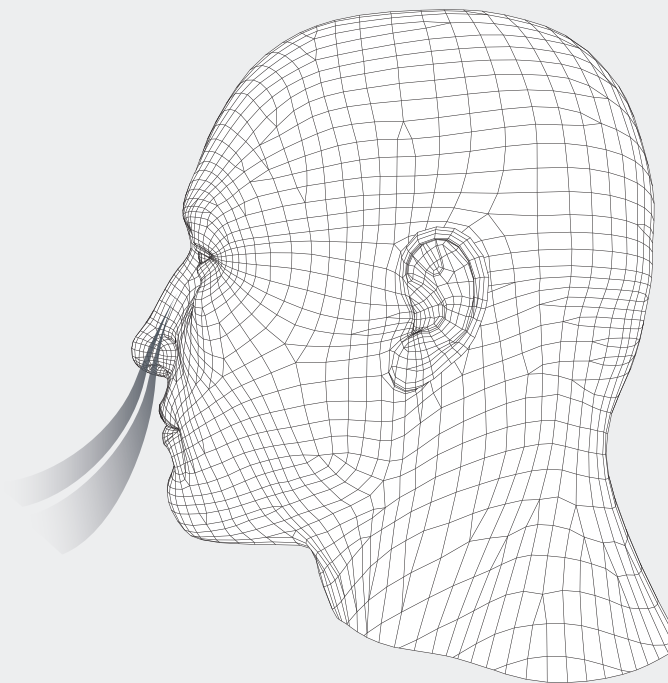
- High bioavailability-requires less API
- Lower dose; fewer side effects

MUCOSA HIGHLY VASCULARIZED

- Rapid absorption and onset of action

NON-INVASIVE AND USER-FRIENDLY

- Improved patient persistence and outcomes



CANNABINOID INITIATIVE

LEVERAGING OUR PROPRIETARY NASAL TECHNOLOGY IN OTHER APPLICATIONS

PHASE I PK STUDY COMPLETED DECEMBER 2018

- N = 12 subjects with prior cannabis experience
- 5 mg cannabis oil orally vs. equivalent dose delivered by nasal gel

RESULTS

- Nasal formulation was absorbed
- Extended PK profile with T_{max} @ 7h after administration
- Approx. 2.2 times better bioavailability of THC from nasal formulation vs. oral dronabinol capsules¹
- Subjects reported appreciation of nasal product for quick/easy use, consistent dosing, portability and absence of smoke.

“Our goal is to develop a portfolio of cannabis products having THC and CBD in their compositions, in order to address a broad set of conditions. These products can be commercialized either through partnerships or through our own efforts.”

1. Oh et al., *Clinical Pharmacology: Advances and Applications* 2017, 9, 9

A close-up photograph of a male scientist in a laboratory. He is wearing a white lab coat over a light blue shirt and a dark tie. He is also wearing clear safety goggles and a white surgical mask. He is holding a red test tube with a red cap in his gloved hands, examining it closely. The background is a blurred laboratory environment with a microscope visible on the left side.

SELECT NEAR TERM PIPELINE CANDIDATES

AVANAFIL - PIPELINE CANDIDATE CANADA

2ND GENERATION PDE5 INHIBITOR FOR TREATMENT OF ERECTILE DYSFUNCTION (ED)

49% OF MEN

over 40 suffer from ED¹

\$231 MILLION (CAD)

Canadian ED market value
Growing at 5.6% vs. prior year²

ACQUIRED CANADIAN MARKETING RIGHTS FROM
Metuchen Pharma LLC

INDICATION

Treatment of erectile dysfunction (ED)

ADVANTAGE

Potential faster onset of action
Fewer off target effects
Fewer food and alcohol restrictions

REGULATORY STATUS

Filed NDS with Health Canada March 1, 2019

Source:

1. 2015 CUA Practice Guidelines for Erectile Dysfunction as published in CAN UROL ASSOC J 2015; 9(1-2): 23-9

2. IQVIA Canadian Drugstore and Hospital Audit, December 2017

LIDBREE™ – PIPELINE CANDIDATE CANADA

A NOVEL SHORT-ACTING LIDOCAINE DRUG-DEVICE TO MANAGE MUCOSAL PAIN DURING IUD INSERTION

260,000+

IUD insertions per year¹

+13.5% YoY

growth in number of IUD
procedures in Canada²

Source:

1. IQVIA Canadian Drugstore and Hospital Audit, 2018

2. IQVIA Canadian Drugstore and Hospital Audit, 2018

ACQUIRED CANADIAN MARKETING RIGHTS FROM

Pharmanest AB

INDICATION

Proposed – “Topical anaesthesia for cervical and intrauterine procedures, such as placement of intrauterine contraception, hysteroscopy, cervical and endometrial biopsies, in adults and adolescents.”

ADVANTAGE

Accurate injection

Fast onset of action, short acting

Statistically significant reduction of pain during IUD insertion

REGULATORY STATUS

Determine regulatory pathway for Canada 2H, 2019

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2019 KEY MILESTONES

	MILESTONE	OUTCOME
Q'1	File avanafil NDS with Health Canada	✓
Q'2	NATESTO® commercial launch - South Korea	
Q'3	Medicinal cannabis partner identified	
Q'4	LIDBREE™ determine regulatory pathway for Canada	
Q'4	EMA approval of NATESTO®	

HIGHLY EXPERIENCED LEADERSHIP TEAM

EDWARD GUDAITIS

PRESIDENT & CHIEF EXECUTIVE OFFICER

- 20+ years of industry experience as C-Level executive
- Joined Acerus in 2018

PRIOR EXPERIENCE

- General Manager Gilead Sciences Canada Inc.
- Vice President Specialty Care, Roche Canada



DR. NATHAN BRYSON

CHIEF SCIENTIFIC OFFICER

- 20+ years of industry experience
- Joined Acerus in 2014

PRIOR EXPERIENCE

- Cynapsus Therapeutics
- Flamel Technologies SA



GAVIN DAMSTRA

SENIOR VICE PRESIDENT, INTERNATIONAL COMMERCIAL

- 16+ years of international pharma and operations experience
- Joined Acerus in 2019

PRIOR EXPERIENCE

- Executive Director Women's Health & GI Allergan Canada
- General Manager Takeda Columbia



PHILIPPE SAVARD

VP, GENERAL COUNSEL & CORPORATE SECRETARY

- Significant M&A and corporate finance transactional experience
- Joined Acerus in 2016

PRIOR EXPERIENCE

- Director & Counsel at DRI Capital Inc.



ROBERT MOTZ

CHIEF FINANCIAL OFFICER

- + 30 years of finance and operations experience
- Joined Acerus in 2018

PRIOR EXPERIENCE

- Chief Financial Officer for Hydrogenics
- Vice President and CFO at Aeroquest International Limited



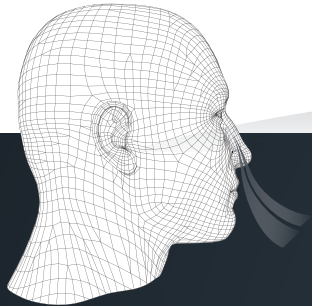
MARKET FACTS

Exchange : Ticker	TSX:ASP OTCQB:ASPCF
Recent Share Price (April 21, 2019)*	\$0.155
Shares Outstanding (April 21, 2019)	258.6 MILLION
Market Capitalization*	\$40.1 MILLION
52-Week Range*	(\$0.11 - \$0.38)
Insider Ownership	~48%
Analyst Coverage	MACKIE RESEARCH

*Data quoted from TSX listing for ASP (CAD\$)

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THANK YOU

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egudaitis@acerupharma.com
(905) 817-8194

BOB MOTZ

CHIEF FINANCIAL OFFICER
rmotz@aceruspharma.com
(905) 817-8288