

ACERUS PHARMACEUTICALS CORPORATION
(“ACERUS”)

CHARTER OF THE CORPORATE GOVERNANCE AND NOMINATING COMMITTEE

General

In accordance with applicable laws and the by-laws of Acerus, and further to a delegation of authority from the Board of Directors, the Corporate Governance and Nominating Committee (the “Committee”) has adopted this form of written mandate. The Committee shall periodically review and, if necessary, revised this mandate from time to time in order to meet Acerus’ needs and satisfy any applicable legal or regulatory requirements and/or other best practices.

Duties and Responsibilities

In furtherance of its obligations, the Committee shall be responsible for the following:

- identifying individuals qualified to become Board members, consistent with criteria established by the Board of Directors;
- recommending that the Board of Directors select the director nominees for the next annual meeting of shareholders, considering: (a) any selection criteria approved by the Board of Directors from time to time, including the competencies and skills that the Board of Directors considers to be necessary for the Board of Directors, as a whole, to possess; (b) the competencies and skills that the Board of Directors considers each existing director to possess; and (c) the competencies and skills that each new nominee would bring to the boardroom. In making any recommendations, the Committee may only recommended candidates such that, if elected, a majority of the Board of Directors would be independent of Acerus (in accordance with National Instrument 52-110 – *Audit Committees*) and independent of any “control person” as defined in applicable securities legislation;¹
- providing recommendations to the Board of Directors regarding: (a) the competencies and skills that the Board of Directors, as a whole, should possess; (b) the competencies and skills each existing member of the Board of Directors possesses; and (c) the personality and other qualities of each member of the Board of Directors, as these may ultimately determined the boardroom dynamic;
- reviewing and recommending to the Board of Directors for approval any disclosure relating to Acerus’ governance practices;
- overseeing the evaluation and assessment of the Board of Directors and senior management;
- providing recommendations to the Board of Directors regarding directors’ compensation and remuneration;

¹ Note that if Acerus is legally required by contract or otherwise to provide any third parties with the right to nominate directors, the Committee will have no responsibility for the selection and nomination of such directors.

- on an annual basis, examining the size and composition of the Board of Directors and, if appropriate, recommending to the Board of Directors a program to establish a Board of Directors comprised of members who facilitate effective decision making;
- on an annual basis, reviewing the committee structure of the Board of Directors and recommending to the Board of Directors any changes it considers necessary or desirable with respect thereto;
- reviewing and recommending to the Board of Directors any changes to the position descriptions for directors including the chair of each committee of the Board of Directors and the chair of the Board of Directors;
- together with the President and Chief Executive Officer and in consultation with the Compensation Committee, developing and recommending to the Board of Directors a position description for the President and Chief Executive Officer;
- making recommendations to the Board of Directors with respect to management succession;
- reviewing and recommending to the Board of Directors any communications policies of Acerus (and any changes to existing policies in this regard);
- reviewing and updating periodically Acerus' code of business conduct and ethics with a view to complying with all applicable rules and regulations, and ensuring that management has established a system to enforce this code (and receiving and reviewing any reports from management in this regard);
- developing an orientation program for new directors and continuing education program for all directors; and
- performing any other activities consistent with this Charter.

Constitution

The Committee shall consist of at least three members of the Board of Directors (chosen thereby), each of which shall be independent (as such term is defined under applicable securities laws). The Committee shall select a chair from among its members from time to time. The Committee may form and delegate authority to such sub-committees as it determines appropriate from time to time.

Access to Management and Outside Advisors

Committee members shall have access to members of senior management and are encouraged to raise any questions or concerns directly with senior management. The Committee may invite any member of senior management, outside advisor or other person to attend any of their meetings.

The Committee may retain an outside advisor at the expense of Acerus at any time and have the authority to determine the advisor's fees and other retention terms.

Performance Assessment

On an annual basis, the Committee shall assess how well it has performed the responsibilities and duties set out in this mandate.