NOTICE OF SALE AND INVESTMENT SOLICATION PROCESS ("SISP")
ACERUS PHARMACEUTICALS CORPORATION

On January 26, 2023, Acerus Pharmaceuticals Corporation and certain of its subsidiaries (collectively, "**Acerus**") were granted protection pursuant to an order, as amended, (the "**Initial Order**") issued under the *Companies' Creditors Arrangement Act* ("**CCAA**") by the Ontario Superior Court of Justice (the "**Canadian Court**"). Ernst & Young Inc. was appointed Monitor of Acerus (the "**Monitor**") in the CCAA proceedings. On February 27, 2023, pursuant to Chapter 15 of the U.S. Bankruptcy Code, the U.S. Bankruptcy Court for the District of Delaware granted an Order recognizing the CCAA Proceedings as the foreign main proceedings and giving full force and effect to the orders entered in the CCAA proceedings. On March 9, 2023, the Canadian Court authorized and directed Acerus and the Monitor to undertake a sale and investment solicitation process (the "**SISP**").

Acerus carries on a specialty pharmaceutical business focused on the fields of urology and men's health. Acerus' portfolio of products include:

- two U.S. FDA approved prescription drugs:
  - Natesto™: a nasal gel for male testosterone replacement therapy in hypogonadism (i.e., reduction or absence of hormone secretion). Natesto has also received regulatory approval in Canada and certain other international markets;
  - Noctiva™: a desmopressin nasal spray for Nocturia due to nocturnal polyuria (i.e., overproduction of urine at night);
- the exclusive licensing and commercial agreements for the distribution of avanafil in Canada. Avanafil is available in the U.S. under the brand name Stendra® for the treatment of erectile dysfunction;
- exclusive rights to commercialize Lidbree™ (a pain relief device combination) in Canada; and
- other pipeline products in various stages of research and development such as Tefina™ and TriVair™.

The proposed SISP is intended to solicit proposals for acquiring or refinancing the business of Acerus or selling Acerus' assets and/or business through a merger, reorganization, recapitalization, primary equity issuance or other similar transaction.

The Deadline to submit a binding offer is set for April 28, 2023 at 5:00 p.m. (Toronto Time).

Those who are interested in participating in this SISP can contact the Monitor to receive additional information at:

Ernst & Young Inc. – The Court-Appointed Monitor of Acerus
100 Adelaide Street West, P.O. Box 1
Toronto, ON, M5H 0B3 Canada
Phone: 416-932-4890
Email: acerus.monitor@ca.ey.com
Attention: Parker Lobban

Copies of the SISP Order, and the SISP Process may be obtained from the website of the Monitor, www.ey.com/ca/acerus.

DATED at Toronto this 14th day of March, 2023.

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