



**ACERUS ANNOUNCES AMENDMENT TO CREDIT AGREEMENT, WAIVER OF CERTAIN Q4  
FINANCIAL COVENANTS AND UPCOMING ADDITIONAL FINANCING FROM FIRST GENERATION  
CAPITAL**

**Toronto, Canada, December 16, 2019** – Acerus Pharmaceuticals Corporation (“Acerus” or the “Company”) (TSX:ASP, OTCQB:ASPCF) today announced that it entered into an amendment agreement related to its existing credit facility with SWK Funding LLC (“SWK”) and that it received a waiver letter related to certain financial covenants for Q4 2019, namely the December 15, 2019 Unencumbered Liquid Asset covenant as well as the December 31, 2019 Adjusted EBITDA and Aggregate Revenue covenants contained in the credit agreement (the “SWK Waiver”). The nature of the amendment is to set the minimum threshold for Consolidated Unencumbered Liquid Assets required to be maintained by the Company. This amount is defined in the agreement as cash adjusted for a certain portion of accounts receivable and payable. The only change contemplated by the amendment is to set this level at US\$2.0 million up from US\$1.0 million at all times after January 31, 2020.

The SWK Waiver of the covenants is contingent on Acerus raising an additional US\$6.5 million prior to December 23, 2019. In connection therewith, Acerus has obtained a commitment letter from First Generation Capital, Inc. (“First Generation”), a company affiliated with the Chairman of the Board of Directors of Acerus, to amend and restate the US\$5.0 million subordinated secured term loan facility previously entered into on July 19, 2019 between Acerus and First Generation to (i) increase the borrowed amount to US\$11.5 million, thereby providing the capital required to meet the condition of the SWK Waiver, (ii) extend the maturity date to June 30, 2021 and (iii) cap the total amount of interest payable to First Generation under the A&R Loan (including interest paid from the closing of the original US\$5.0 million subordinated secured term loan facility) to an amount equal to 9.99% of the market capitalization of Acerus at the time of closing (“the A&R Loan”). The transaction has been approved by all the independent directors of the board of directors of Acerus and the Company expects the transaction to close in the upcoming days. <sup>(1)</sup>

The other terms of the A&R Loan will remain unchanged from the original facility. The A&R Loan will continue to be subordinated to the existing US\$9.0 million facility with SWK Funding LLC (“SWK”) and, subject to the cap on the total interest payable described above, will bear interest at a rate per annum equal to the three-month London Inter-Bank Offered Rate, plus an applicable margin of 10.50%. Subject to the terms of the subordination and intercreditor agreement between First Generation and SWK, the A&R Loan will be repayable in full on June 30, 2021, will continue to be interest-only until maturity with regularly scheduled payments of interest to First Generation being permitted subject to certain conditions related to Acerus’ market capitalization and aggregate annual revenue, and can be prepaid in full or in

part without penalty following repayment in full of indebtedness owing to SWK. The proceeds from the A&R Loan will be used for ongoing general working capital. A copy of the amended and restated promissory note covering the A&R loan will be filed, following the closing of the transaction, under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

### **About Acerus**

Acerus Pharmaceuticals Corporation is a Canadian-based specialty pharmaceutical company focused on the commercialization and development of innovative prescription products that improve patient experience, with a primary focus in the field of men's health. The Company commercializes its products via its own salesforce in the United States and Canada, and through a global network of licensed distributors in other territories.

Acerus' shares trade on TSX under the symbol ASP and on OTCQB under the symbol ASPCF. For more information, visit [www.aceruspharma.com](http://www.aceruspharma.com) and follow us on [Twitter](#) and [LinkedIn](#).

### **Notice Regarding Forward-Looking Statements**

Information in this press release that is not current or historical factual information may constitute forward looking information within the meaning of securities laws. Implicit in this information are assumptions regarding our future operational results. These assumptions, although considered reasonable by the company at the time of preparation, may prove to be incorrect. Readers are cautioned that actual performance of the company is subject to a number of risks and uncertainties, including with respect to the Company's ability to repay its debts and meet its financial covenants, and could differ materially from what is currently expected as set out above. For more exhaustive information on these risks and uncertainties you should refer to our annual information form dated March 4, 2019 which is available at [www.sedar.com](http://www.sedar.com). Forward-looking information contained in this press release is based on our current estimates, expectations and projections, which we believe are reasonable as of the current date. You should not place undue importance on forward-looking information and should not rely upon this information as of any other date. While we may elect to, we are under no obligation and do not undertake to update this information at any particular time, whether as a result of new information, future events or otherwise, except as required by applicable securities law.

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- (1) A material change report was not filed at least 21 days prior to the closing of amended and restated subordinated secured term loan facility from First Generation Capital Inc. as the terms and conditions of such arrangements were not yet finalized at such time.

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