Aytu BioScience

Corporate Overview | March 2018

AYTU BioScience

Forward-Looking Statement

This presentation includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, or the Exchange Act. All statements other than statements of historical facts contained in this presentation, including statements regarding our anticipated future clinical and regulatory events, future financial position, business strategy and plans and objectives of management for future operations, are forward-looking statements. Forward looking statements are generally written in the future tense and/or are preceded by words such as “may,” “will,” “should,” “forecast,” “could,” “expect,” “suggest,” “believe,” “estimate,” “continue,” “anticipate,” “intend,” “plan,” or similar words, or the negatives of such terms or other variations on such terms or comparable terminology. These statements are just predictions and are subject to risks and uncertainties that could cause the actual events or results to differ materially. These risks and uncertainties include, among others: risks relating to gaining market acceptance of our products; obtaining reimbursement by third-party payors; the potential future commercialization of our product candidates; the anticipated start dates, durations and completion dates, as well as the potential future results of our ongoing and future clinical trials; the anticipated designs of our future clinical trials; the timing, costs and results of our future regulatory submissions and events; our anticipated future cash position; and future events under our current and potential future collaborations. We also refer you to the risks described in “Risk Factors” in Part I, Item 1A of Aytu BioScience, Inc.’s Annual Report on Form 10-K and in the other reports and documents we file with the Securities and Exchange Commission from time to time.

AYTU BioScience

Overview

Aytu BioScience is a commercial-stage specialty life sciences company focused on global commercialization of novel products in the field of urology. Current product portfolio addresses low testosterone, male infertility and sexual wellness.

Market Data	
Ticker (NASDAQ)	AYTU
Price (3/6/18)	$0.42
Market Cap (3/6/2018)*	~$15 million
Cash Balance (as of 12/31/17)**	$4 million
Average Daily Volume (30 days)	601,594
Common Stock Equivalents	~32.3M

*Based on 5.6 million shares outstanding pre-transaction, plus 26.67 million new common stock equivalents resulting from the $12M Registered Offering that closed 3/6/2018 (the "Offering").

**Does not include proceeds from the Offering.

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Overview

- **Commercial-stage, revenue-generating specialty life sciences company**
  - Portfolio of revenue-generating urology products, leveraging focused commercial team; Expertise in building leading brands within well-established markets
  - Large addressable specialty markets with IP-protected products
- **Experienced, entrepreneurial management team with proven success in launching and growing specialty life sciences companies**
  - Founding management team grew Arbor Pharmaceuticals from inception to over $127MM in net revenue in less than five years;
- **Best-in-Class, Approved Urology Products**
  - **Natesto®** (testosterone), FDA-approved, only nasally administered testosterone for treatment of hypogonadism ("Low T")
  - **MiOXSYS®** System, CE Marked, Health Canada cleared, novel point-of-care semen analysis system with the potential to become a standard of care in the assessment of male infertility
  - Acquired **Nuelle** – the developer of **Fiera®**, a novel on-market personal care product for female sexual wellness; adjacent subsidiary that expands company into women's health
- **Established, Urology-Focused Commercial Infrastructure**

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Commercially-Focused Management Team with a History of Growing Commercial Organizations

Josh Disbrow – Chief Executive Officer

- Former VP of Commercial Operations at Arbor Pharmaceuticals where revenues grew from zero to over $127MM in <5 years
- Previous COO of Ampio Pharmaceuticals/CEO of Luoxis, a specialty biotechnology company
- Progressive commercial roles at LipoScience, Cyberonics, and GlaxoSmithKline

Jarrett Disbrow – Chief Operating Officer

- Founder and original President/CEO of Arbor Pharmaceuticals where revenues grew from zero to over $127MM in <5 years
- Former CEO of Vyrix Pharmaceuticals, a specialty pharmaceutical company focused on male sexual dysfunction
- Progressive commercial roles at Accentia Pharmaceuticals, GlaxoSmithKline

David Green, CPA – Chief Financial Officer

- Former CFO of Specialized Health Products International and Catheter Connections, acquired by CR Bard and Merit Medical, respectively
- Former Chief Accounting Officer of Intarcia Therapeutics
- Previous Managing Director of Duff & Phelps and Director of E&Y Capital Markets

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Complementary Urology Product Portfolio

Commercial Launch in the U.S. Underway

Natesto testosterone nasal gel

- Only FDA-approved, nasally-administered testosterone; indicated for **hypogonadism**[1]
- Approved for use **WITHOUT black box warning** related to testosterone transference

CE Marked Dx Product for Male Infertility*

MiOXSYS

- CE Marked *in vitro* diagnostic device for **male infertility**[2]
- Initial revenues growing; devices placed at leading ex-US urology centers; diagnostic target recently implicated by **leading reproductive medicine association**

Personal Care Device – Women's Sexual Health

Fiera

- Fiera is **the first *pre-intimacy product*** proven to increase sexual desire and arousal in women[3]
- On-market product that has the potential to benefit **the 44% of women** worldwide that report a sexual problem[4]

Platform to Acquire or License Future Products

- Company will continue to assess new product opportunities that are accretive
- Strategy to acquire or license additional urology, sexual medicine, and infertility assets

1. Natesto Prescribing Information. 2. MiOXSYS Instructions for Use and Clinical Study Summary. 3.Data on File. 4. Shifren JL, Brigitta UM, Monz MD, Russo PA, Segreti A, Johannes CB. Sexual Problems and Distress in United States Women: Prevalence and Correlates. Obstet Gynecol 2008;112:970–8.

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*** MiOXSYS is not cleared or approved by the U.S. Food and Drug Administration (FDA)**

Natesto®: The only FDA-approved, nasally-administered testosterone replacement therapy

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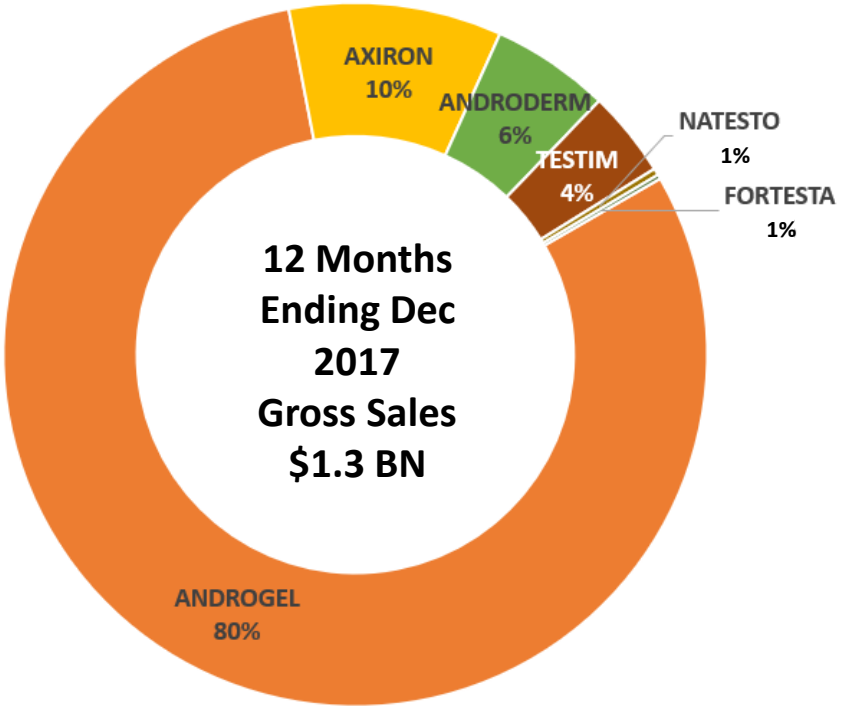
Testosterone U.S. Market Opportunity

Significant Market Need

- **$1.8 BN** in annual total class revenues
- **13 Million** men diagnosed in the U.S.
- Current topical treatments (AndroGel®, Axiron®) have a **BLACK BOX WARNING** related to transference of testosterone[1,2]
- Decrease in branded promotion in testosterone replacement therapy (TRT) category, yet substantial treatment needs remain[3]
  - Eli Lilly (NYSE: LLY) has terminated Axiron® global licensing agreement (September 2017)[4]

Branded Topicals ($U.S. - 2017)[5]



1. AndroGel Prescribing Information. 2. Axiron Prescribing Information. 3. Tartavoulle TM, Porche DJ. Low Testosterone. Journal for Nurse Practitioners. 2012;(8): 778-786 Accessed at http://www.medscape.com/viewarticle/775165_3. 4. Accessed at www. reuters.com/article/brief-acrux-says-co-and-eli-lilly-and-co/brief-acrux-says-co-and-eli-lilly-and-co-agreed-to-terminate-licensing-agreement-for-axiron-idUSFWN1LM0UN. 5. IQVIA December 2017.

Natesto
testosterone nasal gel

Natesto: The only nasally delivered TRT

The Only FDA-Approved Intranasal Testosterone

Uniquely-delivered, patented TRT with multiple advantages over existing treatment options[1-3]

- Only nasally-administered TRT: convenient, rapid and **efficient** drug delivery
- Delivers the **lowest** topically applied FDA-approved dose of testosterone

- Fast, clean application
- Easy to use and transport

No BLACK BOX Warning

- Natesto is the ***only*** topical TRT **without** a BLACK BOX warning[3]
- All other TRTs carry a "BLACK BOX warning" due to the risk of transference[4]
- Transference causes androgen/male-trait enhancing side effects in women (hair growth, male pattern baldness, etc.)[4,5]

AndroGel® (testosterone gel) 1.62% for topical use CIII
Initial U.S. Approval: 1953

WARNING: SECONDARY EXPOSURE TO TESTOSTERONE
See full prescribing information for complete boxed warning.

- **Virilization has been reported in children who were secondarily exposed to testosterone gel (5.2, 6.2).**
- **Children should avoid contact with unwashed or unclothed application sites in men using testosterone gel (2.2, 5.2).**
- **Healthcare providers should advise patients to strictly adhere to recommended instructions for use (2.2, 5.2, 17).**

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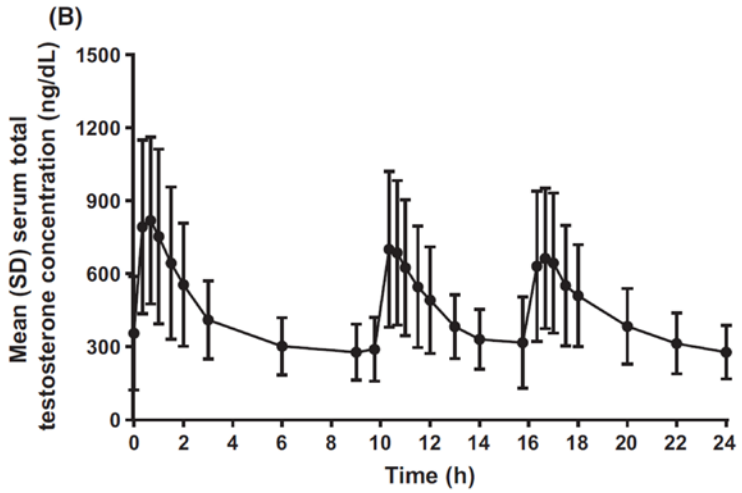
1. Natesto Prescribing Information. 2. Natesto.com. 3. FDA Approved Drug Products. Accessed at https://www.accessdata.fda.gov/scripts/cder/drugsatfda/index.cfm?fuseaction=Search.DrugDetails. 4. Androgel Prescribing Information. 5. Axiron Prescribing Information.

Unique pharmacokinetic profile leads to a distinct clinical profile for Natesto

Rapid Absorption & Clearance

- 90% achieved normal T levels[1]
- Cmax of 1,044 ng/dl at 40 minutes[1]

- Pulsatile dosing more closely mimics natural testosterone production[2]



Significant Symptom Improvement

- NATESTO causes statistically significant improvements in each of the 5 domains of erectile function; the majority of the effect was evident by **Day 30** ($P < 0.0001$)[3]

- NATESTO caused substantial increase in positive affect (mood) ***AND*** a substantial decrease in negative affect as early as Day 30 ($p < 0.0001$)[3]

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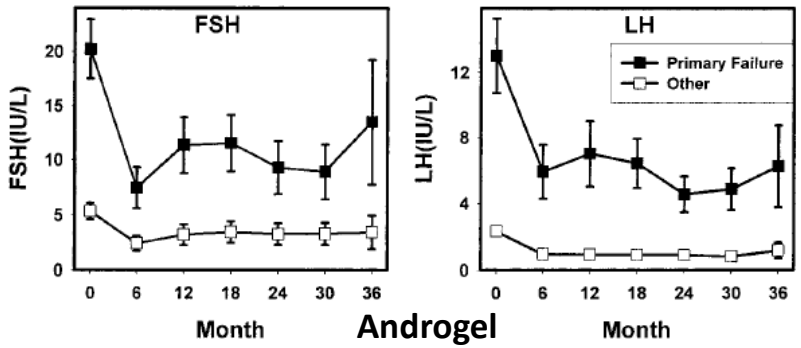
1. Natesto Prescribing Information. 2. Data on File. Aytu BioScience. 2018. 3. Robert A Josephs PhD, Nathan Bryson PhD, Robin A. Owen PhD and Natalia Tkachenko MD, University of Texas at Austin, Austin, TX, USA, Acerus Pharmaceuticals, Mississauga, ON, Canada.

Natesto: Unsurpassed Safety

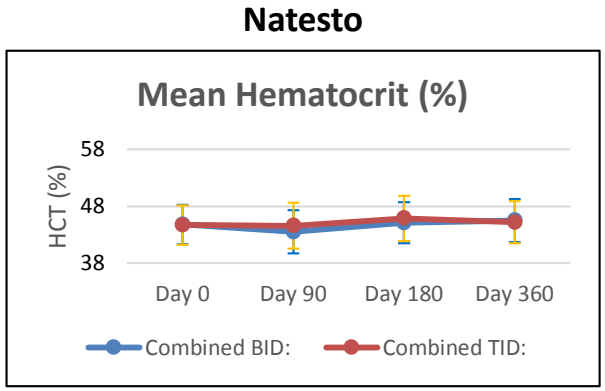
Natesto has minimal impact on LH & FSH[1]

- Normal secretion patterns of gonadotropins - *Luteinizing Hormone (LH) and Follicle Stimulating Hormone (FSH)* - are required for reproduction
- Decreases in levels of LH and FSH are consistent with reports published in the literature of treatment with testosterone[2]



Natesto has minimal impact on hematrocrit[1]

- Treatment with injectable *and* other topical testosterones has been shown to impact **hematocrit**[3]
- **High** hematocrit levels – *polycythemia* – have been associated with an increased risk of **stroke**[4]



1. Clinical Study Report TBS-1-2011-03. NATESTO. 2. Wang et al., Long-Term Testosterone Gel (AndroGel) Treatment, *Jour. Clin. Endocrinology 2004*, 89(5):2085-2098. 3. Pastuszak, Alexander W., Lissette P. Gomez, Jason M. Scovell, Mohit Khera, Dolores J. Lamb, and Larry I. Lipshultz. 2015. "Comparison of the Effects of Testosterone Gels, Injections, and Pellets on Serum Hormones, Erythrocytosis, Lipids, and Prostate-Specific Antigen." *Sexual Medicine* 3 (3): 165–173. doi:10.1002/sm2.76. 4. Krauss, Dennis J., Harvey A. Taub, Larry J. Lantinga, Milton H. Dunsky, and Christine M. Kelly. 1991. "Risks of Blood Volume Changes in Hypogonadal Men Treated with Testosterone Enanthate for Erectile Impotence." *The Journal of Urology* 146 (6): 1566–1570. doi:10.1016/s0022-5347(17)38168-5.

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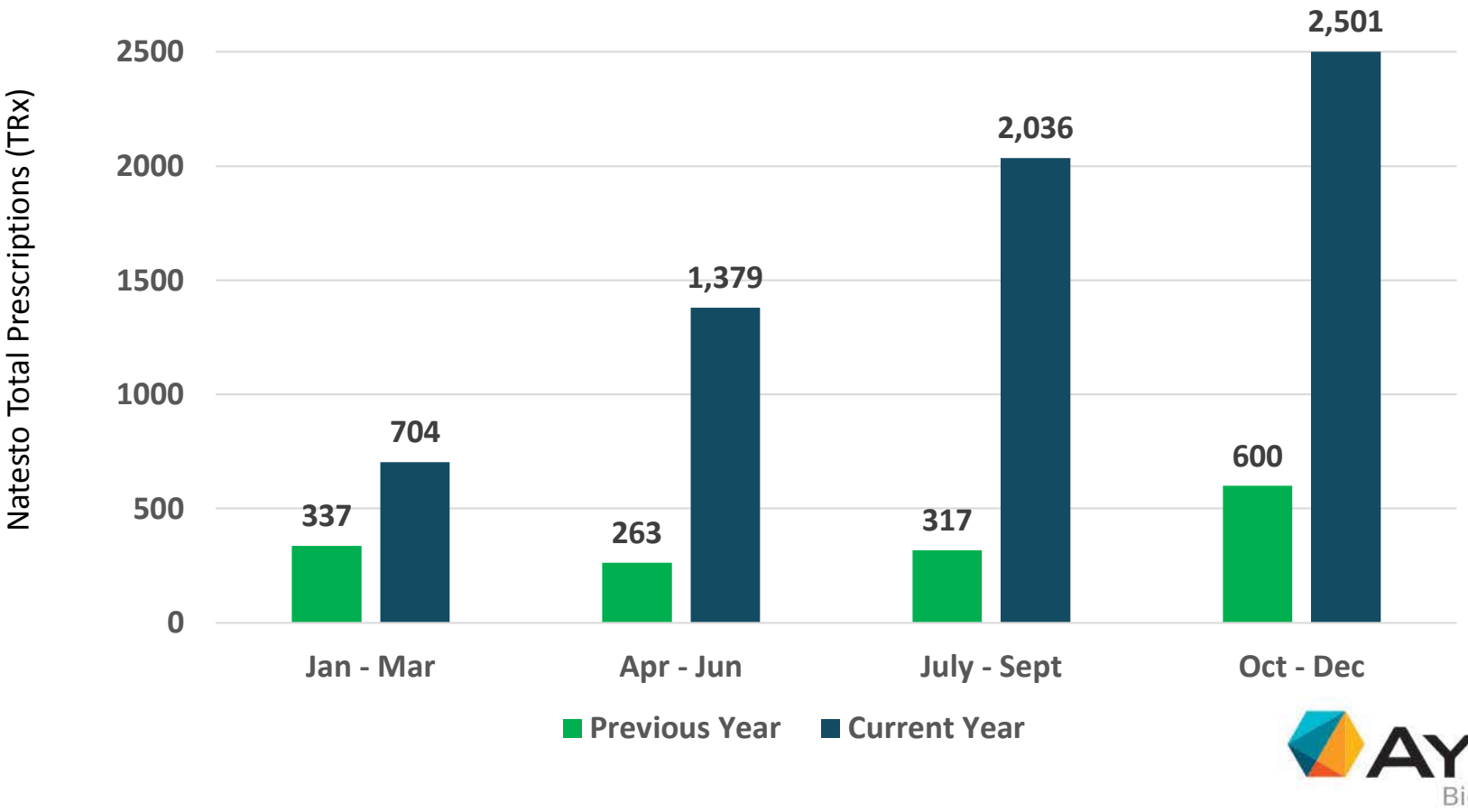
Robust Natesto Total Prescription (TRx) Growth Since Acquiring U.S. License in July 2016

>300% Growth over Same Quarter Last Year (Q2 FY18/Q2 FY17)



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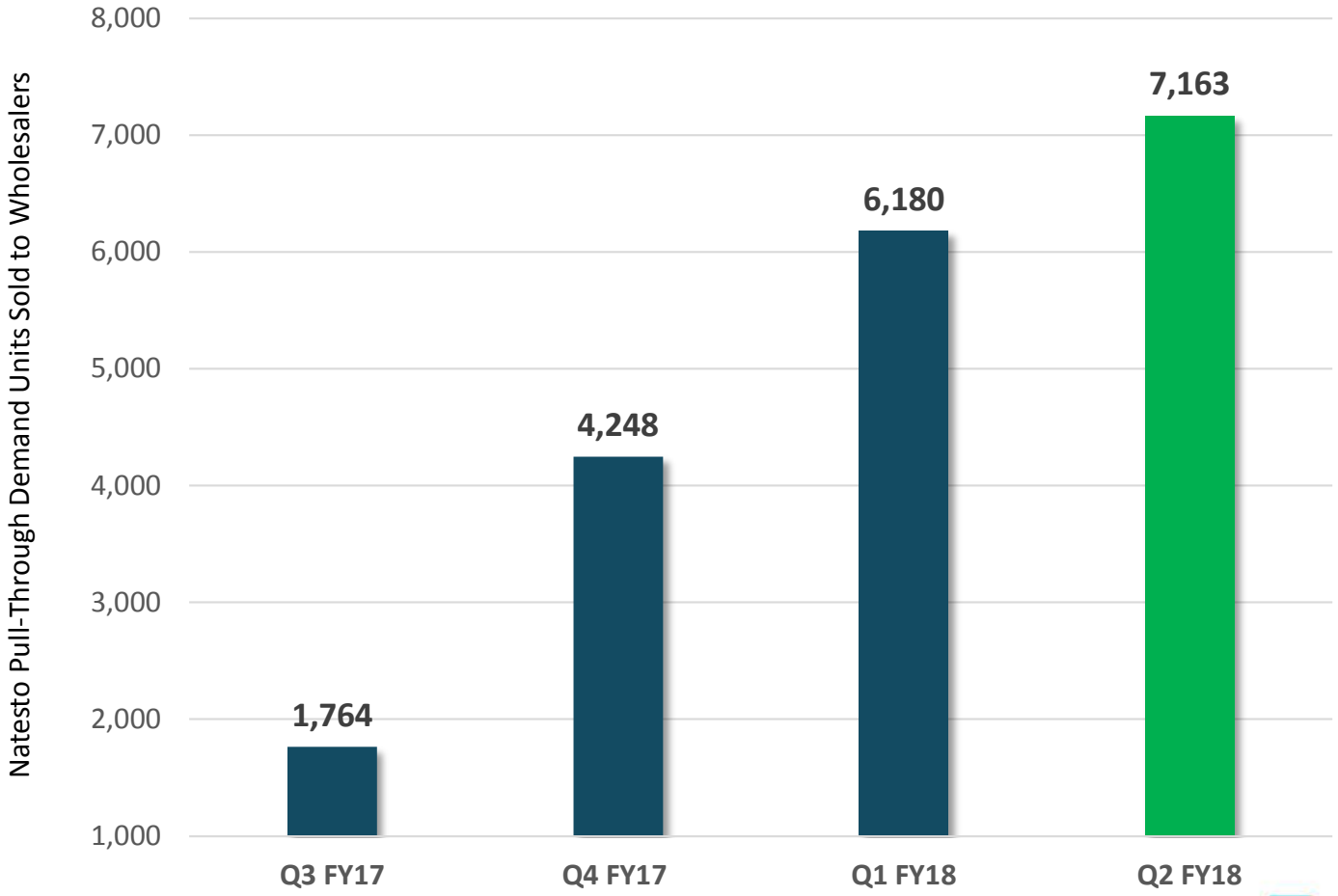
Natesto Demand Has Increased Significantly:

300% Increase in Wholesaler Demand Over Last Four Quarters



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Catalysts to Accelerate Natesto Growth

1. INCREASE FILL & REFILL RATES & HIGHER NET SELLING PRICE

- **Natesto Support Program**; Launched in February 2018
  - Patient support program to facilitate improved product reimbursement and access via payors
  - Natesto Support Program designed to:
    - Increase new prescription fill rates
    - Increase prescription refill rates
    - Improve gross-to-net

} Drive revenue growth

2. GROW PAYOR SUPPORT

- In discussions with major national plans, PBMs, and strategic regional payors
- Bid submitted to national third-party payer, others pending

3. BOLSTER CLINICAL EVIDENCE

- Investigator initiated spermatogenesis study underway at University of Miami (Ranjith Ramasamy, M.D. Director of Male Reproductive Medicine and Surgery)

4. CAPITALIZE ON FAVORABLE TRT MARKET DYNAMICS

- Tlando®/Jatenzo® Negative FDA AdCom Reviews – January 2018
- Withdrawal of Axiron® from U.S. Market & Decreasing commercial spend on AndroGel®

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Implementing the *Natesto Support Program*

1. **Physician offices enroll patients in the recently launched Natesto Support Program**
   - Program transfers reimbursement administration from physician offices to expert third-party patient advocates
2. **Expert patient advocates align with patients' insurance carriers and physician offices to:**
   - Verify and secure Natesto insurance coverage
   - Secure Prior Authorizations when required
   - Secure patient clinical histories when required
3. **Patient is notified of coverage, prescription filled at pharmacy**
   - Prescription filled at higher net selling price to Aytu
4. **Patient advocate arranges refills and pharmacy stocking for patients to obtain repeat Natesto prescriptions**
   - Natesto prescriptions refilled more routinely

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Natesto Support Program Benefits

- Improved net selling price on 1st Rx
- Reduced patient abandonment after 1st Rx due to non-coverage or prior authorization requirement by insurance company
- Improved refill rate due to coverage AND follow-up from patient advocates

Available on Natesto.com

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Recent, Favorable TRT Market Dynamics

Market is largely unguarded from a competitive standpoint

- Eli Lilly discontinued in 2017 Axiron due to generic entrants[1]
- AbbVie has decreased promotional support significantly since 2015
- Approx. **$1.2+ BB** in annual revenues[2]

We believe three potential competitors are likely to not be approved

- Antares Pharma received a **Complete Response Letter** for Xyosted injection in October '17[3]
- FDA Advisory Committee voted against approval of Clarus Therapeutics' oral testosterone, Jatenzo® on January 9, 2018[4]
- FDA Advisory Committee **voted against approval** of Lipocine's oral testosterone, Tlando® on January 10, 2018[4]

1. Accessed at www. reuters.com/article/brief-acrux-says-co-and-eli-lilly-and-co/brief-acrux-says-co-and-eli-lilly-and-co-agreed-to-terminate-licensing-agreement-for-axiron-idUSFWN1LM0UN. 2. IQVIA December 2017. 3. Antares Pharma Inc., Corporate Affairs. (2017, October 20). *Antares Pharma receives complete response letter from FDA for Xyosted* [Press release]. Retrieved January 23, 2018, from https://www.antarespharma.com/application/files/9015/0876/2253/XYOSTED.pdf. 4. MedPage Today, Endocrinology. (2018, January 10). *FDA Panel: Two Thumbs Down for New Oral Testosterone Drugs* [Press release]. Retrieved January 23, 2018, from https://www.medpagetoday.com/endocrinology/generalendocrinology/70432.

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MiOXSYS®: First-in-class, CE Marked male infertility diagnostic system

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MiOXSYS for Male Infertility

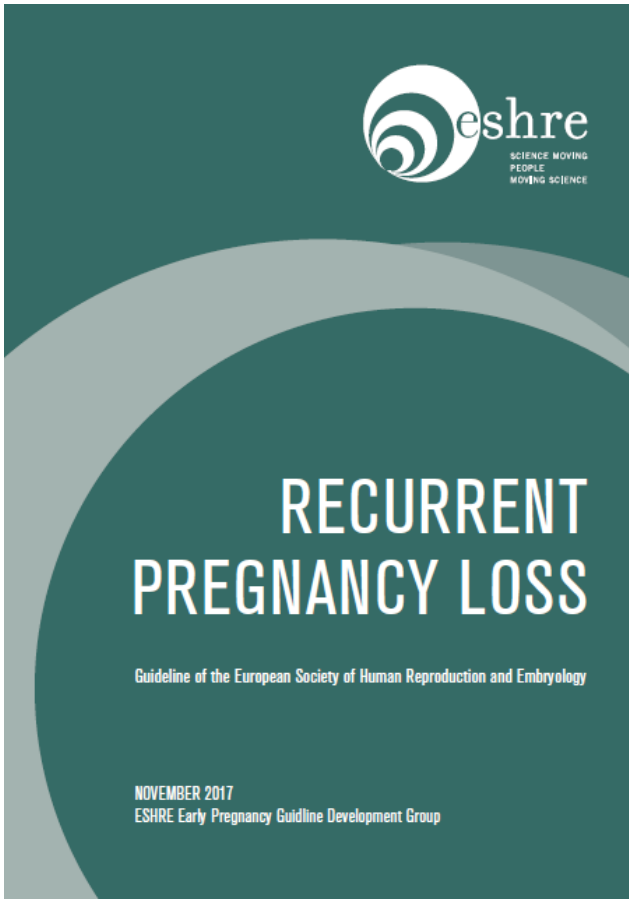
First-in-Class *In Vitro* Diagnostic Device

- CE Marked, Health Canada Cleared, Australian TGA Approved; Rapid IVD test available for in-office testing to screen for male infertility
  - Measures oxidative stress in male infertility cases that would otherwise go undetected with a routine semen analysis.
  - Minimal footprint and procedure, as compared to other methods.
- U.S. clinical and 510k regulatory pathway expected to be relatively short and well defined
  - Working towards pre-submission meeting with FDA
- Razor-razorblade commercial model with recurring revenues from disposable, single-use sensors

"This new test can rapidly help clinicians identify infertile patients with confidence, so that treatment strategies can be initiated immediately. This in turn helps the clinic improve the chances of pregnancy" – A. Agarwal ASRM 2016

miOXSYS

Recent Guidelines Support Seminal Oxidative Stress Testing in Recurrent Pregnancy Loss



- **November 2017 Guideline on *Recurrent Pregnancy Loss* from the European Society of Human Reproduction and Embryology (ESHRE):**

  The main cause of DNA damage is Oxidative Stress and this seems to be exacerbated by smoking, obesity and excessive exercise.

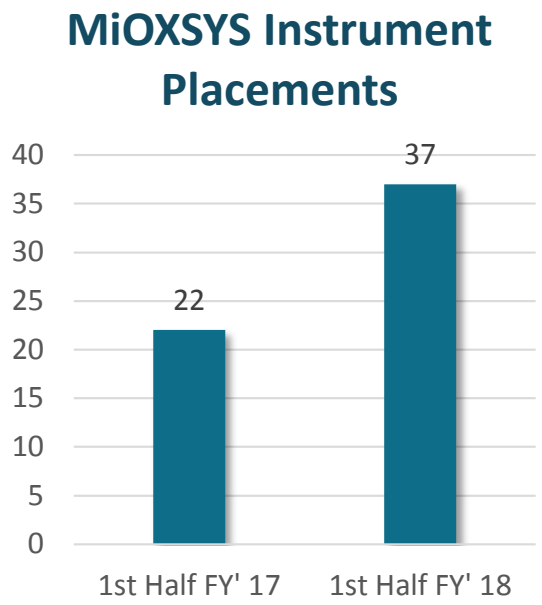
- **Testing to assess DNA damage should be offered to couples following even a single miscarriage after fertility treatment.**

MiOXSYS®

European Society of Human Reproduction and Embryology. ESHRE Early Pregnancy Guideline Development Group. Nov 2017.

MiOXSYS: Global Commercialization Underway

Growing Sales Footprint – *Currently Sold Into 36 Countries*



* Research Use Only

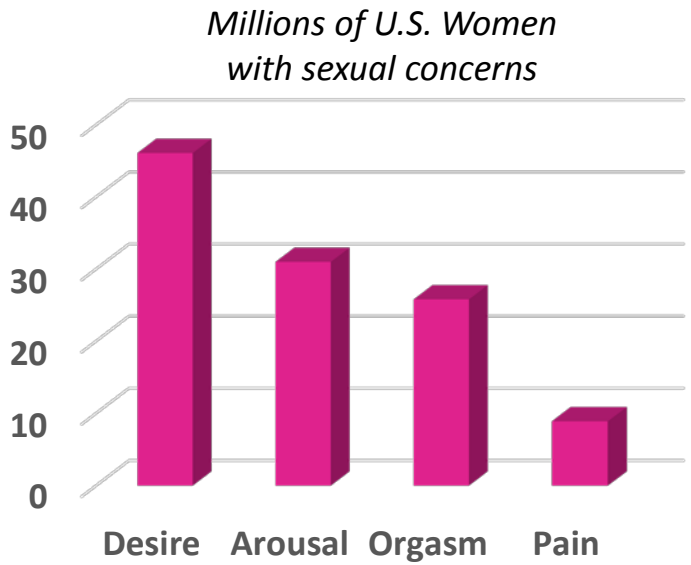
Fiera: The first *pre-intimacy* product proven to increase sexual desire and arousal in women

Unmet Needs in Women's Sexual Wellness

- Over **43%** of women have one or more non-medical sexual concerns[1,2]
- **Low desire** is the most common problem (46MM) followed by arousal[1,2]
- Fiera demonstrated positive results in peer-reviewed, published clinical trials

U.S. Market Potential[1,2]

53 Million



1. Shifren, Obstet Gynecol 2008; 112: 970-8. 2. US Census Bureau population estimates for 2012

Aytu Investment Considerations

- **Rapidly growing, revenue generating, Specialty Life Sciences Company**
- **Urology-centric product portfolio with emphasis on hypogonadism, male infertility, and sexual/reproductive health**
  - Natesto® - First and Only Intranasal Testosterone Treatment – Hypogonadism
  - MiOXSYS® - In-Office Diagnostic Test assessing Male Infertility Status
- **U.S. Commercial Infrastructure and International Distribution Network**
  - U.S.-Based, Urology-Centric Specialty Sales Force with National Footprint
  - Global Distributor Network; Products Sold in 36 countries
- **Ongoing/Upcoming Catalysts:**
  - Strong quarterly Natesto prescription and factory sales growth
  - Increasing net sales due to rollout of Natesto Support Program
  - Ex-U.S. licensing and market launches of MiOXSYS
  - FDA clearance or approval of MiOXSYS for male infertility assessment
  - Additional product acquisition or licensing deal(s)

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