

CRESCITA THERAPEUTICS INC.

**MATERIAL CHANGE REPORT FORM
51-102F3**

Item 1. Name and Address of Corporation

Crescita Therapeutics Inc.
6733 Mississauga Road, Suite 610
Mississauga, Ontario
L5N 6J5

Item 2. Date of Material Change

April 23, 2019

Item 3. News Release

A news release was disseminated on April 25, 2019 via CNW.

Item 4. Summary of Material Change

Crescita Therapeutics Inc. (the “**Company**”) announced it entered into a commercialization license agreement (the “**Agreement**”) with Cantabria Labs (“**Cantabria**”), granting Cantabria the exclusive rights to sell and distribute Pliaglis in Italy, Portugal, France and Spain (together, the “**Territories**”). Pliaglis is a lidocaine and tetracaine (7%/7%) prescription topical local anesthetic cream that provides local dermal anesthesia on intact skin prior to certain superficial dermatological procedures.

As consideration for the rights granted under the Agreement, Cantabria will pay: (i) an upfront payment of €2.5 million, half of which is payable on signing the Agreement and the other half of which is payable following the first commercial sale of Pliaglis by Cantabria or its affiliates; (ii) double digit royalties on the net sales of Pliaglis in the Territories, and (iii) milestone payments related to the launch and sales performance of Pliaglis in France, Spain and Portugal.

Item 5. 5.1 Full Description of Material Change

The Company announced that it entered into a commercialization license agreement, the Agreement, with Cantabria granting Cantabria the exclusive rights to sell and distribute Pliaglis in the Territories. Cantabria is a leading prescription dermatology company in Europe with a presence in over 80 countries.

As consideration for the rights granted under the Agreement, Cantabria will pay: (i) an upfront payment of €2.5 million, half of which is payable on signing the Agreement and the other half of which is payable following the first commercial sale of Pliaglis by Cantabria or its affiliates; (ii) double digit royalties on the net sales of Pliaglis in the Territories, and (iii) milestone [**payments**] related to the launch and sales performance of Pliaglis in France, Spain and Portugal.

In addition, the Company and Cantabria agreed that Cantabria would transfer the manufacturing of Pliaglis to its new centre for sustainable production in Villaescusa,

Spain and that Cantabria will supply the product to the Company outside the Territories.

Effective April 1, 2019, the Company acquired the rest-of-world (the “**ROW**”) development and marketing rights for Pliaglis from its licensee, Galderma S.A. (“**Galderma**”). The Company owns rights to Pliaglis in the United States, Canada and Mexico which were reacquired from Galderma in 2015. Pliaglis is approved for sale in 26 ROW countries but is currently only commercialized in Italy and Brazil with annual ROW product sales of US\$2.5 million in 2018. During a transition period, Galderma will continue to distribute Pliaglis for Italy and Brazil. Galderma will also manufacture the product for Italy, Brazil, Canada and Mexico until other manufacturing is arranged, but at the longest until March 2021.

Pliaglis, a lidocaine and tetracaine (7%/7%) formulation, is prescription topical local anesthetic cream approved in 29 countries that provides safe and effective local dermal anesthesia on intact skin prior to superficial dermatological procedures, such as dermal filler injection, pulsed dye laser therapy, facial laser resurfacing and laser-assisted tattoo removal. This product utilizes the proprietary phase-changing topical cream "Peel" technology. The "Peel" technology consists of a drug containing cream which, once applied to a patient's skin, dries to form a pliable layer that releases drug into the skin. Following the application period, Pliaglis forms a pliable layer that is removed from the skin allowing the dermatological procedure to be performed with minimal to no pain.

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6. Reliance on Section 7.1(2) of National Instrument 51-102

Not applicable.

Item 7. Omitted Information

Not applicable.

Item 8. Executive Officer

The name and business number of the executive officer of the Corporation who is knowledgeable about the material change and this report is:

Serge Verreault – President & Chief Executive Officer
Tel: (450) 680-4704

Item 9. Date of Report

May 2, 2019

Advisory Regarding Forward-Looking Statements

The foregoing contains forward-looking statements. All statements, other than statements of historical fact, that address activities, events or developments that we believe, expect or anticipate will or may occur in the future are forward-looking statements. These forward-looking statements reflect our current

expectations or beliefs based on information currently available to us. Forward-looking statements in the foregoing include, without limitation, statements with respect to: the Company's future level of working capital, the availability to the Company of potential business development opportunities and strategic transactions, our expectations regarding the estimated costs of the rights offering and the net proceeds to be available upon completion; the use of proceeds from the rights offering; and the availability of funds from sources other than the rights offering.

Forward-looking statements are subject to a number of risks and uncertainties that may cause the Company's actual results to differ materially from those discussed in the forward-looking statements and, even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, the Company. Factors that could cause actual results or events to differ materially from current expectations include, among other things, uncertainties relating to closing of the rights offering and any commitments, the impact on the issuance of additional Common Shares prior to the expiry of the rights offering, the trading of the rights, the value of the rights, our ability to cancel the offering, delays in obtaining or failure to obtain required approvals to complete the rights offering, the ability of the backstop purchasers to waive conditions to completion of the backstop commitments, market risks in the business operated by us, and other risks related to our business and the Rights Offering.

Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward- looking statement, whether as a result of new information, future events or results or otherwise. Although we believe that the assumptions inherent in the forward-looking statements are reasonable, forward- looking statements are not guarantees of future performance and, accordingly, undue reliance should not be put on such statements due to their inherent uncertainty.