U.S. SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)
☒ QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended: December 31, 2019

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ______________ to ______________

Commission File Number 001-38174

Citius Pharmaceuticals, Inc.
(Exact name of registrant as specified in its charter)

Nevada	**27-3425913**
(*State or other jurisdiction of incorporation or organization*)	(*IRS Employer Identification No.*)

11 Commerce Drive, First Floor, Cranford, NJ 07016
(*Address of principal executive offices and zip code*)

(908) 967-6677
(*Registrant's telephone number, including area code*)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common stock, $0.001 par value	CTXR	Nasdaq Capital Market
Warrants to purchase common stock	CTXRW	Nasdaq Capital Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to filed such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of February 7, 2020, there were 31,493,389 shares of common stock, $0.001 par value, of the registrant issued and outstanding.

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EXPLANATORY NOTE

In this Quarterly Report on Form 10-Q, and unless the context otherwise requires, the "Company," "we," "us" and "our" refer to Citius Pharmaceuticals, Inc. and its wholly owned subsidiaries, Citius Pharmaceuticals, LLC and Leonard-Meron Biosciences, Inc., taken as a whole.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains "forward-looking statements." Forward-looking statements include, but are not limited to, statements that express our intentions, beliefs, expectations, strategies, predictions or any other statements relating to our future activities or other future events or conditions. These statements are based on current expectations, estimates and projections about our business based, in part, on assumptions made by management. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may, and are likely to, differ materially from what is expressed or forecasted in the forward-looking statements due to numerous factors discussed from time to time in this report and in other documents which we file with the Securities and Exchange Commission. In addition, such statements could be affected by risks and uncertainties related to:

- our ability to raise funds for general corporate purposes and operations, including our clinical trials;
- the cost, timing and results of our clinical trials;
- our ability to obtain and maintain required regulatory approvals for our product candidates;
- the commercial feasibility and success of our technology;
- our ability to recruit qualified management and technical personnel to carry out our operations; and
- the other factors discussed in the "Risk Factors" section of our most recent Annual Report on Form 10-K and elsewhere in this report.

Any forward-looking statements speak only as of the date on which they are made, and except as may be required under applicable securities laws, we do not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the filing date of this report.

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

CITIUS PHARMACEUTICALS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

	December 31, 2019	September 30, 2019
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 2,779,650	$ 7,893,804
Prepaid expenses	55,747	48,111
Total Current Assets	2,835,397	7,941,915
Property and equipment, net	413	590
Operating lease right-of-use asset, net	1,103,155	—
Other Assets:		
Deposits	57,093	57,093
In-process research and development	19,400,000	19,400,000
Goodwill	1,586,796	1,586,796
Total Other Assets	21,043,889	21,043,889
Total Assets	$ 24,982,854	$ 28,986,394
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	$ 1,547,261	$ 2,713,542
Accrued expenses	209,118	246,225
Accrued compensation	1,475,983	1,400,688
Accrued interest – related parties	78,288	74,297
Notes payable – related parties	172,970	172,970
Operating lease liability	146,244	—
Total Current Liabilities	3,629,864	4,607,722
Operating lease liability – non current	976,198	—
Total Liabilities	4,606,062	4,607,722
Commitments and Contingencies		
Stockholders' Equity:		
Preferred stock – $0.001 par value; 10,000,000 shares authorized; no shares issued and outstanding	—	—
Common stock – $0.001 par value; 200,000,000 shares authorized; 30,177,674 and 28,930,493 shares issued and outstanding at December 31, 2019 and September 30, 2019, respectively	30,178	28,930
Additional paid-in capital	80,488,966	80,169,724
Accumulated deficit	(60,142,352)	(55,819,982)
Total Stockholders' Equity	20,376,792	24,378,672
Total Liabilities and Stockholders' Equity	$ 24,982,854	$ 28,986,394

See notes to unaudited condensed consolidated financial statements.

CITIUS PHARMACEUTICALS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE THREE MONTHS ENDED DECEMBER 31, 2019 AND 2018
(Unaudited)

	Three Months Ended	
	December 31, 2019	December 31, 2018
Revenues	$ —	$ —
Operating Expenses		
Research and development	2,664,546	2,113,101
General and administrative	1,562,995	1,588,124
Stock-based compensation – general and administrative	220,384	171,249
Total Operating Expenses	4,447,925	3,872,474
Operating Loss	(4,447,925)	(3,872,474)
Other Income (Expense)		
Other income	110,207	—
Interest income	19,339	1,747
Interest expense	(3,991)	(4,003)
Total Other Income (Expense), Net	125,555	(2,256)
Net Loss	$ (4,322,370)	$ (3,874,730)
Net Loss Per Share - Basic and Diluted	$ (0.15)	$ (0.22)
Weighted Average Common Shares Outstanding		
Basic and diluted	29,197,980	17,764,008

See notes to unaudited condensed consolidated financial statements.

CITIUS PHARMACEUTICALS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE THREE MONTHS ENDED DECEMBER 31, 2019 AND 2018
(Unaudited)

	Preferred Stock	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Accumulated Deficit	Total
Balance, October 1, 2019	$ —	28,930,493	$ 28,930	$ 80,169,724	$ (55,819,982)	$ 24,378,672
Issuance of common stock upon exercise of warrants	—	1,060,615	1,061	(955)	—	106
Issuance of common stock for services	—	186,566	187	99,813	—	100,000
Stock-based compensation expense	—	—	—	220,384	—	220,384
Net loss	—	—	—	—	(4,322,370)	(4,322,370)
Balance, December 31, 2019	$ —	30,177,674	$ 30,178	$ 80,488,966	$ (60,142,352)	$ 20,376,792
Balance, October 1, 2018	$ —	16,198,791	$ 16,199	$ 68,107,323	$ (40,257,838)	$ 27,865,684
Issuance of common stock upon exercise of warrants	—	1,600,000	1,600	14,400	—	16,000
Stock-based compensation expense	—	—	—	171,249	—	171,249
Net loss	—	—	—	—	(3,874,730)	(3,874,730)
Balance, December 31, 2018	$ —	17,798,791	$ 17,799	$ 68,292,972	$ (44,132,568)	$ 24,178,203

See notes to unaudited condensed consolidated financial statements.

CITIUS PHARMACEUTICALS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED DECEMBER 31, 2019 AND 2018
(Unaudited)

	2019	2018
Cash Flows From Operating Activities:		
Net loss	$ (4,322,370)	$ (3,874,730)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock-based compensation expense	220,384	171,249
Issuance of common stock for services	100,000	—
Amortization of operating lease right-of-use asset	34,569	—
Depreciation	177	235
Changes in operating assets and liabilities:		
Other receivables	—	818,343
Prepaid expenses	(7,636)	11,109
Accounts payable	(1,166,281)	509,988
Accrued expenses	(37,107)	18,773
Accrued compensation	75,295	182,500
Accrued interest - related parties	3,991	4,003
Operating lease liability	(15,282)	—
Net Cash Used In Operating Activities	(5,114,260)	(2,158,530)
Cash Flows From Financing Activities:		
Proceeds from common stock warrant exercises	106	16,000
Net Cash Provided By Financing Activities	106	16,000
Net Change in Cash and Cash Equivalents	(5,114,154)	(2,142,530)
Cash and Cash Equivalents - Beginning of Period	7,893,804	9,184,003
Cash and Cash Equivalents - End of Period	$ 2,779,650	$ 7,041,473
Supplemental Disclosures Of Cash Flow Information and Non-cash Activities:		
Operating lease right-of-use asset and liability recorded upon adoption of ASC 842	$ 1,137,724	$ —

See notes to unaudited condensed consolidated financial statements.

1. NATURE OF OPERATIONS, BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Business

Citius Pharmaceuticals, Inc. ("Citius" or the "Company") is a specialty pharmaceutical company dedicated to the development and commercialization of critical care products targeting important medical needs with a focus on anti-infective products in adjunct cancer care and unique prescription products.

On March 30, 2016, Citius acquired Leonard-Meron Biosciences, Inc. ("LMB") as a wholly-owned subsidiary. The Company acquired all of the outstanding stock of LMB by issuing shares of its common stock. The net assets acquired included identifiable intangible assets of $19,400,000 related to in-process research and development. The Company recorded goodwill of $1,586,796 for the excess of the purchase price over the net assets.

In-process research and development represents the value of LMB's leading drug candidate which is an antibiotic solution used to treat catheter-related bloodstream infections (Mino-Lok®) and is expected to be amortized on a straight-line basis over a period of eight years commencing upon revenue generation. Goodwill represents the value of LMB's industry relationships and its assembled workforce. Goodwill will not be amortized but will be tested at least annually for impairment.

Citius is subject to a number of risks common to companies in the pharmaceutical industry including, but not limited to, risks related to the development by Citius or its competitors of research and development stage product candidates, market acceptance of its product candidates that might be approved, competition from larger companies, dependence on key personnel, dependence on key suppliers and strategic partners, the Company's ability to obtain additional financing and the Company's compliance with governmental and other regulations.

Basis of Presentation and Summary of Significant Accounting Policies

Basis of Preparation — The accompanying condensed consolidated financial statements include the operations of Citius Pharmaceuticals, Inc., and its wholly-owned subsidiaries, Citius Pharmaceuticals, LLC, and LMB. All significant inter-company balances and transactions have been eliminated in consolidation.

The accompanying unaudited condensed consolidated financial statements of the Company have been prepared on the same basis as the annual consolidated financial statements and, in the opinion of management, reflect all adjustments, which include only normal recurring adjustments, necessary to fairly state the condensed consolidated financial position of the Company as of December 31, 2019, the results of its operations and cash flows for the three-month periods ended December 31, 2019 and 2018, and are not necessarily indicative of the results that may be expected for the year ending September 30, 2020. These unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended September 30, 2019 filed with the Securities and Exchange Commission.

Recently Adopted Accounting Standards

In February 2016, the FASB issued Accounting Standards Update ("ASU") No. 2016-02, Leases (Topic 842). ASU 2016-02 requires a lessee to record a right-of-use asset and a corresponding lease liability, initially measured at the present value of the lease payments, on the balance sheet for all leases with terms longer than 12 months, as well as the disclosure of key information about leasing arrangements. Leases will be classified as either finance leases or operating leases, with classification affecting the pattern of expense recognition in the statement of operations. In January, July and December 2018, the FASB issued ASU No's. 2018-01, 2018-10, 2018-11, 2018-20 and 2019-01, which were targeted improvements to ASU No. 2016-02 (collectively, with ASU No. 2016-02, "ASC 842") and provided entities with an additional (and optional) transition method to adopt the new lease standard, and provided clarifications to address potential narrow-scope implementation issues. The Company adopted ASU 2016-02 effective October 1, 2019 and elected the optional transition method for adoption. The Company also took advantage of the transition package of practical expedients permitted within ASU 2016-02, which among other things, allowed it to carryforward historical lease classifications. The Company also elected to keep leases with an initial term of 12 months or less off of the balance sheet as a policy election and will recognize those lease payments in the consolidated statements of operations on a straight-line basis over the lease term. As of the adoption date, the Company identified one operating lease arrangement in which it is a lessee. The adoption of this ASU resulted in the recognition of a right-of-use asset and lease liability of $1,137,724.

In June 2018, the FASB issued ASU No. 2018-07, Compensation - Stock Compensation (Topic 718): Improvements to Nonemployee Share-Based Payment Accounting which is intended to reduce cost and complexity and to improve financial reporting for nonemployee share-based payments. The amendment is effective for fiscal years beginning after December 15, 2018, including interim periods within that fiscal year. The Company adopted ASU 2018-07 on October 1, 2019 and it did not have a material effect on the Company's financial position, results of operations or disclosures.

There have been no other recently issued accounting pronouncements that have had or are expected to have a material impact on the Company's consolidated financial statements.

Use of Estimates — Our accounting principles require our management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of assets and liabilities at the date of the financial statements, and reported amounts of revenues and expenses during the reporting period. Estimates having relatively higher significance include stock-based compensation, accounting for leases, valuation of warrants, and income taxes. Actual results could differ from those estimates and changes in estimates may occur.

Basic and Diluted Net Loss per Common Share — Basic and diluted net loss per common share is computed by dividing net loss in each period by the weighted average number of shares of common stock outstanding during such period. For the periods presented, common stock equivalents, consisting of stock options and warrants were not included in the calculation of the diluted loss per share because they were anti-dilutive.

2. GOING CONCERN UNCERTAINTY AND MANAGEMENT'S PLAN

The accompanying condensed consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company experienced negative cash flows from operations of $5,114,260 for the three months ended December 31, 2019. The Company has generated no operating revenue to date and has principally raised capital through the issuance of debt and equity instruments to finance its operations. At December 31, 2019, the Company had a working capital deficit of $794,467. The Company estimates cash resources, including proceeds in January 2020 from the cash exercise of warrants issued in September 2019, will be sufficient to fund its operations into the third quarter of fiscal year 2020. This raises substantial doubt about the Company's ability to continue as a going concern.

The Company plans to raise capital through equity financings from outside investors as well as raise additional funds from existing investors and continued borrowings under related party debt agreements. There is no assurance, however, that the Company will be successful in raising the needed capital and, if funding is available, that it will be available in amounts sufficient for and on terms acceptable to the Company. The accompanying condensed consolidated financial statements do not include any adjustments that might result from the outcome of the above uncertainty.

3. PATENT AND TECHNOLOGY LICENSE AGREEMENTS

Patent and Technology License Agreement – Mino-Lok

LMB has a patent and technology license agreement with Novel Anti-Infective Therapeutics, Inc. ("NAT") to develop and commercialize Mino-Lok® on an exclusive, worldwide sub licensable basis, as amended. LMB pays an annual maintenance fee each June until commercial sales of a product subject to the license commence. The annual fee paid in June 2019 was $90,000 (at which level it will remain for as long as it is due) and the annual fee paid in June 2018 was $75,000.

LMB will also pay annual royalties on net sales of licensed products, with royalties ranging from the mid-single digits to the low double digits or, in the event the licensed product is not subject to a valid patent claim, the royalty is reduced to mid- to lower-single digits. In limited circumstances in which the licensed product is not subject to a valid patent claim and a competitor is selling a competing product, the royalty rate is in the low single digits. After a commercial sale is obtained, LMB must pay minimum aggregate annual royalties of $100,000 in the first commercial year which is prorated for a less than 12-month period, increasing $25,000 per year to a maximum of $150,000 annually. LMB must also pay NAT up to $1,100,000 upon achieving specified regulatory and sales milestones. Finally, LMB must pay NAT a specified percentage of payments received from any sub licensees.

Unless earlier terminated by NAT, based on the failure by the Company to achieve certain development and commercial milestones or for various breaches by the Company, the license agreement remains in effect until the date that all patents licensed under the agreement have expired and all patent applications within the licensed patent rights have been cancelled, withdrawn or expressly abandoned.

Patent and Technology License Agreement – Mino-Wrap

On January 2, 2019, we entered into a patent and technology license agreement with the Board of Regents of the University of Texas System on behalf of the University of Texas M. D. Anderson Cancer Center ("Licensor"), whereby we in-licensed exclusive worldwide rights to the patented technology for any and all uses relating to breast implants. We intend to develop a liquefying gel-based wrap containing minocycline and rifampin for the reduction of infections associated with breast implants following breast reconstructive surgeries ("Mino-Wrap"). We are required to use commercially reasonable efforts to commercialize Mino-Wrap under several regulatory scenarios and achieve milestones associated with these regulatory options leading to an approval from the U.S. Food and Drug Administration ("FDA").

Under the license agreement, the Company paid a nonrefundable upfront payment of $125,000 which was recorded as research and development expense during the year ended September 30, 2019. We are obligated to pay an annual maintenance fee of $30,000, commencing in January 2020, which increases annually by $15,000 per year up to a maximum of $90,000. Annual maintenance fees cease on the first sale of product. We also must pay up to an aggregate of $2.1 million in milestone payments, contingent on the achievement of various regulatory and commercial milestones. Under the terms of the license agreement, we also must pay a royalty of mid- to upper-single digit percentages of net sales, depending on the amount of annual sales, and subject to downward adjustment to lower- to mid-single digit percentages in the event there is no valid patent for the product in the United States at the time of sale. After the first sale of product, we will owe an annual minimum royalty payment of $100,000 that will increase annually by $25,000 for the duration of the term. We will be responsible for all patent expenses incurred by Licensor for the term of the agreement although Licensor is responsible for filing, prosecution and maintenance of all patents. Unless earlier terminated by Licensor, based upon the failure by us to achieve certain development and commercial milestones or for various breaches by us, the agreement expires on the later of the expiration of the patents or January 2, 2034.

4. NOTES PAYABLE – RELATED PARTIES

The aggregate principal balance as of December 31, 2019 consists of notes payable held by our Chairman, Leonard Mazur, in the amount of $160,470 and notes payable held by our Chief Executive Officer, Myron Holubiak, in the amount of $12,500. Notes with an aggregate principal balance of $104,000 accrue interest at the prime rate plus 1.0% per annum and notes with an aggregate principal balance of $68,970 accrue interest at 12% per annum.

Interest expense on notes payable – related parties was $3,991 and $4,003, respectively, for the three months ended December 31, 2019 and 2018.

5. COMMON STOCK, STOCK OPTIONS AND WARRANTS

Registered Direct/Private Placement Offerings

On April 3, 2019, the Company closed a registered direct offering with several institutional and accredited investors for the sale of 3,430,421 shares of common stock at $1.545 per share for gross proceeds of $5,300,001. Simultaneously, the Company also privately sold and issued 3,430,421 immediately exercisable two-year unregistered warrants to the investors with an exercise price of $1.42 per share. The Company paid the placement agent for the offering a fee of 7% of the gross proceeds totaling $371,000 and issued the placement agent 240,130 immediately exercisable two-year warrants with an exercise price of $1.93125 per share. The Company also reimbursed the placement agent for $85,000 in expenses and incurred $10,000 in other expenses. Net proceeds from the offering were $4,834,001. The estimated fair value of the 3,430,421 warrants issued to the investors was $2,709,467 and the estimated fair value of the 240,130 warrants issued to the placement agent was $169,854.

On September 27, 2019, Citius closed an underwritten at-the-market offering of (i) 6,760,615 units, each unit consisting of one share of common stock and one immediately exercisable five-year warrant to purchase one share at $0.77 per share, and (ii) 1,060,615 pre-funded units, each pre-funded unit consisting of one pre-funded warrant to purchase one share and one immediately exercisable five-year warrant to purchase one share at $0.77 per share. The pre-funded warrants included in the pre-funded units are immediately exercisable at a price of $0.0001 per share and do not expire. The offering price was $0.8951 per unit and $0.895 per pre-funded unit. The net proceeds of the offering were $6,290,335. The Company issued the underwriter immediately exercisable five-year warrants to purchase up to 547,486 shares at $1.118875 per share with an estimated fair value of $323,414. The estimated fair value of the 1,060,615 pre-funded warrants was $809,145, and the estimated fair value of the 7,821,230 warrants included in the units and the pre-funded units issued to the investors was $4,845,341.

Common Stock Issued for Services

On February 13, 2019, the Company issued 125,000 shares of common stock for investor relations services and expensed the $117,500 fair value of the common stock issued.

On September 16, 2019, the Company issued 94,097 shares of common stock for investor relations services and expensed the $94,097 fair value of the common stock issued.

On November 4, 2019, the Company issued 186,566 shares of common stock for strategic consulting and corporate development services and expensed the $100,000 fair value of the common stock issued.

Stock Option Plans

Pursuant to its 2014 Stock Incentive Plan (the “2014 Plan”) the Company reserved 866,667 shares of common stock for issuance to employees, directors and consultants. The Board of Directors (or committees and/or executive officers delegated by the Board of Directors) may grant stock options, stock appreciation rights, restricted stock, restricted stock units, other stock-based awards and cash-based awards under the 2014 Plan. As of December 31, 2019, there were options to purchase an aggregate of 861,838 shares of common stock outstanding under the 2014 Plan, options to purchase 4,829 shares were exercised, and no shares remain available for future grants.

On February 7, 2018, our stockholders approved the 2018 Omnibus Stock Incentive Plan (the “2018 Plan”) and the Company reserved 2,000,000 shares of common stock for issuance to employees, directors and consultants. Pursuant to the 2018 Plan, the Board of Directors (or committees and/or executive officers delegated by the Board of Directors) may grant stock options, stock appreciation rights, restricted stock, restricted stock units, other stock-based awards and cash-based awards. As of December 31, 2019, there were options to purchase an aggregate of 1,890,000 shares of common stock outstanding under the 2018 Plan and 110,000 shares available for future grants.

The fair value of each stock option award is estimated on the date of grant using the Black-Scholes option pricing model. Due to its limited operating history and limited number of sales of its common stock, the Company estimated its volatility in consideration of a number of factors including the volatility of comparable public companies through December 31, 2018. Since January 1, 2019, the Company has estimated its volatility using the trading activity of its common stock. The risk-free interest rate is based on the U.S. Treasury yield curve in effect at the time of grant commensurate with the expected term assumption. The expected term of stock options granted, all of which qualify as “plain vanilla,” is based on the average of the contractual term (generally 10 years) and the vesting period. For non-employee options, the expected term is the contractual term.

A summary of option activity under the 2014 Plan and 2018 Plan is presented below:

	Option Shares	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding at October 1, 2019	1,771,039	$ 4.03		
Granted	980,799	0.67		
Exercised	—	—		
Forfeited or expired	—	—		
Outstanding at December 31, 2019	2,751,838	$ 2.831	8.3 years	$ 416,892
Exercisable at December 31, 2019	1,199,509	$ 5.18	6.9 years	$ 67,461

On October 8, 2019, the Board of Directors granted stock options to purchase a total of 705,799 shares to employees, 125,000 shares to directors and 125,000 shares to consultants at $0.67 per share. On October 28, 2019, the Board of Directors granted stock options to purchase a total of 25,000 shares to a consultant at $0.55 per share. All of these options vest over terms of 12 to 36 months and have a term of 10 years.

Stock-based compensation expense for the three months ended December 31, 2019 and 2018 was $220,384 and $171,249, respectively.

At December 31, 2019, unrecognized total compensation cost related to unvested awards of $1,208,053 is expected to be recognized over a weighted average period of 1.9 years.

Warrants

As of December 31, 2019, the Company has reserved shares of common stock for the exercise of outstanding warrants. The following table summarizes the warrants outstanding:

	Exercise price	Number	Expiration Dates
Investor Warrants	$ 9.00	202,469	March 19, 2020 – September 14, 2020
Investor Warrants	9.00	307,778	November 5, 2020 – April 25, 2021
LMB Warrants	6.15	38,771	November 20, 2020 – March 2, 2021
LMB Warrants	9.90	4,985	January 8, 2020
LMB Warrants	20.70	2,668	March 6, 2020
LMB Warrants	7.50	73,883	August 18, 2020 – March 14, 2021
LMB Warrants	7.50	53,110	March 24, 2022 – April 29, 2022
Financial Advisor Warrants	3.00	25,833	August 15, 2021
2016 Offering Warrants	4.13	140,819	November 23, 2021 – February 27, 2022
2017 Public Offering Warrants	4.13	1,622,989	August 2, 2022
2017 Public Offering Underwriter Warrants	4.54	65,940	February 2, 2023
December 2017 Registered Direct/Private Placement Offering Investor Warrants	4.63	640,180	June 19, 2023
December 2017 Registered Direct/Private Placement Offering Placement Agent Warrants	5.87	89,625	December 19, 2022
March 2018 Registered Direct/Private Placement Offering Investor Warrants	2.86	669,504	October 2, 2023
March 2018 Registered Direct/Private Placement Offering Placement Agent Warrants	3.73	46,866	March 28, 2023
August 2018 Offering Investor Warrants	1.15	7,843,138	August 14, 2023
August 2018 Offering Agent Warrants	1.59	549,020	August 8, 2023
April 2019 Registered Direct/Private Placement Offering Investor Warrants	1.42	3,430,421	April 5, 2021
April 2019 Registered Direct/Private Placement Offering Placement Agent Warrants	1.93	240,130	April 5, 2021
September 2019 Offering Investor Warrants	0.77	7,821,230	September 27, 2024
September 2019 Offering Underwriter Warrants	1.12	547,486	September 27, 2024
		24,416,845	

During the three months ended December 31, 2018, 1,600,000 of the August 2018 Offering Pre-Funded Unit Warrants were exercised at $0.01 per share for net proceeds of $16,000.

During the three months ended December 31, 2019, 1,060,615 of the September 2019 Offering Pre-Funded Unit Warrants were exercised at $0.0001 per share for net proceeds of $106.

At December 31, 2019, the weighted average remaining life of the outstanding warrants is 3.49 years, all warrants are exercisable, and the aggregate intrinsic value of the warrants outstanding was $1,955,308.

Common Stock Reserved

A summary of common stock reserved for future issuances as of December 31, 2019 is as follows:

Stock plan options outstanding	2,751,838
Stock plan shares available for future grants	110,000
Warrants outstanding	24,416,845
Unit purchase options outstanding	201,334
Total	27,480,017

6. RELATED PARTY TRANSACTIONS

Our Chairman of the Board, Leonard Mazur, was the cofounder and Vice Chairman of Akrimax Pharmaceuticals, LLC ("Akrimax"), a privately held pharmaceutical company specializing in producing cardiovascular and general pharmaceutical products. The Company leased office space from Akrimax through April 30, 2019 (see Note 7).

The Company has outstanding debt due to Leonard Mazur (Chairman of the Board) and Myron Holubiak (Chief Executive Officer) (see Note 4).

In connection with the April 2019 registered direct/private placement offering (See Note 5), Mr. Mazur purchased 1,165,048 shares of common stock at $1.545 per share and received 1,165,048 warrants with an exercise price of $1.42 per share, and Mr. Holubiak purchased 129,450 shares of common stock at $1.545 per share and received 129,450 warrants with an exercise price of $1.42 per share. The purchases were made on the same terms as for all other investors.

In connection with the September 2019 offering (See Note 5), Mr. Mazur purchased 2,234,700 shares of common stock at $0.8951 per share and received 2,234,700 warrants exercisable at $0.77 per share, and Mr. Holubiak purchased 558,597 shares of common stock at $0.8951 per share and received 558,597 warrants exercisable at $0.77 per share. The purchases were made on the same terms as for all other investors.

7. OPERATING LEASE

LMB leased office space from Akrimax (see Note 6) in Cranford, New Jersey at a monthly rental rate of $2,167 pursuant to an agreement which expired on April 30, 2019. Rent expense for the three months ended December 31, 2018 was $6,501.

Effective July 1, 2019, Citius entered into a 76-month lease for office space in Cranford, NJ.

As of September 30, 2019, minimum future lease payments under non-cancellable leases (consisting of the Cranford lease only) were as follows:

Year Ending September 30,		
2020	$	210,557
2021		234,447
2022		239,306
2023		244,165
2024		249,024
Thereafter		275,343
Total	$	1,452,842

Citius will also pay its proportionate share of real estate taxes and operating expenses in excess of the base year expenses. These costs are considered to be variable lease payments and are not included in the determination of the lease's right-of-use asset or lease liability.

The Company identified and assessed the following significant assumptions in recognizing its right-of-use assets and corresponding lease liabilities:

- As the Company's current Cranford lease does not provide an implicit rate, the Company estimated the incremental borrowing rate in calculating the present value of the lease payments. The Company has estimated its incremental borrowing rate based on electing the remaining lease term as of the adoption date.
- Since the Company elected to account for each lease component and its associated non-lease components as a single combined component, all contract consideration was allocated to the combined lease component.
- The expected lease terms include noncancelable lease periods

The elements of lease expense are as follows:

Lease cost		**Three Months Ended December 31, 2019**
Operating lease cost	$	57,349
Short-term lease cost		—
Variable lease cost		—
Total lease cost	$	57,349
Other information		
Weighted-average remaining lease term - operating leases		5.8 Years
Weighted-average discount rate - operating leases		8.0%

Maturities of lease liabilities due under the Company's current Cranford lease as of December 31, 2019 is as follows:

Leases		**As of December 31, 2019**
2020 (excluding the 3 months ended December 31, 2019)	$	172,494
2021		234,447
2022		239,306
2023		244,165
2024		249,024
Thereafter		275,343
Total lease payments		1,414,779
Less: interest		(292,337)
Present value of lease liabilities	$	1,122,442

Leases	Classification	As of December 31, 2019
Assets		
Lease asset	Operating	$ 1,103,155
Total lease assets		$ 1,103,155
Liabilities		
Current	Operating	$ 146,244
Non-current	Operating	976,198
Total lease liabilities		$ 1,122,442

Interest expense on the lease liability was $22,780 for the three months ended December 31, 2019.

8. FDA REFUND

In November 2019, the Company received an additional $110,207 refund from the FDA for 2016 product and establishment fees because the fees paid by the Company exceeded the costs of the FDA's review of the associated applications. The Company recorded the $110,207 as other income during the three months ended December 31, 2019.

9. SUBSEQUENT EVENTS

Nasdaq Listing

On October 30, 2019, Citius had received notice from The Nasdaq Stock Market, ("NASDAQ"), indicating that, because the closing bid price for the common stock had fallen below $1.00 per share for 30 consecutive business days, the Company no longer complied with the $1.00 minimum bid price requirement for continued listing. On January 31, 2020, Citius received notice from NASDAQ stating that because the closing bid price of the Company's common stock was $1.00 per share or greater for 10 consecutive business days, the Company had regained compliance with the Listing Rule requirements of NASDAQ.

Warrant Exercises

In January 2020, investors who participated in the September 2019 Offering exercised 1,315,715 warrants to purchase 1,315,715 shares of common stock. The exercise price of each warrant was $0.77 per share resulting in net proceeds of $1,013,101 to the Company.

Annual Meeting

On February 10, 2020, the Company's stockholders approved the 2020 Omnibus Stock Incentive Plan ("2020 Stock Plan"). The 2020 Stock Plan authorizes a maximum of 3,110,000 shares. The 2020 Stock Plan provides incentives to employees, directors, and consultants of the Company in form of granting an option, SAR, dividend equivalent right, restricted stock, restricted stock unit, or other right or benefit under the 2020 Stock Plan.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations for the three months ended December 31, 2019 should be read together with our unaudited consolidated financial statements and related notes included elsewhere in this report and in conjunction with the audited financial statements of Citius Pharmaceuticals, Inc. included in our Annual Report on Form 10-K for the year ended September 30, 2019. The following discussion contains "forward-looking statements" that reflect our future plans, estimates, beliefs and expected performance. Our actual results may differ materially from those currently anticipated and expressed in such forward-looking statements as a result of a number of factors. We caution that assumptions, expectations, projections, intentions or beliefs about future events may, and often do, vary from actual results and the differences can be material. Please see "Cautionary Note Regarding Forward-Looking Statements."

Historical Background

Citius Pharmaceuticals, Inc. ("Citius" or the "Company") is a specialty pharmaceutical company dedicated to the development and commercialization of critical care products targeting important medical needs with a focus on anti-infective products in adjunct cancer care and unique prescription products. On September 12, 2014, we acquired Citius Pharmaceuticals, LLC as a wholly-owned subsidiary and on March 30, 2016, we acquired Leonard-Meron Biosciences, Inc. ("LMB") as a wholly-owned subsidiary.

In-process research and development represents the value of LMB's leading drug candidate, Mino-Lok®, which is an antibiotic solution used to treat catheter-related bloodstream infections. Goodwill represents the value of LMB's industry relationships and its assembled workforce. In-process research and development is expected to be amortized on a straight-line basis over a period of eight years commencing upon revenue generation. Goodwill will not be amortized, but will be tested at least annually for impairment.

Through December 31, 2019, the Company has devoted substantially all of its efforts to business planning, acquiring our proprietary technology, research and development, recruiting management and technical staff, and raising capital. We are developing three proprietary products: Mino-Lok, an antibiotic lock solution used to treat patients with catheter-related bloodstream infections by salvaging the infected catheter; Mino-Wrap, a liquifying gel-based wrap for reduction tissue expander infections following breast reconstructive surgeries; and Halo-Lido, a corticosteroid-lidocaine topical formulation that is intended to provide anti-inflammatory and anesthetic relief to persons suffering from hemorrhoids. We believe these unique markets for our products are large, growing, and underserved by the current prescription products or procedures.

Patent and Technology License Agreements

Mino-Lok® - LMB has a patent and technology license agreement with Novel Anti-Infective Therapeutics, Inc. ("NAT") to develop and commercialize Mino-Lok® on an exclusive, worldwide sub-licensable basis, as amended. Since May 2014, LMB has paid an annual maintenance fee, which began at $30,000 and that increased over five years to $90,000, where it will remain until the commencement of commercial sales of a product subject to the license commence. LMB will also pay annual royalties on net sales of licensed products, with royalties ranging from the mid-single digits to the low double digits or, in the event the licensed product is not subject to a valid patent claim, the royalty is reduced to mid- to lower-single digits. In limited circumstances in which the licensed product is not subject to a valid patent claim and a competitor is selling a competing product, the royalty rate is in the low single digits. After a commercial sale is obtained, LMB must pay minimum aggregate annual royalties that increase in subsequent years. LMB must also pay NAT up to $1,100,000 upon achieving specified regulatory and sales milestones. Finally, LMB must pay NAT a specified percentage of payments received from any sub licensees.

Mino-Wrap - On January 2, 2019, we entered into a patent and technology license agreement with the Board of Regents of the University of Texas System on behalf of the University of Texas M. D. Anderson Cancer Center ("Licensor"), whereby we in-licensed exclusive worldwide rights to the patented technology for any and all uses relating to breast implants. We intend to develop a liquefying gel-based wrap containing minocycline and rifampin for the reduction of infections associated with breast implants following breast reconstructive surgeries ("Mino-Wrap"). We are required to use commercially reasonable efforts to commercialize Mino-Wrap under several regulatory scenarios and achieve milestones associated with these regulatory options leading to an approval from the Food and Drug Administration ("FDA").

Under the license agreement, the Company paid a nonrefundable upfront payment of $125,000. We are obligated to pay an annual maintenance fee of $30,000, commencing in January 2020, that increases annually by $15,000 per year up to a maximum of $90,000. Annual maintenance fees cease on the first sale of product. We also must pay up to an aggregate of $2.1 million in milestone payments, contingent on the achievement of various regulatory and commercial milestones. Under the terms of the license agreement, we also must pay a royalty of mid- to upper-single digit percentages of net sales, depending on the amount of annual sales, and subject to downward adjustment to lower- to mid-single digit percentages in the event there is no valid patent for the product in the United States at the time of sale. After the first sale of product, we will owe an annual minimum royalty payment of $100,000 that will increase annually by $25,000 for the duration of the term. We will be responsible for all patent expenses incurred by Licensor for the term of the agreement although Licensor is responsible for filing, prosecution and maintenance of all patents.

RESULTS OF OPERATIONS

Three months ended December 31, 2019 compared with the three months ended December 31, 2018

	Three Months Ended December 31, 2019	Three Months Ended December 31, 2018
Revenues	$ —	$ —
Operating expenses:		
Research and development	2,664,546	2,113,101
General and administrative	1,562,995	1,588,124
Stock-based compensation expense	220,384	171,249
Total operating expenses	4,447,925	3,872,474
Operating loss	(4,447,925)	(3,872,474)
Interest income	19,339	1,747
Other income	110,207	—
Interest expense	(3,991)	(4,003)
Net loss	$ (4,322,370)	$ (3,874,730)

Revenues

We did not generate any revenues for the three months ended December 31, 2019 or 2018.

Research and Development Expenses

For the three months ended December 31, 2019, research and development expenses were $2,664,546 as compared to $2,113,101 during the three months ended December 31, 2018, an increase of $551,445. Research and development costs for Mino-Lok® increased by $118,902 to $2,113,005 for the three months ended December 31, 2019 as compared to $1,994,103 for the three months ended December 31, 2018. Research and development costs for our Halo-Lido product candidate increased by $431,043 to $550,041 for the three months ended December 31, 2019 as compared to $118,998 for the three months ended December 31, 2018. We incurred $1,500 in research and development costs on our Mino-Wrap in the three months ended December 31, 2019. We expect that research and development expenses will continue to increase in fiscal 2020 as we continue to focus on our Phase 3 trial for Mino-Lok® and commence our research and development efforts related to Mino-Wrap. We are actively seeking to raise additional capital in order to fund our research and development efforts.

On December 19, 2019, the Company announced a positive outcome of the pre-specified interim futility analysis for the Phase 3 clinical trial of Mino-Lok® versus the standard-of-care antibiotic locks. The analysis was conducted by the Mino-Lok trial Data Monitoring Committee ("DMC"), an independent panel of experts charged with periodically monitoring the safety and efficacy of the progress of the pivotal trial. The Company reached and completed the prespecified 40% enrollment required for the interim futility analysis in late September and, based on the analysis of the data and recommendations of the DMC, will proceed with the current trial as planned. Topline data from the superior efficacy interim analysis, the next major milestone in the Mino-Lok trial, is expected in the first half of 2020.

General and Administrative Expenses

For the three months ended December 31, 2019, general and administrative expenses were $1,562,995 as compared to $1,588,124 during the three months ended December 31, 2018. General and administrative expenses decreased by $25,129 in comparison with the prior period. General and administrative expenses consist primarily of compensation costs, consulting fees incurred for financing activities and corporate development services, and investor relations expenses.

Stock-based Compensation Expense

For the three months ended December 31, 2019, stock-based compensation expense was $220,384 as compared to $171,249 for the three months ended December 31, 2018. Stock-based compensation expense includes options granted to directors, employees and consultants. Stock-based compensation expense for the most recently completed quarter increased by $49,135 as the Company granted new options this quarter under its stock option plans.

Other Income (Expense)

Interest income for the three months ended December 31, 2019 was $19,339 compared to interest income of $1,747 for the prior period. We have invested some of the proceeds of our recent equity offerings in money market accounts.

In November 2019, we received an additional $110,207 refund from the Food and Drug Administration ("FDA") for 2016 product and establishment fees because the fees paid by the Company exceeded the costs of the FDA's review of the associated applications. The Company recorded the $110,207 as other income during the three months ended December 31, 2019.

Interest expense on notes payable – related parties for the three months ended December 31, 2019 was $3,991 compared to $4,003 for the three months ended December 31, 2018.

Net Loss

For the three months ended December 31, 2019, we incurred a net loss of $4,322,370 compared to a net loss for the three months ended December 31, 2018 of $3,874,730. The $447,640 increase in the net loss was primarily due to the increase of $551,445 in research and development expenses.

LIQUIDITY AND CAPITAL RESOURCES

Going Concern Uncertainty and Working Capital

Citius has incurred operating losses since inception and incurred a net loss of $4,322,370 for the three months ended December 31, 2019. At December 31, 2019, Citius had an accumulated deficit of $60,142,352. Citius' net cash used in operations during the three months ended December 31, 2019 was $5,114,260.

Our September 30, 2019 consolidated financial statements contains an emphasis of a matter regarding substantial doubt about our ability to continue as a going concern and that the consolidated financial statements have been prepared assuming we will continue as a going concern and do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets, or the amounts and classification of liabilities that may result if we do not continue as a going concern.

As of December 31, 2019, Citius had a working capital deficit of $794,467. Our limited working capital is attributable to the operating losses incurred by the Company since inception offset by our capital raising activities. At December 31, 2019, Citius had cash and cash equivalents of $2,779,650 available to fund its operations. The Company's primary sources of cash flow since inception have been from financing activities. Our primary uses of operating cash were for product development and commercialization activities, employee compensation, consulting fees, legal and accounting fees, insurance and investor relations expenses.

In January 2020, investors who participated in the September 2019 Offering exercised 1,315,715 warrants to purchase 1,315,715 shares of common stock. The exercise price of each warrant was $0.77 per share resulting in net proceeds of $1,013,101 to the Company.

Based on our cash and cash equivalents at December 31, 2019 and the proceeds from the January 2020 warrant exercises, we expect that we will have sufficient funds to continue our operations through March 2020. We plan to raise additional capital in the future to support our operations. There is no assurance, however, that we will be successful in raising the needed capital or that the proceeds will be received in an amount or in a timely manner to support our operations.

Inflation

Our management believes that inflation has not had a material effect on our results of operations.

Off Balance Sheet Arrangements

We do not have any off-balance sheet arrangements.

Critical Accounting Policies and Estimates

The preparation of our financial statements and related disclosures in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities as of the date of the financial statements and the amounts of revenues and expenses recorded during the reporting periods. We base our estimates on historical experience, where applicable, and other assumptions that we believe are reasonable under the circumstances. Actual results may differ from our estimates under different assumptions or conditions.

Our critical accounting policies and use of estimates are discussed in, and should be read in conjunction with, the annual consolidated financial statements and notes included in the Company's Annual Report on Form 10-K for the year ended September 30, 2019 as filed with the SEC.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Not applicable.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures designed to provide reasonable assurance that information required to be disclosed in reports filed under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), is recorded, processed, summarized and reported within the specified time periods and accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding disclosure.

Our Chief Executive Officer (who is our principal executive officer) and Chief Financial Officer (who is our principal financial officer and principal accounting officer), evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) promulgated under the Exchange Act) as of December 31, 2019. In designing and evaluating disclosure controls and procedures, we recognize that any disclosure controls and procedures, no matter how well designed and operated, can only provide reasonable assurance of achieving the desired control objective. As of December 31, 2019, based on the evaluation of these disclosure controls and procedures, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective in ensuring that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms.

Changes In Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting during the quarter ended December 31, 2019 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

None.

Item 1A. Risk Factors

There has been no change in the Company's risk factors since the Company's Form 10-K filed with the SEC on December 16, 2019.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

10.1	Citius Pharmaceuticals, Inc. 2020 Omnibus Stock Incentive Plan (incorporated herein by reference to Appendix A to the definitive proxy statement on Schedule 14A filed on December 20, 2019).
10.2	Form of Notice of Stock Option Grant and Stock Option Award Agreement.*
31.1	Certification of the Principal Executive Officer pursuant to Exchange Act Rule 13a-14(a).*
31.2	Certification of the Principal Financial Officer pursuant to Exchange Act Rule 13a-14(a).*
32.1	Certification of the Principal Executive and Principal Financial Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes Oxley Act of 2002.*
EX-101.INS	XBRL INSTANCE DOCUMENT*
EX-101.SCH	XBRL TAXONOMY EXTENSION SCHEMA DOCUMENT*
EX-101.CAL	XBRL TAXONOMY EXTENSION CALCULATION LINKBASE*
EX-101.DEF	XBRL TAXONOMY EXTENSION DEFINITION LINKBASE*
EX-101.LAB	XBRL TAXONOMY EXTENSION LABELS LINKBASE*
EX-101.PRE	XBRL TAXONOMY EXTENSION PRESENTATION LINKBASE*

* Filed herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CITIUS PHARMACEUTICALS, INC.

Date: February 13, 2020	By: /s/ *Myron Holubiak* Myron Holubiak Chief Executive Officer (Principal Executive Officer)
Date: February 13, 2020	By: /s/ *Jaime Bartushak* Jaime Bartushak Chief Financial Officer (Principal Financial and Accounting Officer)

Exhibit 10.2

CITIUS PHARMACEUTICALS, INC.
2020 OMNIBUS STOCK INCENTIVE PLAN

NOTICE OF STOCK OPTION GRANT

____

____

____

(Grantee name and address)

You have been granted an option to purchase shares of the Common Stock of Citius Pharmaceuticals, Inc. (the "**Company**") as follows, subject to the terms of the Citius Pharmaceuticals, Inc. 2020 Omnibus Stock Incentive Plan and the attached Stock Option Award Agreement.

Date of Grant:	____________________________
Vesting Commencement Date:	____________________________
Exercise Price per Share:	____________________________
Total Number of Shares Subject to Option:	____________________________
Total Exercise Price:	____________________________
Type of Option:	___________Incentive Stock Option (ISO) ___________Non-Statutory Stock Option (NSO) Note: If the Option is designated a Non-Statutory Stock Option above, or if the Option otherwise fails to qualify as an incentive stock option pursuant to Section 422 of the Code, then this Option will not be treated as an incentive stock option within the meaning of Section 422 of the Code.
Term/Expiration Date:	10 Years/ _________
Vesting Schedule:	Subject to the Plan and the Stock Option Award Agreement, this Option may be exercised, in whole or in part, in accordance with the following schedule: [EXAMPLE FOR EMPLOYEES: The Option will vest as to 1/36th of the shares subject to the Option on the last day of each month for a period of thirty-six (36) months beginning with the month after the Vesting Commencement Date, provided that Grantee provides Continuous Service to the Company or a Related Entity as of each such vesting date.]

	[DIRECTOR VESTING: The Option will vest as to on first anniversary of the Vesting Commencement Date, provided that Grantee provides Continuous Service to the Company or a Related Entity as of each such vesting date.]
	[IF NOT USING STANDARD VESTING, PROVIDE CUSTOM LANGUAGE: _________]
Exercise Period:	The Option may be exercised for up to three (3) months after the termination of Continuous Service to the Company or a Related Entity, except as set out in Section 4 of the Stock Option Award Agreement (but in no event later than the Expiration Date); provided that upon a termination for Cause the Option will be immediately terminated.

[SIGNATURE PAGE FOLLOWS]

By your signature and the signature of the Company's representative below, you and the Company agree that this Option is granted under and governed by the terms and conditions of the Citius Pharmaceuticals, Inc. 2020 Omnibus Stock Incentive Plan (the "**Plan**") and the Stock Option Agreement, all of which are attached and made a part of this document.

COMPANY:

Citius Pharmaceuticals, Inc.

By: ____________________
Name: ____________________
Title: ____________________

Address: ____________________

GRANTEE:

[GRANTEE NAME]

____

Address: ____________________

CITIUS PHARMACEUTICALS, INC.
2020 OMNIBUS STOCK INCENTIVE PLAN

STOCK OPTION AWARD AGREEMENT

This Stock Option Award Agreement (this "**Agreement**") is made by and between Citius Pharmaceuticals, Inc. (the "**Company**") and ____________________ ("**Grantee**") effective as of the Date of Grant shown on the accompanying Notice of Stock Option Grant (the "**Grant Notice**"). Capitalized terms not explicitly defined in this Agreement but defined in the Company's 2020 Omnibus Stock Incentive Plan (the "**Plan**") will have the same definition and meaning as in the Plan.

1. Grant of Option. The Company has granted to Grantee an option to purchase, on the terms and conditions set forth in the Plan and this Agreement, all or any part of the number of Shares described in the Grant Notice, at the Exercise Price set forth in the Grant Notice (the "**Option**"), subject to adjustment as set forth in Section 13 of the Plan.

2. Vesting. Subject to the terms and conditions set forth in the Plan and this Agreement, the Option will vest as provided in the Grant Notice, provided that vesting will cease upon the termination of Grantee's Continuous Service.

3. Forfeiture; Expiration. Any unvested portion of the Option will be forfeited immediately, automatically, and without consideration upon a termination of Grantee's Continuous Service for any reason. In the event Grantee's Continuous Service is terminated for Cause, the vested portion of the Option will also be forfeited immediately, automatically, and without consideration upon that termination for Cause. Any unexercised vested portion of the Option will expire on the Expiration Date set forth in the Grant Notice.

4. Period of Exercise. Subject to the terms and conditions set forth in the Plan and this Agreement, Grantee may exercise all or any part of the vested portion of the Option at any time prior to the earliest to occur of:

(a) the Expiration Date indicated in the Grant Notice;

(b) the effective date of the termination of Grantee's Continuous Service for Cause;

(c) the date that is twelve (12) months after the termination of Grantee's Continuous Service due to his or her death or Disability, provided, however, that in the event Grantee dies within such twelve (12) month period after the termination of Grantee's Continuous Service due to his or her Disability, the period for exercise will be extended until the date twelve (12) months after his or her death (but in no event later than the Expiration Date); or

(d) the date that is three (3) months after the termination of Grantee's Continuous Service for any reason other than Cause, Disability or death; provided however, that in the event that Grantee dies within such three (3) month period, the period for exercise will be extended until the date twelve (12) months after his or her death (but in no event later than the Expiration Date).

5. Exercise of Option. Grantee or, in the case of Grantee's death or Disability, Grantee's representative, may exercise all or any part of the vested portion of the Option by delivering to the Company at its principal office a written notice of exercise in the form attached as Exhibit A or any other form that the Administrator may permit (such notice, a "**Notice of Exercise**"). The Notice of Exercise will be signed by the person exercising the Option. In the event that the Option is being exercised by Grantee's representative, the Notice of Exercise will be accompanied by proof (satisfactory to the Administrator) of the representative's right to exercise the Option. In addition, any exercise of the Option, whether in whole or in part, is subject to the following conditions:

(a) Grantee (or Grantee's representative, if applicable) will deliver to the Company, at the time of giving the Notice of Exercise, payment in a form permissible under Section 6 below for the full amount of the Purchase Price.

(b) Grantee (or Grantee's representative, if applicable) may exercise the Option only for whole Shares.

(c) Grantee (or Grantee's representative, if applicable) may not exercise the Option unless the tax withholding obligations of the Company and/or any Related Entity, as described in Section 9 below, are satisfied.

(d) In the event that Grantee is an employee eligible for overtime compensation under the Fair Labor Standards Act of 1938, as amended (sometimes referred to as a "non-exempt employee"), then he or she may not exercise the Option until he or she has completed at least six (6) months of Continuous Service measured from the Date of Grant specified in the Grant Notice, notwithstanding any other provision of the Option.

6. Payment for Shares. The "**Purchase Price**" will be the Exercise Price multiplied by the number of Shares with respect to which the Option is being exercised. The Purchase Price may be paid as follows:

(a) in cash;

(b) by check or money order;

(c) by surrender to the Company (either by actual delivery or attestation) of already-owned shares of Common Stock that are owned by Grantee free and clear of any liens, claims, encumbrances or security interests, with a Fair Market Value on the date of surrender or attestation equal to the Purchase Price (provided that Grantee may not exercise the Option by tender to the Company of Common Stock to the extent such tender would violate the provisions of any law, regulation or agreement restricting the redemption of the Company's stock);

(d) through a formal "net exercise" arrangement adopted by the Company pursuant to which the Grantee may exercise the Option and receive the net number of Shares equal to (i) the number of Shares as to which the Option is being exercised, multiplied by (ii) a fraction, the numerator of which is the Fair Market Value per Share (on such date as is determined by the Administrator) less the Exercise Price per Share, and the denominator of which is such Fair Market Value per Share;

(e) through a broker-dealer sale and remittance procedure pursuant to which the Grantee (i) shall provide written instructions to a Company designated brokerage firm to effect the immediate sale of some or all of the purchased Shares and remit to the Company sufficient funds to cover the aggregate Exercise Price payable for the purchased Shares and (ii) shall provide written directives to the Company to deliver the certificates (or other evidence satisfactory to the Company to the extent that the Shares are uncertificated) for the purchased Shares directly to such brokerage firm in order to complete the sale transaction; or

(f) through any combination of the foregoing methods of payment.

7. Securities Law Compliance. No Shares will be issued pursuant to this Agreement unless and until all then applicable requirements imposed by federal and state securities and other laws, rules and regulations and by any regulatory agencies having jurisdiction, and by any exchanges upon which the Shares may be listed, have been fully met. The Company may impose such conditions on any Shares issuable pursuant to this Agreement as it may deem advisable, including, without limitation, restrictions under the Securities Act of 1933, as amended, under the requirements of any exchange upon which shares of the same class are then listed and under any blue sky or other securities laws applicable to those Shares.

8. Tax Consequences. Set forth below is a brief summary as of the date of this Option of some of the U.S. federal income tax consequences of exercise of this Option and disposition of the Shares issued as a result of the exercise thereof. THIS SUMMARY IS NECESSARILY INCOMPLETE, AND THE TAX LAWS AND REGULATIONS ARE SUBJECT TO CHANGE. THIS SUMMARY DOES NOT INCLUDE ANY DISCUSSION OF STATE, LOCAL, OR FOREIGN TAX CONSEQUENCES OR ANY FEDERAL TAX CONSEQUENCES OTHER THAN INCOME TAX. BESIDES THE INCOME TAX ITEMS SUMMARIZED BELOW, EMPLOYMENT OR SELF-EMPLOYMENT TAXES MAY ALSO APPLY WITH RESPECT TO THE OPTION. GRANTEE SHOULD CONSULT HIS OR HER PERSONA TAX ADVISOR BEFORE EXERCISING THIS OPTION OR DISPOSING OF THE SHARES.

(a) Exercise of ISO. If this Option qualifies as an ISO, there will be no regular federal income tax liability upon the exercise of the Option, although the excess, if any, of the fair market value of the Shares on the date of exercise over the Purchase Price will be treated as an item of adjustment to the alternative minimum tax for federal tax purposes in the year of exercise and may subject Grantee to the alternative minimum tax.

(b) Exercise of Non-Statutory Stock Option. If this Option does not qualify as an ISO, there may be a regular federal income tax liability upon the exercise of the Option. Grantee will be treated in such event as having received compensation income (taxable at ordinary income tax rates) equal to the excess, if any, of the fair market value of the Shares on the date of exercise over the Purchase Price. If Grantee is an employee, the Company will generally be required to withhold from Grantee's compensation or collect from Grantee and pay to the applicable taxing authorities an amount equal to a percentage of this compensation income at the time of exercise (see Section 9 below).

(c) Disposition of Shares. In the case of an NSO, if Shares are held for more than one year after the date of the taxable compensation event, under current law any gain realized on disposition of the Shares will generally be treated as long-term capital gain for federal income tax purposes. In the case of an ISO, if Shares transferred pursuant to the Option are held for more than one year after exercise and are disposed of more than two years after the Date of Grant, any gain realized on disposition of the Shares will generally also be treated as long-term capital gain for federal income tax purposes. If Shares purchased under an ISO are disposed of within the later of (1) the date two years after the Date of Grant, or (2) the date one year after the date of exercise (such disposition a "**Disqualifying Disposition**"), any gain realized on such disposition will be treated as compensation income (taxable at ordinary income rates) in an amount equal to the excess of (1) the lesser of (A) the fair market value of the Shares on the date of exercise, or (B) the sale price of the Shares over (2) the Purchase Price paid for those Shares. The gain realized in excess of such amount, if any, will generally be eligible for capital gains treatment (either short-term or long-term, depending upon the length of time the Shares were held prior to disposition).

(d) Notice of Disqualifying Disposition of ISO Shares. If the Option is designated as an ISO, then in the event of a Disqualifying Disposition, Grantee will immediately, and in any event not later than fifteen (15) days after such disposition, notify the Company in writing of such disposition.

9. Withholding Obligations. Grantee may incur Tax Obligations under federal, state, local, and/or foreign law, in connection with the grant, vesting, or exercise of the Option, the ownership of the Shares, and other actions taken pursuant to this Agreement, and the Company may be required to satisfy by withholding from Grantee's compensation or otherwise collect from Grantee. Grantee agrees that the Company (or a Related Entity) may condition the exercise of the Option upon the satisfaction of such withholding tax obligations, and may satisfy such withholding obligations by any of the following means or by a combination of such means, in the Committee's discretion: (i) withholding from any compensation otherwise payable to Grantee by the Company; (ii) causing Grantee to tender a cash payment; or (iii) withholding from the Shares otherwise issuable to Grantee upon exercise of the Option the number of Shares with a Fair Market Value (measured as of the date the tax withholding obligations are to be determined) equal to the amount of such tax withholding; provided, however, that the number of such Shares so withheld will not exceed the amount necessary to satisfy the Company's required tax withholding obligations using the statutory withholding rates for federal, state, local and foreign tax purposes, including payroll taxes, that are applicable to supplemental taxable income (or such lesser amount as may be necessary to avoid classification of the Shares as a liability for financial accounting purposes). Grantee understands that all matters with respect to the total amount of taxes to be withheld in respect of such compensation income will be determined by the Committee in its reasonable discretion. Grantee further understands that, although the Company will pay withheld amounts to the applicable taxing authorities, Grantee remains responsible for payment of all taxes due as a result of income arising under the Agreement.

10. Rights as a Stockholder. Neither Grantee nor anyone claiming through him/her will have any rights as a stockholder of the Company with respect to any Shares subject to the Option until the Grantee has exercised the Option as described herein and the Shares are delivered (as evidenced by delivery of a certificate for such Shares or the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company).

11. Transferability. The Option may not be sold, pledged, assigned, hypothecated, transferred, except by will or by the laws of descent and distribution, and is exercisable during Grantee's life only by Grantee. Notwithstanding the foregoing, by delivering written notice to the Company, in a form satisfactory to the Committee, Grantee may designate a third party who, in the event of Grantee's death, will thereafter be entitled to exercise the Option.

12. Option not a Service Contract. Neither the Option nor this Agreement is an employment or service contract, and nothing in this Agreement or the Grant Notice creates or will be deemed to create in any way whatsoever any obligation on Grantee's part to continue in the service of the Company or a Related Entity, or of the Company or a Related Entity to continue Grantee's service.

13. Governing Plan Document. This Option is subject to all the provisions of the Plan, the provisions of which are hereby made a part of this Agreement, and is further subject to all interpretations, amendments, rules and regulations, which may from time to time be promulgated and adopted pursuant to the Plan. Grantee acknowledges receipt of a copy of the Plan. In the event of any conflict between the provisions of this Agreement and those of the Plan, the provisions of the Plan will control.

14. Miscellaneous.

(a) Notices. Any notice, demand or request required or permitted to be given pursuant to the terms of this Agreement will be in writing and will be deemed given when delivered personally, one day after deposit with a recognized international delivery service (such as FedEx), or three days after deposit in the U.S. mail, first class, certified or registered, return receipt requested, with postage prepaid, in each case addressed to the parties at the addresses of the parties set forth in the Grant Notice or such other address as a party may designate by notifying the other in writing.

(b) Successors and Assigns. The provisions of this Agreement will inure to the benefit of, and be binding upon, the Company and its successors and assigns and upon the Grantee, Grantee's executor, personal representative(s), distributees, administrators, permitted transferees, permitted assignees, beneficiaries, and legatee(s), as applicable, whether or not any such person will have become a party to this Agreement and have agreed in writing to be joined herein and be bound by the terms hereof.

(c) Severability. The provisions of this Agreement are severable, and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, then the remaining provisions will nevertheless be binding and enforceable.

(d) Amendment. Except as otherwise provided in the Plan, this Agreement will not be amended unless the amendment is agreed to in writing by both Grantee and the Company.

(e) Choice of Law. This Agreement will be construed and enforced in accordance with and governed by the laws of the State of Nevada, without giving effect to the choice of law rules of any jurisdiction.

(f) Entire Agreement. This Agreement, along with the Grant Notice and the Plan, constitutes the entire agreement between the parties hereto with regard to the subject matter hereof, and supersedes any other agreements, representations or understandings (whether oral or written and whether express or implied) that relate to such subject matter.

EXHIBIT A

CITIUS PHARMACEUTICALS, INC.
2020 OMNIBUS STOCK INCENTIVE PLAN

NOTICE OF EXERCISE

Citius Pharmaceuticals, Inc.

____

____

Attention: President

Date of Exercise: _________________

1. Exercise of Option. This constitutes notice to Citius Pharmaceuticals, Inc. (the "**Company**") that, pursuant to the Citius Pharmaceuticals, Inc. 2020 Omnibus Stock Incentive Plan (the "**Plan**") and the Stock Option Award Agreement, dated ___________, 20__ (the "**Award Agreement**"), I elect to purchase the number of Shares set forth below for the price set forth below.

Number of Shares as to which Option is exercised (the "**Optioned Shares**"):	______________________________
Exercise Price per Share:	______________________________
Total Purchase Price:	______________________________

2. Delivery of Payment. With this notice, I hereby deliver to the Company the full Purchase Price for the Optioned Shares, in a form permitted by the Award Agreement.

3. Representations. By signing and delivering this notice to the Company, I acknowledge that I am the holder of the Option exercised by this notice and have full power and authority to exercise the Option. I further represent that I have received, read, and understood the Plan and the Award Agreement, and I confirm my agreement to abide by and be bound by their terms and conditions. Capitalized terms used and not otherwise defined in this notice will have the meanings ascribed to those terms in the Award Agreement.

4. Compliance with Securities Laws. Notwithstanding any other provision of the Award Agreement to the contrary, the exercise of any rights to purchase any Optioned Shares is expressly conditioned upon compliance with the Securities Act of 1933, as amended (the "**Securities Act**"), all applicable state securities laws and all applicable requirements of any stock exchange or over the counter market on which the Company's Common Stock may be listed or traded at the time of exercise and transfer. I agree to cooperate with the Company to ensure compliance with such laws. I further understand that the Optioned Shares cannot be resold and must be held indefinitely unless they are registered under the Securities Act or unless an exemption from such registration is available and that the certificate(s) representing the Optioned Shares may bear a legend to that effect. I understand that the Company is under no obligation to register the Optioned Shares and that an exemption may not be available or may not permit me to transfer Optioned Shares in the amounts or at the times I may desire.

5. Tax Withholding. I acknowledge that my exercise of the Option may result in Tax Obligations which require the Company to withhold certain amounts to satisfy federal, state, local, and/or foreign taxes. I agree to satisfy such tax withholding obligations as described in Section 9 of the Award Agreement.

6. Rights as Stockholder. While the Company will endeavor to process this notice in a timely manner, I acknowledge that, until the issuance of the Optioned Shares (or, in the Company's discretion, in un-certificated form, upon the books of the Company's transfer agent) and my satisfaction of any other conditions imposed by the Company pursuant to the Plan or as set forth in the Award Agreement, no right to vote or receive dividends or any other rights as a stockholder will exist with respect to the Optioned Shares, notwithstanding the exercise of my Option. No adjustment will be made for a dividend or other right for which the record date is prior to the date of issuance of the Optioned Shares.

7. Tax Consultation. I understand that I may experience adverse tax consequences as a result of my exercise of the Option or my disposition of the Optioned Shares. I represent that I have consulted with any tax consultants I deem advisable in connection with the exercise of the Option and/or the disposition of the Optioned Shares and that I am not relying on the Company or its agents for any tax advice.

8. Interpretation. Any dispute regarding the interpretation of this notice will be resolved by the Committee in its discretion, and the Committee's determination will be final and binding on all parties.

9. Entire Agreement. The Plan and the Award Agreement under which the Optioned Shares were granted are incorporated herein by reference and, together with this notice, constitute the entire agreement of the parties with respect to the subject matter of this notice.

GRANTEE:

____

Print Name: __________________________

Address: __________________________
____
____

Exhibit 31.1

CERTIFICATION OF THE PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Myron Holubiak, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Citius Pharmaceuticals, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 13, 2020

By: /s/ Myron Holubiak
Name: Myron Holubiak
Title: Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF THE PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Jaime Bartushak, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Citius Pharmaceuticals, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 13, 2020

By: /s/ Jaime Bartushak
Name: Jaime Bartushak
Title: Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 32.1

CERTIFICATION OF THE PRINCIPAL EXECUTIVE OFFICER AND THE PRINCIPAL FINANCIAL OFFICER PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Citius Pharmaceuticals, Inc. (the “Company”) on Form 10-Q for the quarter ended December 31, 2019, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), Myron Holubiak, Chief Executive Officer of the Company, and Jaime Bartushak, Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 13, 2020	By:	/s/ Myron Holubiak
	Name:	Myron Holubiak
	Title:	Chief Executive Officer (Principal Executive Officer)
Date: February 13, 2020	By:	/s/ Jaime Bartushak
	Name:	Jaime Bartushak
	Title:	Chief Financial Officer (Principal Financial and Accounting Officer)