

# SECURITIES AND EXCHANGE COMMISSION

## FORM 6-K

Current report of foreign issuer pursuant to Rules 13a-16 and 15d-16 Amendments

Filing Date: **2013-01-14** | Period of Report: **2012-11-30**  
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### FILER

#### **Acasti Pharma Inc.**

CIK: **1444192** | IRS No.: **000000000** | State of Incorporation: **A8** | Fiscal Year End: **0228**  
Type: **6-K** | Act: **34** | File No.: **001-35776** | Film No.: **13528150**  
SIC: **2834** Pharmaceutical preparations

#### Mailing Address

225 PROMENADE DU  
CENTROPOLIS, SUITE 200  
LAVAL A8 H7T 3B3

#### Business Address

225 PROMENADE DU  
CENTROPOLIS, SUITE 200  
LAVAL A8 H7T 3B3  
(450) 687-2262

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 20549

**FORM 6-K**

Report of Foreign Private Issuer  
Pursuant to Rule 13a-16 or 15d-16 of  
the Securities Exchange Act of 1934

For the month of: January 2013

Commission File Number: 000-54771

**Acasti Pharma Inc.**

*(Name of Registrant)*

**545 PROMENADE DU CENTROPOLIS, SUITE 100**

**LAVAL, QUEBEC, CANADA H7T 0A3**

*(Address of Principal Executive Offices)*

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F

Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

## 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.

### **Acasti Pharma Inc.**

Date: January 14, 2013

By: /s/ Henri Harland  
Name: Henri Harland  
Title: Chief Executive Officer

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## EXHIBIT INDEX

<u>Exhibit</u>	<u>Description of Exhibit</u>
99.1	Interim Financial Statements for the three-month and nine-month periods ended November 30, 2012 and 2011
99.2	Management Analysis of the Financial Situation and Operating Results - Three and nine-month periods ended November 30, 2012
99.3	Certification of Interim Filings - CEO
99.4	Certification of Interim Filings - CFO

Interim Financial Statements of  
(Unaudited)

**ACASTI PHARMA INC.**

Three-month and nine-month periods ended November 30, 2012 and 2011

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# ACASTI PHARMA INC.

Interim Financial Statements

(Unaudited)

Three-month and nine-month periods ended November 30, 2012 and 2011

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Notice:

These interim financial statements have not been reviewed by an auditor.

**ACASTI PHARMA INC.**

## Interim Statements of Financial Position

(Unaudited)

As of November 30, 2012 and February 29, 2012

	November 30, 2012	February 29, 2012
<b>Assets</b>		
<b>Current assets:</b>		
Cash	\$ 762,184	\$ 1,589,810
Short-term investments	3,827,405	5,542,764
Trade and other receivables	1,121,138	442,718
Receivable from corporation under common control	49,658	49,658
Tax credits receivable	645,156	590,402
Inventories	262,935	599,456
Prepaid expenses	35,281	41,650
	6,703,757	8,856,458
Equipment	20,994	27,164
Intangible assets	6,372,372	6,845,238
<b>Total assets</b>	<b>\$ 13,097,123</b>	<b>\$ 15,728,860</b>
<b>Liabilities and Equity</b>		
<b>Current liabilities:</b>		
Trade and other payables	\$ 895,846	\$ 995,662
Payable to parent corporation (note 6)	832,620	214,772
Royalties payable to parent corporation (note 5)	330,436	49,084
<b>Total liabilities</b>	<b>2,058,902</b>	<b>1,259,518</b>
<b>Equity:</b>		
Share capital (note 3 (a))	28,670,184	28,614,550
Warrants and rights (note 3 (b))	396,567	313,315
Contributed surplus	63,099	(1,306,451)
Deficit	(18,091,629)	(13,152,072)
<b>Total equity</b>	<b>11,038,221</b>	<b>14,469,342</b>
<b>Total liabilities and equity</b>	<b>\$ 13,097,123</b>	<b>\$ 15,728,860</b>

See accompanying notes to unaudited interim financial statements.

**ACASTI PHARMA INC.**Interim Statements of Earnings and Comprehensive Loss  
(Unaudited)

Three-month and nine-month periods ended November 30, 2012 and 2011

	Three-month periods ended		Nine-month periods ended	
	November 30,		November 30,	
	2012	2011	2012	2011
Revenue from sales	\$ 424,320	\$ –	\$ 675,292	\$ –
Cost of sales	(240,872)	–	(369,171)	–
Gross profit	183,448	–	306,121	–
Revenue from research contracts	–	–	–	115,966
General and administrative expenses	(1,039,008)	(850,376)	(3,201,815)	(2,355,207)
Research and development expenses, net of tax credits of \$50,244 and \$158,208 (2011 - \$50,348 and \$67,025)	(770,577)	(1,362,510)	(2,091,436)	(2,718,631)
Results from operating activities	(1,626,137)	(2,212,886)	(4,987,130)	(4,957,872)
Interest income	12,183	14,863	35,320	30,255
Finance costs	(690)	(1,026)	(1,978)	(5,770)
Foreign exchange gain (loss)	3,533	(7,993)	14,231	(20,940)
Net finance income	15,026	5,844	47,573	3,545
Net loss and total comprehensive loss for the period	\$ (1,611,111)	\$ (2,207,042)	\$ (4,939,557)	\$ (4,954,327)
Basic and diluted loss per share	\$ (0.02)	\$ (0.03)	\$ (0.07)	\$ (0.08)
Weighted average number of shares outstanding	72,765,587	69,727,721	72,709,479	65,805,533

See accompanying notes to unaudited interim financial statements.



**ACASTI PHARMA INC.**

## Interim Statements of Changes in Equity

(Unaudited)

Nine-month periods ended November 30, 2012 and 2011

	Share capital		Warrants and rights	Contributed surplus	Deficit	Total
	Number	Dollar				
Balance, February 29, 2012	72,636,888	\$28,614,550	\$ 313,315	\$(1,306,451)	\$(13,152,072)	\$14,469,342
Net loss and total comprehensive loss for the period	–	–	–	–	(4,939,557)	(4,939,557)
	72,636,888	28,614,550	313,315	(1,306,451)	(18,091,629)	9,529,785
<b>Transactions with owners, recorded directly in equity</b>						
Contributions by and distribution to owners						
Share-based payment transactions	–	–	83,252	1,381,084	–	1,464,336
Warrants exercised	121,900	36,094	–	(5,619)	–	30,475
Share options exercised	20,000	19,540	–	(5,915)	–	13,625
Total contributions by and distribution to owners	141,900	55,634	83,252	1,369,550	–	1,508,436
Balance at November 30, 2012	72,778,788	\$28,670,184	\$ 396,567	\$ 63,099	\$(18,091,629)	\$11,038,221
Balance, February 28, 2011	59,174,444	\$12,174,901	\$ –	\$ 181,074	\$ (6,651,139)	\$ 5,704,836
Net loss and total comprehensive loss for the period	–	–	–	–	(4,954,327)	(4,954,327)
	59,174,444	12,174,901	–	181,074	(11,605,466)	750,509
<b>Transactions with owners, recorded directly in equity</b>						
Contributions by and distribution to owners						
Conversion of convertible redeemable shares						
	5,260,000	4,052,000	–	–	–	4,052,000
Share-based payment transactions	–	–	–	801,625	–	801,625
Warrants exercised	187,500	54,689	–	(7,814)	–	46,875
Share options exercised	25,000	6,250	–	–	–	6,250
Issuance of rights	–	–	2,490,280	(2,490,280)	–	–
Rights exercised	6,445,444	10,345,689	(2,490,280)	–	–	7,855,409
Total contributions by and distribution to owners	11,917,944	14,458,628	–	(1,696,469)	–	12,762,159

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Balance at November 30, 2011	71,092,388	\$26,633,529	\$	–	\$(1,515,395)	\$(11,605,466)	\$13,512,668
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See accompanying notes to unaudited interim financial statements.

**ACASTI PHARMA INC.**

## Interim Statements of Cash Flows

(Unaudited)

Three-month and nine-month periods ended November 30, 2012 and 2011

	Three-month periods ended		Nine-month periods ended	
	November 30,		November 30,	
	2012	2011	2012	2011
Cash flows from operating activities:				
Net loss for the period	\$ (1,611,111)	\$ (2,207,042)	\$ (4,939,557)	\$ (4,954,327)
Adjustments:				
Depreciation of equipment	2,210	2,690	6,170	8,059
Amortization of intangible assets	164,286	164,284	492,858	492,856
Stock-based compensation	411,702	353,883	1,464,336	801,625
Net finance income	(15,026)	(5,844)	(47,573)	(3,545)
Foreign exchange loss	3,533	(7,993)	14,231	(20,940)
Foreign exchange gain on cash	(4,835)	–	(8,149)	–
	(1,049,241)	(1,700,022)	(3,017,684)	(3,676,272)
Changes in non-cash operating working capital items:				
Trade and other receivables	(419,954)	(3,974)	(678,420)	(257,799)
Receivable from corporation under common control	–	(7,164)	–	(35,391)
Inventories	199,173	(121,553)	336,521	(511,522)
Tax credits receivable	53,210	(50,348)	(54,754)	42,444
Prepaid expenses	(667)	(697)	6,369	(22,171)
Trade and other payables	69,659	(226,292)	(99,816)	219,114
Payable to parent corporation	415,551	(1,268,134)	617,848	(292,288)
Royalties payable to parent corporation	155,059	73,794	281,352	182,013
	472,031	(1,604,368)	409,100	(675,600)
Net cash used in operating activities	(577,210)	(3,304,390)	(2,608,584)	(4,351,872)
Cash flows from investing activities:				
Acquisition of intangible assets	(13,083)	–	(19,992)	–
Interest received	57	50	679	8,046
Acquisition of short-term investments	–	(7,500,000)	–	(7,500,000)
Maturity of short-term investments	250,000	2,750,000	1,750,000	3,750,000
Net cash from investing activities	236,974	(4,749,950)	1,730,687	(3,741,954)
Cash flows from financing activities:				
Proceeds from exercise of warrants and options	4,688	13,438	44,100	53,125
Net proceeds from exercise of rights	–	7,855,409	–	7,855,409
Interest paid	(690)	(1,027)	(1,978)	(5,770)

Net cash from financing activities	3,998	7,867,820	42,122	7,902,764
Foreign exchange gain on cash held in foreign currencies	4,835	–	8,149	–
Net decrease in cash	(331,403)	(186,520)	(827,626)	(191,062)
Cash, beginning of period	1,093,587	317,641	1,589,810	322,183
Cash, end of period	\$ 762,184	\$ 131,121	\$ 762,184	\$ 131,121

See accompanying notes to unaudited interim financial statements.

# ACASTI PHARMA INC.

Notes to Interim Financial Statements

(Unaudited)

Three-month and nine-month periods ended November 30, 2012 and 2011

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## 1. Reporting entity

Acasti Pharma Inc. (the "Corporation") is incorporated under the *Business Corporations Act* (Québec) (formerly Part 1A of the *Companies Act* (Québec)). The Corporation is domiciled in Canada and its registered office is located at 545 Promenade du Centropolis, Laval, Québec, H7T 0A3. The Corporation is a majority-owned subsidiary of Neptune Technologies and Bioressources Inc. ("Neptune").

On August 7, 2008, the Corporation commenced operations after having acquired from Neptune an exclusive worldwide license to use its intellectual property to develop, clinically study and market new pharmaceutical products to treat human cardiovascular conditions. Neptune's intellectual property is related to the extraction of particular ingredients from marine biomasses, such as krill. The eventual products are aimed at applications in the over-the-counter medicine, medical foods and prescription drug markets.

Operations essentially consist in the development of new products and the conduct of clinical research studies on animals and humans. Almost all research and development, administration and capital expenditures incurred by the Corporation since the start of the operations are associated with the project described above.

The Corporation is subject to a number of risks associated with the successful development of new products and their marketing, the conduct of its clinical studies and their results, the meeting of development objectives set by Neptune in its license agreement, and the establishment of strategic alliances. The Corporation will have to finance its research and development activities and its clinical studies. To achieve the objectives of its business plan, the Corporation plans to establish strategic alliances, raise the necessary capital and make sales. It is anticipated that the products developed by the Corporation will require approval from the U.S Food and Drug Administration and equivalent organizations in other countries before their sale can be authorized.

## 2. Basis of preparation

### (a) Statement of compliance:

These interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board, on a basis consistent with those accounting policies followed by the Corporation in the most recent audited annual financial statements. These condensed interim financial statements have been prepared under IFRS in accordance with IAS 34, *Interim Financial Reporting*. Certain information, in particular the accompanying notes, normally included in the annual financial statements prepared in accordance with IFRS, have been omitted or condensed. Accordingly the condensed interim financial statements do not include all of the information required for full annual financial statements, and therefore, should be read in conjunction with the audited financial statements and the notes thereto for the year ended February 29, 2012.

### (b) Basis of measurement:

The Corporation has incurred operating losses and negative cash flows from operations since inception. As at November 30, 2012, the Corporation's current liabilities and expected level of expenses in the research and development phase of its drug candidate significantly exceed current assets. The Corporation's liabilities at November 30, 2012 include amounts due to Neptune of \$1,163,056. The Corporation plans to rely on the continued support of Neptune to pursue its operations,

including obtaining additional funding, if required. The continuance of this support is outside of the Corporation's control. If the Corporation does not receive the continued financial support from its parent or the Corporation does not raise additional funds, it may not be able to realize its assets and discharge its liabilities in the normal course of business. As a result, there exists a material uncertainty that casts significant doubt about the Corporation's ability to continue as a going concern and, therefore, realize its assets and discharge its liabilities in the normal course of business.

The financial statements have been prepared on a going concern basis, which assumes the Corporation will continue its operations in the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the ordinary course of business. These financial statements do not include any adjustments to the carrying values and classification of assets and liabilities and reported revenues and expenses that may be necessary if the going concern basis was not appropriate for these financial statements should the Corporation not receive additional financing from Neptune or other sources.

The financial statements have been prepared on the historical cost basis.

## ACASTI PHARMA INC.

Notes to Interim Financial Statements

(Unaudited)

Three-month and nine-month periods ended November 30, 2012 and 2011

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### 2. Basis of preparation (continued):

(c) Functional and presentation currency:

These financial statements are presented in Canadian dollars, which is the Corporation's functional currency.

(d) Use of estimates and judgements:

The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates are based on the management's best knowledge of current events and actions that the Corporation may undertake in the future. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include the following:

- The use of the going concern basis (note 2 (b)).

Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year include the following:

- Measurement of stock-based compensation.

Also, the Corporation uses its best estimate to determine which research and development ("R&D") expenses qualify for R&D tax credits and in what amounts. The Corporation recognizes the tax credits once it has reasonable assurance that they will be realized. Recorded tax credits are subject to review and approval by tax authorities and therefore, could be different from the amounts recorded.

### 3. Capital and other components of equity:

(a) Share capital:

Authorized capital stock:

Unlimited number of shares:

- Class A shares, voting (one vote per share), participating and without par value

➤ Class B shares, voting (ten votes per share), non-participating, without par value and maximum annual non-cumulative dividend of 5% on the amount paid for said shares. Class B shares are convertible, at the holder's discretion, into Class A shares, on a one-for-one basis, and Class B shares are redeemable at the holder's discretion for \$0.80 per share, subject to certain conditions.

➤ Class C shares, non-voting, non-participating, without par value and maximum annual non-cumulative dividend of 5% on the amount paid for said shares. Class C shares are convertible, at the holder's discretion, into Class A shares, on a one-for-one basis, and Class C shares are redeemable at the holder's discretion for \$0.20 per share, subject to certain conditions.

➤ Class D and E shares, non-voting, non-participating, without par value and maximum monthly non-cumulative dividend between 0.5% and 2% on the amount paid for said shares. Class D and E shares are convertible, at the holder's discretion, into Class A shares, on a one-for-one basis, and Class D and E shares are redeemable at the holder's discretion, subject to certain conditions.



## ACASTI PHARMA INC.

Notes to Interim Financial Statements

(Unaudited)

Three-month and nine-month periods ended November 30, 2012 and 2011

### 3. Capital and other components of equity (continued):

(a) Share capital (continued):

	Class A shares (classified as equity)	
	Number outstanding	Amount
Balance November 30, 2012	72,778,788	\$ 28,670,184
Balance February 29, 2012	72,636,888	28,614,550

(b) Warrants:

The warrants of the Corporation are composed of the following as at November 30, 2012 and February 29, 2012:

	November 30, 2012		February 29, 2012	
	Number outstanding	Amount	Number outstanding	Amount
<b>Equity</b>				
Series 4 warrants	5,663,600	\$ –	5,785,500	\$ –
Private placement warrants				
Series 6 warrants	375,000	306,288	375,000	306,288
Series 7 warrants	375,000	90,279	375,000	7,027
	6,413,600	\$ 396,567	6,535,500	\$ 313,315

Series 4 allows the holder to purchase one Class A share for \$0.25 per share until October 8, 2013.

Series 6 allows the holder to purchase one Class A share for \$1.50 per share until February 10, 2015.

Series 7 allows the holder to purchase one Class A share for \$1.50 per share until February 10, 2015 subject to the achievement of certain agreed upon and predefined milestones.

## ACASTI PHARMA INC.

Notes to Interim Financial Statements

(Unaudited)

Three-month and nine-month periods ended November 30, 2012 and 2011

### 4. Share-based payment:

Description of the share-based payment arrangements:

At November 30, 2012 the Corporation has the following share-based payment arrangements:

(a) Corporation stock-based compensation plan:

The Corporation has established a stock-based compensation plan for administrators, officers, employees and consultants. The plan provides for the granting of options to purchase Acasti Class A shares. The exercise price of the stock options granted under this plan is not lower than the closing price of the shares listed on the eve of the grant. Under this plan, the maximum number of options that can be issued equaled the lower of 1,530,000 or 10% of Acasti Class A shares held by public shareholders, as approved annually by such shareholders. On March 21, 2011, the Corporation's Board of Directors amended the incentive stock options plan (the "Plan"). The amendments to the Plan were approved by the shareholders on June 22, 2011. The main modification to the Plan consists of an increase in the number of shares reserved for issuance of incentive stock options under the Plan to 6,443,444. On June 21, 2012, the Corporation's shareholders approved the renewal of the Corporation stock option plan, under which the maximum number of options that can be issued is 7,269,379, corresponding to 10% of the shares outstanding as of the date of shareholders' approval. The terms and conditions for acquiring and exercising options are set by the Corporation's Board of Directors, subject, among others, to the following limitations: the term of the options cannot exceed ten years and every stock option granted under the stock option plan will be subject to conditions no less restrictive than a minimal vesting period of 18 months, a gradual and equal acquisition of vesting rights at least on a quarterly basis. The total number of shares issued to a single person cannot exceed 5% of the Corporation's total issued and outstanding shares, with the maximum being 2% for any one consultant.

The number and weighted average exercise prices of share options are as follows:

	Nine-month period ended November 30, 2012		Nine-month period ended November 30, 2011	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number or options
Outstanding at beginning of period	\$ 1.15	3,347,500	\$ 0.25	800,000
Exercised	0.68	(20,000)	0.25	(25,000)
Forfeited	1.84	(111,250)	1.43	(70,000)
Granted	2.12	2,280,000	1.42	2,635,000
Outstanding at end of period	\$ 1.54	5,496,250	\$ 1.15	3,340,000
Exercisable at end of period	\$ 1.08	2,068,666	\$ 0.28	766,250



## ACASTI PHARMA INC.

Notes to Interim Financial Statements

(Unaudited)

Three-month and nine-month periods ended November 30, 2012 and 2011

### 4. Share-based payment (continued):

#### (a) Corporation stock-based compensation plan (continued):

The fair value of options granted has been estimated according to the Black-Scholes option pricing model and based on the weighted average of the following assumptions for options granted during the nine-month periods ended:

	Nine-month period ended November 30, 2012	Nine-month period ended November 30, 2011
Dividend	–	–
Risk-free interest	1.32%	1.83%
Estimated life	4.08 years	3.99 years
Expected volatility	71.17%	97.60%

The weighted average of the fair value of the options granted to employees during the nine-month period is \$1.13 (2011 - \$0.79). There were no options granted to non-employees during the nine-month period ended November 30, 2012. The weighted average of the fair value of the options granted to non-employees during the nine-month period ended November 30, 2011 is \$0.73.

For the nine-month period ended November 30, 2012, the Corporation recognized stock-based compensation under this plan in the amount of \$779,169 (2011 - \$398,602).

#### (b) Neptune stock-based compensation plan:

Neptune maintains various stock-based compensation plans for the benefit of administrators, officers, employees, and consultants that provide services to its consolidated group, including the Corporation. The Corporation records as stock-based compensation expense a portion of the expense being recorded by Neptune that is commensurate to the fraction of overall services that the grantees provide directly to the Corporation.

##### (i) Neptune stock options:

For the nine-month period ended November 30, 2012, the Corporation recognized stock-based compensation related to the Neptune plans in the amount of \$535,730 (2011 - \$276,980).

##### (ii) Neptune-owned NeuroBioPharm Inc. warrants:

For the nine-month period ended November 30, 2012, the Corporation recognized stock-based compensation related to this plan in the amount of \$21,253 (2011 - \$31,177).

##### (iii) Neptune-owned Acasti warrants:

For the nine-month period ended November 30, 2012, the Corporation recognized stock-based compensation related to this plan in the amount of \$128,184 (2011 - \$94,866).

## 5. Commitments:

### *License agreement:*

The Corporation is committed under a license agreement to pay Neptune until the expiration of Neptune's patents on licensed intellectual property, a royalty equal to the greater of the minimum royalty payments and the sum of (a) in relation to sales of products in the licensed field, the greater of: (i) 7.5% of net sales, and (ii) 15% of the Corporation's gross margin; and (b) 20% of revenues from sub-licenses granted by the Corporation to third parties. Minimum royalty payments are as follows: year 1 - nil; year 2 - \$50,000; year 3 - \$200,000; year 4 - \$300,000; year 5 - \$900,000, and year 6 and thereafter - \$1,000,000 (see below and note 8). Minimum royalties are based on contract years based on the effective date of the agreement, August 7, 2008. After the expiration of Neptune's patents on licensed intellectual property in 2022, the license agreement will automatically renew for an additional 15 years, during which period royalties will be determined to be equal to half of those calculated with the above formula.

## ACASTI PHARMA INC.

Notes to Interim Financial Statements

(Unaudited)

Three-month and nine-month periods ended November 30, 2012 and 2011

### 5. Commitments (continued):

#### *License agreement (continued):*

The Corporation has the option to pay future royalties in advance, in cash or in kind, in whole or in part, based on an established economic model contained in the license agreement.

The Corporation can also abandon its rights under all or part of the license agreement and consequently remove itself from the obligation to pay all or part of the minimum royalties by paying a penalty equal to half of the next year's minimum royalties.

In addition, the Corporation is committed to have its products manufactured by Neptune at prices determined according to different cost-plus rates for each of the product categories under the license agreement.

The Corporation's Board of Directors abandoned the rights to one of the licensed fields, which relieves the Corporation of any further royalty payments related to this licensed field, retroactively to August 7, 2011. Accordingly, the minimum royalty payments are as follows: year 4 - \$225,000; year 5 - \$700,000, and year 6 and thereafter - \$750,000.

See subsequent event (note 8).

#### *Research and development agreements:*

In the normal course of business, the Corporation has signed agreements with various partners and suppliers for them to execute research projects and to produce and market certain products.

The Corporation initiated many research and development projects that will be conducted over a 12 to 24 month period for a total initial cost of \$4,105,000, partially paid to date. As at November 30, 2012, an amount of \$342,000 is included in "Trade and other payables" in relation to these projects.

### 6. Related parties:

During the three-month and nine-month periods ended November 30, 2012 and 2011, the Corporation was charged by Neptune for certain costs incurred by Neptune for the benefit of the Corporation and for royalties, as follows:

	Three-month period ended November 30, 2012	Three-month period ended November 30, 2011	Nine-month period ended November 30, 2012	Nine-month period ended November 30, 2011
Administrative costs	\$ 160,307	\$ 267,029	\$ 743,900	\$ 674,823
Research and development costs, before tax credits	161,463	142,244	513,921	561,865
Royalties (note 5)	174,520	74,795	277,740	183,013
	\$ 496,290	\$ 484,068	\$ 1,535,561	\$ 1,419,701

Where Neptune incurs specific incremental costs for the benefit of the Corporation, it charges those amounts directly. Costs that benefit more than one entity of the Neptune group are being charged by allocating a fraction of costs incurred by Neptune that is commensurate to the estimated fraction of services or benefits received by each entity for those items.

These charges do not represent all charges incurred by Neptune that may have benefited the Corporation, because, amongst others, Neptune does not allocate certain common office expenses and does not charge interest on indebtedness. Also, these charges do not necessarily represent the cost that the Corporation would otherwise need to incur should it not receive these services or benefits through the shared resources of Neptune or receive financing from Neptune.

Revenue from research contracts:

The Corporation charged Neptune and a corporation under common control for research and development work performed for their benefit in the amount of \$115,966 during the nine-month period ended November 30, 2011, (nil during the three-month and nine month periods ended November 30, 2012 and the three-month period ended November 30, 2011). These transactions are in the normal course of operations.

## ACASTI PHARMA INC.

Notes to Interim Financial Statements

(Unaudited)

Three-month and nine-month periods ended November 30, 2012 and 2011

### 6. Related parties (continued):

Payable to parent corporation:

Payable to parent corporation has no specified maturity date for payment or reimbursement and does not bear interest.

Key management personnel compensation:

The key management personnel of the Corporation are the members of the Board of Directors and certain officers. They control 3% of the voting shares of the Corporation.

Key management personnel compensation includes the following for the three-month and nine-month periods ended November 30, 2012 and 2011:

	Three-month period ended November 30, 2012	Three-month period ended November 30, 2011	Nine-month period ended November 30, 2012	Nine-month period ended November 30, 2011
Short term employee benefits	\$ 217,686	\$ 179,760	\$ 653,058	\$ 539,280
Share based compensation costs	294,026	136,895	888,746	425,017
	\$ 511,712	\$ 316,655	\$ 1,541,804	\$ 964,297

### 7. Operating segments:

The Corporation has one reportable operating segment: the development and commercialization of pharmaceutical applications of its licensed rights for cardiovascular diseases.

All of the Corporation's assets are located in Canada and the United States.

The Corporation's sales are attributed based on the customer's area of residence. All of the sales were made to the United States.

### 8. Subsequent event:

On December 4, 2012, the Corporation announced that it entered into a Prepayment Agreement with Neptune pursuant to which the Corporation exercised its option under the exclusive technology license agreement (referred to in note 5) to pay in advance all of the future royalties payable under the license agreement.

The value of the prepayment, determined with the assistance of outside valuations specialists, using the pre-established formula set forth in the license agreement, amounts to approximately \$15.5 million, which will be paid through the issuance of 6,750,000 Class A shares, issuable at a price of \$2.30 per share, upon the exercise of a warrant delivered to Neptune at the signature of the Prepayment Agreement.



The prepayment and the issuance of the shares to Neptune are subject to the approval of the TSX Venture Exchange and of the disinterested shareholders of the Corporation at the next annual meeting of shareholders of the Corporation.



## **MANAGEMENT ANALYSIS OF THE FINANCIAL SITUATION AND OPERATING RESULTS – THREE AND NINE-MONTH PERIODS ENDED NOVEMBER 30, 2012**

### **MANAGEMENT DISCUSSION AND ANALYSIS**

This analysis is presented in order to provide the reader with an overview of the financial results and changes to the financial position of Acasti Pharma Inc. ("Acasti" or "the Corporation") as at November 30, 2012 and for the three and nine-month periods then ended. This analysis explains the material variations in the financial statements of operations, financial position and cash flows of Acasti for the three and nine-month periods ended November 30, 2012 and 2011. The Corporation effectively commenced active operations with the transfer of an exclusive worldwide license from its parent corporation, Neptune Technologies & Bioresources Inc. ("Neptune"), in August 2008. The Corporation was inactive prior to this date.

This analysis, completed on January 14, 2013, must be read in conjunction with the Corporation's financial statements for the three and nine-month periods ended November 30, 2012 and 2011. The Corporation's financial statements were prepared in accordance with International Financing Reporting Standards (IFRS), as issued by the International Accounting Standards Board. The Corporation's financial results are published in Canadian dollars. All amounts appearing in this Management Discussion and Analysis are in thousands of Canadian dollars, except share and per share amounts or unless otherwise indicated.

Additional information on the Corporation can be found on the SEDAR website at [www.sedar.com](http://www.sedar.com) under Acasti Pharma Inc.

In March 2011, the Corporation completed its listing application on the TSX-Venture Exchange. As a result the Corporation had its shares listed on the TSX-Venture Exchange on March 31, 2011 under the symbol APO.

### **Overview**

In August 2008, Neptune transferred an exclusive worldwide license to its subsidiary, Acasti, to research and develop new active pharmaceutical ingredients (API) based on Neptune's proprietary omega-3 phospholipid technology and intellectual property (the "License"). Further to product development, Acasti initiated Investigational New Drug (IND)-enabling research aiming towards IND/Clinical Trial Application (CTA) allowance by the US Food and Drug Administration (FDA) and Health Canada in order to further

validate the safety and effectiveness of its APIs for the prevention and treatment of cardiovascular conditions in Phase I and II a/b clinical studies. Acasti's new pharmaceutical products are prepared for licensing to potential pharmaceutical alliances as medical food and drug products. The products developed by Acasti require the approval from the U.S. Food and Drug Administration (FDA) before clinical studies are conducted and approval from similar regulatory organizations before sales are authorized. The Corporation will have to finance its activities of research and development as well as its clinical studies.

Neptune proceeded with this transaction in order to segregate its cardiovascular pharmaceuticals activities from its nutraceutical activities which, in the opinion of Neptune's management, will allow the financial community to differentiate the Corporation's cardiovascular pharmaceutical activities from Neptune's core nutraceutical business and will also enable Neptune and the Corporation to conclude separately nutraceutical and pharmaceutical strategic alliances.

## **Operations**

During the three-month period ended November 30, 2012, Acasti made progress in its research and pharmaceutical product development, advancing with its prescription drug candidate, CaPre®, while expanding its commercialization efforts for its medical food Onemia™. The following is a summary of the period's highlights:

During the previous fiscal year, Acasti initiated two phase II clinical studies in Canada: i) a prospective randomized double blind placebo control clinical study designed to evaluate the safety and efficacy of CaPre® (Acasti's prescription drug candidate) for the management of moderate to high hypertriglyceridemia. The first patients were enrolled in the study in October 2011; and ii) a prospective randomized open-label clinical trial designed to assess the safety, efficacy and dose response of CaPre®, for patients with moderate to high hypertriglyceridemia. The first patient was enrolled in December 2011. Acasti's clinical trials' recruitment has continued and progressed during the three-month period ended November 30, 2012.

Acasti has accentuated its business development and direct commercialization activities in the USA for its medical food Onemia™. Acasti made additional sales to a US Medical Food distributor, which has continued distribution of Onemia™ through its US nationwide network of physicians, under its own brand name. Also, more physicians have initiated and/or continued their recommendations of Onemia™ for patients diagnosed with cardiometabolic disorders. Simultaneously, pharmacies have started recognizing the potential demand for Onemia™ and have accepted it as a behind-the-counter (by doctor's recommendation only) medical food. Continuing sales of Onemia™ will provide revenues that will contribute to further partially finance Acasti's research and development projects.

During the three-month period ended November 30, 2012, Neptune reported that in the afternoon of November 8, 2012, an explosion and fire destroyed Neptune's production plant located in Sherbrooke, Québec, Canada. Three workers were fatally injured and eighteen other workers were transported to the hospital, four of whom were severely burned. Acasti's day-to-day operations and business was not interrupted as a result of this tragic event. All required CaPre® material, Acasti's lead prescription candidate, for its two phase II clinical trials had already been produced. Both CaPre® and Onemia™, Acasti's product marketed in the United States as a "medical food", are being processed and stored in U.S. facilities outside Neptune's affected plant. Future production of Onemia™ will be negotiated with third party manufacturers. Acasti will continue to be dependent on the support of Neptune as its controlling shareholder.

Few days after the end of the three-month period ended November 30, 2012, Acasti reported that it had entered into a prepayment agreement with Neptune pursuant to which Acasti has exercised its option under its exclusive technology license agreement dated August 7, 2008 entered into between Acasti and Neptune to pay in advance all of the future royalties payable under the license agreement. (See Subsequent Events section for more information)

### **Basis of presentation of the financial statements**

The Corporation's assets as at November 30, 2012 include cash and short-term investments for an amount of \$4,590, mainly generated by the exercise on September 14, 2011 of the rights issued by the Corporation to its shareholders as well as by the net proceeds from the \$1,979 private financing completed on February 13, 2012. The Corporation also has trade and other receivables of \$1,121, receivable from a corporation under common control of \$50 and tax credits receivable for an amount of \$645 as at November 30, 2012. The Corporation's liabilities at November 30, 2012 are comprised primarily of amounts due to Neptune of \$833 and other creditors for \$896 as well as royalties payable to Neptune for \$330. The Corporation has incurred operating losses and negative cash flows from operations since inception. As at November 30, 2012, the Corporation's current liabilities and expected level of expenses in the research and development phase of its drug candidate significantly exceed current assets. The Corporation plans to rely on the continued support of Neptune to pursue its operations, including obtaining additional funding, if required. The continuance of this support is outside of the Corporation's control. If the Corporation does not receive the continued financial support from its parent or the Corporation does not raise additional funds, it may not be able to realize its assets and discharge its liabilities in the normal course of business. As a result, there exists a material uncertainty that casts significant doubt about the Corporation's ability to continue as a going concern and, therefore, realize its assets and discharge its liabilities in the normal course of business.

The financial statements have been prepared on a going concern basis, which assumes the Corporation will continue its operations in the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the ordinary course of business. These financial statements do not include any adjustments to the carrying values and classification of assets and liabilities and reported revenues and expenses that may be necessary if the going concern basis was not appropriate for these financial statements should the Corporation not receive additional financing from Neptune or other sources.

The Corporation is subject to a number of risks associated with the successful development of new products and their marketing, the conduct of its clinical studies and their results, the meeting of development objectives set by Neptune in its license agreement, and the establishment of strategic alliances. The Corporation will have to finance its research and development activities and its clinical studies. To achieve the objectives of its business plan, the Corporation plans to establish strategic alliances, raise the necessary capital and make sales. It is anticipated that the products developed by the Corporation will require approval from the U.S. Food and Drug Administration and equivalent organizations in other countries before their sale can be authorized.

## SELECTED FINANCIAL INFORMATION

(In thousands of dollars, except per share data)

	Three-month periods ended		Nine-month periods ended	
	November 30,		November 30,	
	2012	2011	2012	2011
	\$	\$	\$	\$
Revenue from sales	424	–	675	–
Adjusted EBITDA <sup>(1)</sup>	(1,036)	(1,677)	(2,989)	(3,624)
Net loss and comprehensive loss	(1,611)	(2,207)	(4,940)	(4,954)
Net loss per share and diluted loss per share	(0.02)	(0.03)	(0.07)	(0.08)
Total assets	13,097	14,695	13,097	14,695
Working capital <sup>(2)</sup>	4,645	6,743	4,645	6,743
Total equity	11,038	13,513	11,038	13,513
Book value per Class A share <sup>(3)</sup>	0.15	0.19	0.15	0.19

(1) The Adjusted EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) is presented for information purposes only and represents a financial performance measurement tool mostly used in financial circles. Because there is no standard method endorsed by IFRS requirements, the results are unlikely to be comparable to similar measurements presented by other public companies. Acasti obtains Adjusted EBITDA measurement by adding to net loss, finance cost, depreciation and amortization and income taxes. Acasti also excludes the effects of certain non-monetary transactions recorded, such as gain or loss on foreign exchange and stock-based compensation, for its Adjusted EBITDA calculation.

(2) The working capital is presented for information purposes only and represents a measurement of the Corporation's short-term financial health mostly used in financial circles. The working capital is calculated by subtracting current liabilities from current assets. Because there is no standard method endorsed by IFRS requirements, the results may not be comparable to similar measurements presented by other public companies.

(3) The book value per share is presented for information purposes only and is obtained by dividing the shareholders' equity by the number of outstanding Class A shares at the end of the period. Because there is no standard method endorsed by IFRS requirements, the results may not be comparable to similar measurements presented by other public companies.

## RECONCILIATION OF THE EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTIZATION (ADJUSTED EBITDA)

A reconciliation of Adjusted EBITDA is presented in the table below. The Corporation uses adjusted financial measures to assess its operating performance. Securities regulations require that companies caution readers that earnings and other measures adjusted to a basis other than IFRS do not have standardized meanings and are unlikely to be comparable to similar measures used by other companies. Accordingly, they should not be considered in isolation. The Corporation uses Adjusted EBITDA to measure its performance from one period to the next without the variation caused by certain adjustments that could potentially distort the analysis of trends in our operating performance, and because the Corporation believes it provides meaningful information on the Corporation financial condition and operating results.

Acasti obtains its Adjusted EBITDA measurement by adding to net loss finance cost, depreciation and amortization and income taxes. Acasti also excludes the effects of certain non-monetary transactions recorded, such as gain or loss on foreign exchange and stock-based compensation, from its Adjusted EBITDA calculation. The Corporation believes it is useful to exclude these items as they are either non-cash expenses, items that cannot be influenced by management in the short term, or items that do not impact core operating performance. Excluding these items does not imply they are necessarily nonrecurring.



**RECONCILIATION OF ADJUSTED EBITDA**

(In thousands of dollars, except per share data)

	Three-month period ended November 30,		Nine-month period ended November 30,	
	2012	2011	2012	2011
	\$	\$	\$	\$
Net loss	(1,611)	(2,207)	(4,940)	(4,954)
<b>Add (deduct):</b>				
Finance costs	1	1	2	6
Depreciation and amortization	166	167	499	501
Stock-based compensation	412	354	1,464	802
Foreign exchange (gain) loss	(4)	8	(14)	21
Adjusted EBITDA	(1,036)	(1,677)	(2,989)	(3,624)

**SELECTED QUARTERLY FINANCIAL DATA**

(In thousands of dollars, except per share data)

**Fiscal year ending February 28, 2013**

	Total	First	Second	Third	Fourth
		Quarter	Quarter	Quarter	Quarter
	\$	\$	\$	\$	\$
Revenue from sales	675	14	237	424	
Other Income - Revenue from research contracts	—	—	—	—	
Adjusted EBITDA <sup>(a)</sup>	(2,989)	(916)	(1,037)	(1,036)	
Net loss	(4,940)	(1,576)	(1,752)	(1,611)	
Loss per share basic and diluted	(0.07)	(0.02)	(0.02)	(0.02)	

**Fiscal year ended February 29, 2012**

	Total	First	Second	Third	Fourth
		Quarter	Quarter	Quarter	Quarter
	\$	\$	\$	\$	\$
Revenue from sales	10	—	—	—	10
Other Income - Revenue from research contracts	116	83	33	—	—
Adjusted EBITDA <sup>(a)</sup>	(4,481)	(693)	(1,254)	(1,677)	(857)
Net loss	(6,501)	(1,023)	(1,724)	(2,207)	(1,547)
Loss per share basic and diluted	(0.10)	(0.02)	(0.03)	(0.03)	(0.02)



**Fiscal year ended February 28, 2011**

	Total	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
	\$	\$	\$	\$	\$
Revenue from sales	–	–	–	–	–
Other Income - Revenue from research contracts	28	–	–	–	28
Adjusted EBITDA <sup>(a)</sup>	(2,255)	(350)	(456)	(840)	(609)
Net loss	(3,008)	(542)	(706)	(618)	(1,142)
Loss per share basic and diluted	(0.06)	(0.01)	(0.01)	(0.02)	(0.02)

(a) The Adjusted EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization) is presented for information purposes only and represents a financial performance measurement tool mostly used in financial circles. Because there is no standard method endorsed by IFRS requirements, the results are unlikely to be comparable to similar measurements presented by other public companies. Acasti obtains its Adjusted EBITDA measurement by adding to net loss, finance cost, depreciation and amortization and income taxes. Acasti also excludes the effects of non-monetary transactions recorded, such as gain or loss on foreign exchange and stock-based compensation, for its Adjusted EBITDA calculation.

**COMMENTS ON THE SIGNIFICANT VARIATIONS OF RESULTS FROM OPERATIONS FOR THE THREE AND NINE-MONTH PERIODS ENDED NOVEMBER 30, 2012 AND 2011****Revenues**

The Corporation generated revenues from sales of \$424 from the commercialization of Onemia™, its Medical Food product, during the three-month period ended November 30, 2012. The revenues were generated from a distribution agreement the Corporation entered into with a US distributor specialized in medical food, as well as from sales made directly to customers in the United States. The Corporation did not generate revenue from sales during the corresponding period in 2011. During the three-month periods ended November 30, 2012 and 2011, the Corporation did not generate revenue from research contracts.

The Corporation generated revenues from sales of \$675 from the commercialization of Onemia™, its Medical Food product, during the nine-month period ended November 30, 2012. The revenues were generated from a distribution agreement the Corporation entered into with a US distributor specialized in medical food, as well as from sales made directly to customers in the United States. The Corporation did not generate revenue from sales during the corresponding period in 2011. During the nine-month period ended November 30, 2012, the Corporation did not generate revenues from research contracts. During the nine-month period ended November 30, 2011, the Corporation generated revenues from research contracts of \$116.

**Gross Profit**

Gross profit is calculated by deducting the cost of sales from revenue. Cost of sales consists primarily of costs incurred to manufacture products. It also includes related overheads, such as depreciation of equipment, certain costs related to quality control and quality assurance, inventory management, sub-contractors and costs for servicing and commissioning. The gross profit for the three-month period ended November 30, 2012 amounted to \$183 or 43%, which is slightly below the Corporation's target range for its gross profit margin, being 45 to 55%. The reason for the lower than targeted gross profit margin for the three-month period ended November 30, 2012, is higher than expected cost of sales related to additional analysis required for the sales of Onemia™. The Corporation did not realize a gross profit during the three-month period ended November 30, 2011, since it had no revenue from sales.

The gross profit for the nine-month period ended November 30, 2012 amounted to \$306 or 45%. The Corporation did not realize a gross profit during the nine-month period ended November 30, 2011, since it had no revenue from sales.



**Breakdown of Major Components of the Statement of Operations and Comprehensive Loss for the three and nine-month periods ended November 30, 2012 and 2011**

Administrative expenses	Three-month periods ended		Nine-month periods ended	
	November 30,		November 30,	
	2012	2011	2012	2011
	\$	\$	\$	\$
Salaries and benefits	241	221	754	646
Stock-based compensation	300	250	1,135	533
Professional fees	82	17	296	290
Royalties	175	75	278	183
Amortization and depreciation	166	167	499	501
Sales and marketing	25	45	119	89
Investor relations	6	16	27	16
Rent	27	9	45	27
Other	17	51	49	70
<b>TOTAL</b>	<b>1,039</b>	<b>851</b>	<b>3,202</b>	<b>2,355</b>

Research and development expenses	Three-month periods ended		Nine-month periods ended	
	November 30,		November 30,	
	2012	2011	2012	2011
	\$	\$	\$	\$
Salaries and benefits	164	151	521	487
Stock-based compensation	112	104	329	268
Contracts	517	1,090	1,214	1,816
Equipments and laboratory analysis	–	32	–	77
Regulatory expenses	(4)	3	66	31
Rent	–	–	–	26
Professional fees	12	–	61	2
Other	19	33	58	79
Tax credits	(50)	(50)	(158)	(67)
<b>TOTAL</b>	<b>770</b>	<b>1,363</b>	<b>2,091</b>	<b>2,719</b>

**Earnings before Interest, Taxes, Depreciation and Amortization (Adjusted EBITDA)**

Adjusted EBITDA improved by \$641 for the three-month period ended November 30, 2012 to \$(1,036) compared to \$(1,677) for the three-month period ended November 30, 2011, mainly due to the increase in revenues (see Revenues and Gross Profit sections) and the decreases in research and development expenses, offset by the increase in administration expenses.

The decrease in research and development expenses is mainly attributable to the decrease in contracts expenses related to the Corporation's clinical trials. The increase in administrative expenses is mainly attributable to increases in royalties payable to the parent corporation and in professional fees.

Adjusted EBITDA improved by \$635 for the nine-month period ended November 30, 2012 to \$(2,989) compared to \$(3,624) for the nine-month period ended November 30, 2011, mainly due to the increase in revenues (see Revenues and Gross Profit sections) and the decreases in research and development expenses offset by the increase in administration expenses.

The decrease in research and development expenses is mainly attributable to the decrease in contracts expenses related to the Corporation's clinical trials. The increase in administrative expenses is mainly attributable to the increase in salaries and benefits and in royalties payable to the parent corporation.

## Net Loss

The Corporation realized a net loss for the three-month period ended November 30, 2012 of \$1,611 or \$0.02 per share compared to a net loss of \$2,207 or \$0.03 per share for the three-month period ended November 30, 2011. These results are mainly attributable to the factors described above in the Revenues and Adjusted EBITDA sections and by the increase in the stock-based compensation expense of \$58.

The Corporation realized a net loss for the nine-month period ended November 30, 2012 of \$4,940 or \$0.07 per share compared to a net loss of \$4,954 or \$0.08 per share for the nine-month period ended November 30, 2011. These results are mainly attributable to the factors described above in the Revenues and Adjusted EBITDA sections and by the increase in the stock-based compensation expense of \$663.

## Capital Stock Structure

The authorized capital stock consists of an unlimited number of Class A, Class B, Class C, Class D and E without par value. Issued and outstanding fully paid shares, outstanding warrants and outstanding stock options were as follows:

	November 30, 2012	February 29, 2012
Class A shares, voting, participating and without par value	72,778,788	72,636,888
Class B multi-voting, non-participating, convertible and redeemable shares-reclassified as liabilities	-	-
Class C non-voting, non-participating, convertible and redeemable shares-reclassified as liabilities	-	-
Stock options granted and outstanding	5,496,250	3,347,500
Series 4 warrants exercisable at \$0.25 until October 8, 2013	5,663,600	5,785,500
Series 6 & 7 warrants exercisable at \$1.50 until February 10, 2015	750,000	750,000

## Cash Flow and Financial Condition between the Three and nine-month periods ended November 30, 2012 and 2011

### Operating activities

During the three-month periods ended November 30, 2012 and 2011, the Corporation's operating activities used cash of \$577 and \$3,304, respectively, consisting of the net loss incurred for the quarter adjusted for non-cash items, such as depreciation of equipment, amortization of intangible asset, stock-based compensation, finance expenses and foreign exchange, as well as for the net changes in non-cash operating working capital items for the period. The net changes in non-cash operating working capital items for the three-month period ended November 30, 2012 amounted to an increase of \$472 and are mainly due to the decreases in inventories (\$199) and tax credit receivable (\$53), as well as to the increases in trade and other payables (\$70), in payable to parent corporation (\$416) and royalties payable to parent corporation (\$155), principally offset by the decrease in trade and other receivables (\$420). The net changes in non-cash operating working capital items for the three-month period ended November 30, 2011, amounted to a decrease of \$1,604 and are mainly due to increases in inventories (\$122), in tax credit receivable (\$50), as well as to decreases in trade and other payables (\$226), in payable to parent corporation (\$1,268), principally offset by an increase in royalties payable to parent corporation (\$74).

During the nine-month periods ended November 30, 2012 and 2011, the Corporation's operating activities used cash of \$2,608 and \$4,352, respectively, consisting of the net loss incurred for the quarter adjusted for non-cash items, such as depreciation of equipment, amortization of intangible asset, stock-based compensation, finance expenses and foreign exchange, as well as for the net changes in non-cash operating working capital items for the period. The net changes in non-cash operating working capital items for the nine-month period ended November 30, 2012 amounted to an increase of \$409 and are mainly due to the decrease in inventories (\$337), as well as to the increases in payable to parent corporation (\$618) and royalties payable to parent corporation (\$281), principally offset by the increases in trade and other receivables (\$678) and tax credits receivable (\$55), as well as by the decrease in trade and other payables (\$100). The net changes in non-cash operating working capital items for the nine-month period ended November 30, 2011, amounted to a decrease of \$676 and are mainly due to increases trade in other receivables (\$258) and inventories (\$512), as well as the decrease in

payable to parent corporation (\$292), principally offset by increases in trade and other payables (\$219) and royalties payable to parent corporation (\$182).

**Investing activities**

During the three-month periods ended November 30, 2012 and 2011, the Corporation's investing activities generated an increase in liquidities of \$237 and a decrease in liquidities of \$4,750, respectively. The increase in liquidity generated by investing activities during the three-month periods ended November 30, 2012 is mainly due to the maturity of short-term investments of \$250. The decrease in liquidity generated by investing activities during the three-month periods ended November 30, 2011 is mainly due to the acquisition of short-term investment of \$7,500, principally offset by the maturity of short-term investments of \$2,750.

During the nine-month periods ended November 30, 2012 and 2011, the Corporation's investing activities generated an increase in liquidities of \$1,731 and a decrease in liquidities of \$3,742, respectively. The increase in liquidity generated by investing activities during the nine-month periods ended November 30, 2012 is mainly due to the maturity of short-term investments of \$1,750. The decrease in liquidity generated by investing activities during the nine-month periods ended November 30, 2011 is mainly due to the acquisition of short-term investments of \$7,500, principally offset by the maturity of short-term investments of \$3,750.

**Financing activities**

During the three-month periods ended November 30, 2012 and 2011, the Corporation's financing activities generated an increase in liquidities of \$4 and \$7,868, respectively. The increase in liquidities generated from financing activity during the three-month periods ended November 30, 2012 resulted mainly from proceeds from exercise of warrants and options of \$5. The increase in liquidities generated from financing activity during the three-month periods ended November 30, 2011 resulted mainly from the net proceeds from exercise of rights of \$7,855 and proceeds from exercise of warrants and options of \$13.

During the nine-month periods ended November 30, 2012 and 2011, the Corporation's financing activities generated an increase in liquidities of \$42 and \$7,903, respectively. The increase in liquidities generated from financing activity during the nine-month period ended November 30, 2012 resulted mainly from proceeds from exercise of warrants and options of \$44. The increase in liquidities generated from financing activity during the nine-month period ended November 30, 2011 resulted mainly from net proceeds from exercise of rights of \$7,855 and proceeds from exercise of warrants and options of \$53.

Overall, as a result, the Corporation's cash decreased by \$ 331 and \$828, respectively, for the three and nine-month periods ended November 30, 2012. Total liquidities as at November 30, 2012, comprised of cash and short-term investments, amounted to \$4,590. See basis of presentation for additional discussion of the Corporation's financial condition.

To date, the Corporation has financed its operations primarily through the exercise of rights and warrants issued to its shareholders as well as to Neptune and its shareholders, the private offerings of shares, as well as research tax credits, revenues from sales and research contracts, as well as interest income. The future profitability of the Corporation is dependent upon such factors as the success of the clinical trials, the approval by regulatory authorities of products developed by the Corporation, the ability of the Corporation to successfully market, sell and distribute products, and the ability of the Corporation to obtain the necessary financing to complete its projects.

## **Financial Position**

The following table details the significant changes to the balance sheet as at November 30, 2012 compared to February 29, 2012:

Accounts	Increase (Decrease) (In thousands of dollars)	Comments
Cash	(828)	See cash flow statement
Short-term investments	(1,715)	Maturity of short-term investments
Trade and other receivables	678	Onemia™ sales
Tax credits receivable	55	Increase in tax credit eligible expenses
Inventories	(337)	Onemia™ sales
Intangible Asset	(473)	Amortization
Trade and other payables	(100)	Repayment of trade and other payables
Payable to parent corporation	618	Increase in amount owed
Royalties payable to parent corporation	281	Increase in royalties owed

## **Contractual Obligations, Off-Balance-Sheet Arrangements and Commitments**

The Corporation has no off-balance sheet arrangements. All of the Corporation's liabilities (\$2,059) are due within twelve months.

Significant commitments include:

### **License agreement**

The Corporation is committed under a license agreement to pay Neptune until the expiration of Neptune's patents on licensed intellectual property, a royalty equal to the greater of the minimum royalty payment and the sum of (a) in relation to sales of products in the licensed field, the greater of: (i) 7.5% of net sales, and (ii) 15% of the Corporation's gross margin; and (b) 20% of revenues from sub-licenses granted by the Corporation to third parties. After the expiration of Neptune's patents on licensed intellectual property in 2022, the license agreement will automatically renew for an additional 15 years, during which period royalties will be determined to be equal to half of those calculated with the above formula.

The Corporation's Board of Directors renounced to the rights to one of the licensed field, which relieves the Corporation to any further royalties payment related to this licensed field, retroactively to August 7, 2011.

In addition, the license agreement provides for minimum royalty payments notwithstanding the above of: year 1 (from August 8, 2008) - nil; year 2 - \$50, year 3 - \$200, year 4 - \$225, year 5 - \$700, and year 6 and thereafter - \$750. Minimum royalties are based on contract years based on the effective date of the agreement, August 7, 2008.

The Corporation has the option to pay future royalties in advance, in cash or in kind, in whole or in part, based on an established economic model contained in the license agreement. (See Subsequent Event)

The Corporation can also abandon its rights under all or part of the license agreement and consequently remove itself from the obligation to pay all or part of the minimum royalties by paying a penalty equal to half of the next year's minimum royalties.

In addition, the Corporation is committed to have its products manufactured by Neptune at prices determined according to different cost-plus rates for each of the product categories under the license agreement.



### **Research and development agreements**

In the normal course of business, the Corporation has signed agreements with various partners and suppliers for them to execute research projects and to produce and market certain products.

The Corporation initiated research and development projects that will be conducted over a 12 to 24 month period for a total initial cost of \$4,105, partially paid to date. As at November 30, 2012, an amount of \$342 is included in "Trade and other payables" in relation to these projects.

### **Related Party Transactions**

The Corporation was charged by Neptune for certain costs incurred by Neptune for the benefit of the Corporation in the amount of \$ 496 and \$1,536, respectively during the three and nine-month periods ended November 30, 2012 (\$160 and \$744, respectively, for administrative costs, \$ 161 and \$514, respectively, for research and development costs and \$175 and \$278, respectively, in royalties) and \$ 484 and \$1,420, respectively during the three and nine-month periods ended November 30, 2011 (\$ 267 and \$675, respectively, for administrative costs, \$ 142 and \$562, respectively, for research and development costs and \$75 and \$183, respectively, for royalties). These transactions are in the normal course of operations. Where Neptune incurs specific incremental costs for the benefit of the Corporation, it charges those amounts directly. Costs that benefit more than one entity of the Neptune group are being charged by allocating a fraction of costs incurred by Neptune that is commensurate to the estimated fraction of services or benefits received by each entity for those items. These charges do not represent all charges incurred by Neptune that may have benefited the Corporation, because, amongst others, Neptune does not allocate certain common office expenses and does not charge interest on indebtedness. Also, these charges do not necessarily represent the cost that the Corporation would otherwise need to incur should it not receive these services or benefits through the shared resources of Neptune or receive financing from Neptune.

The Corporation charged Neptune and a corporation under common control for research and development work performed for their benefit in the amount of \$93 and \$23, respectively, during the nine-month period ended November 30, 2011 (2012 - nil). These transactions are in the normal course of operations.

Payable to parent corporation has no specified maturity date for payment or reimbursement and does not bear interest. This amount has been measured at the exchange amount and classified as current liabilities.

The key management personnel of the Corporation are the members of the Board of Directors and certain officers. They control 3% of the voting shares of the Corporation. See note 6 to the financial statements for disclosures of key management personnel compensation.

### **Subsequent event:**

On December 4, 2012, the Corporation announced that it has entered into a prepayment agreement with Neptune pursuant to which the Corporation exercised its option under its exclusive technology license agreement to pay in advance all of the future royalties' payable under the license agreement. The value of the prepayment, determined with the assistance of outside valuation specialists, using the pre-established formula set forth in the license agreement, amounts to approximately \$15,525, which will be settled through the issuance of 6,750,000 Class A shares, issuable at a price of \$2.30 per share, upon the exercise of a warrant delivered to Neptune at the signature of the prepayment agreement. The prepayment and the issuance of the shares to Neptune are subject to the approval of the TSX-Venture Exchange and of the disinterested shareholders of the Corporation at the next annual meeting of shareholders of the Corporation.

## **Use of estimates and measurement of uncertainty**

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates are based on the management's best knowledge of current events and actions that the Corporation may undertake in the future. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include the use of the going concern basis (See note 2 (b) of the Interim Financial Statements). Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year include the measurement of stock-based compensation. Also, the Corporation uses its best estimate to determine which research and development ("R&D") expenses qualify for R&D tax credits and in what amounts. The Corporation recognizes the tax credits once it has reasonable assurance that they will be realized. Recorded tax credits are subject to review and approval by tax authorities and therefore, could be different from the amounts recorded.

## **Critical Accounting Policies**

### **Research and development expenses**

Research expenses are charged to income in the period of expenditure less related tax credits. Development costs are charged to income as incurred unless a development project meets generally accepted accounting criteria for deferral and amortization. The Corporation has not deferred any development costs since inception.

### **Tax credits**

Tax credits related to eligible expenses are accounted for as a reduction of related costs in the year during which the expenses are incurred as long as there is reasonable assurance of their realization.

### **Stock-based compensation**

The Corporation has a stock-based compensation plan, which is described in note 4 of the Interim Financial Statements. The Corporation accounts for stock options granted to employees and non-employees based on the fair value method, with fair value determined using the Black-Scholes model. For stock options granted to non-employees, the Corporation measures the fair value of the equity instruments granted or the fair value of the goods and services rendered whichever is the more reliably measured. Under the fair value method, compensation cost is measured at fair value at date of grant and is expensed over the award's vesting period with a corresponding increase in contributed surplus.

Also, the Corporation records as stock-based compensation expense a portion of the expense being recorded by Neptune that is commensurate to the fraction of overall services that the grantees provide directly to the Corporation and the offset to contributed surplus reflecting Neptune's contribution to the Corporation.

### **Income taxes**

The Corporation follows the liability method of accounting for income taxes. Under this method, deferred income tax assets and liabilities are determined based on the differences between the carrying value and tax bases of assets and liabilities and they are measured using substantively enacted tax rates and laws that are expected during the periods when the temporary differences are expected to be realized or settled. A valuation allowance is provided to the extent that it is more likely than not that all or part of the deferred income tax assets will not be realized. The Corporation has not recognized any deferred tax assets in its financial statements because it has determined that they are not probable of being realized.

## **Internal Control over Financial Reporting**

The Corporation's management is responsible for establishing and maintaining adequate internal control over financial reporting to provide reasonable assurance regarding the reliability of the Corporation's financial reporting and its compliance with IFRS in its financial statements.

The Corporation is not required, pursuant to MI 52-109, to certify the design and evaluation of the Corporation's Disclosure Controls and Procedures and Internal Control over Financial Reporting, and has not completed such an evaluation. Inherent limitations on the ability of the certifying officers to design and implement on a cost effective basis Disclosure Controls and Procedures and Internal Control over Financial Reporting for the Corporation may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

## **Changes in Internal Control over Financial Reporting**

During the three-month period ended November 30, 2012, the CEO and the CFO evaluated whether there were any material changes in internal control over financial reporting pursuant to MI 52-109. They individually concluded that there was no changes during the three-month period ended November 30, 2012 that affected materially or is reasonably likely to affect materially the Corporation's internal controls over financial reporting and disclosure controls and procedures.

## **Risk Factors**

The information contained in the Financial Statements and the MD&A for the three and nine-month periods ended November 30, 2012 and 2011 should be read in conjunction with all of the Corporation and the parent corporation Neptune's public documentation and in particular the risk factors sections in the Corporation's Listing Application filed on [www.sedar.com](http://www.sedar.com). This information does not represent an exhaustive list of all risks related to an investment decision in the Corporation. Other financial instrument risks include:

### **Credit risk:**

Credit risk is the risk of an unexpected loss if counterparty to a financial instrument fails to meet its contractual obligations. There are no financial instruments other than cash and short-term investments and trade and other receivables that potentially subject the Corporation to credit risk. The Corporation's maximum exposure to credit risk corresponded to the carrying amount of cash and short-term investments and trade and other receivables.

### **Exchange risk:**

As at November 30, 2012, the Corporation is not exposed to any significant exchange risk, as it did not have any significant assets or liabilities denominated in foreign currencies.

### **Interest rate risk:**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates. The Corporation's short term investments bear interest at short-term fixed interest rates. The capacity of the Corporation to reinvest the short-term amounts with equivalent returns will be impacted by variations in short-term fixed interest rates available on the market.

### **Liquidity risk:**

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation manages liquidity risk through the management of its capital structure and financial leverage. It also manages liquidity risk by continuously monitoring actual and projected cash flows. The Board of Directors reviews and approves the Corporation's operating budgets, and reviews the most important transactions outside the normal course of business.



**Financial risk:**

The success of the Corporation is dependent on its ability to bring its products to market, obtain the necessary approvals, and achieve future profitable operations. This is dependent on the Corporation's ability to obtain adequate financing through a combination of financing activities and operations. It is not possible to predict either the outcome of future research and development programs, nor the Corporation's ability, to fund these programs going forward.

**Fair value of financial instrument risk:**

The Corporation has determined that the carrying values of short-term financial assets and liabilities, including cash, trade and other receivables as well as trade and other payable, approximate their fair value because of the relatively short period to maturity of the instruments.

**Supply Risk:**

The Corporation relies on third parties for the supply of raw materials for its various products. In particular, the Corporation depends on its parent company, Neptune, for the sourcing of the krill oil used for the development and manufacturing of the Corporation's products. The Corporation believes that alternative sources of supply for its various raw materials, including krill oil, exist. However, there are no guarantees that the Corporation will be successful in securing alternative suppliers in a timely manner or at all, or that its inventory levels will be sufficient. Any change in the Corporation's strategic suppliers could have a significant impact on the Corporation's capacity to complete certain of its current or future research and development projects and, accordingly, would adversely affect its business and projected commercial and financial growth. While other potential alternative suppliers of raw material, including krill oil, exist, they must first pass intensive validation tests to ensure their compliance with product specifications and fulfill other requirements. No assurance can be given regarding the successful outcomes of such tests and the fulfillment of any other requirements, or the ability of the Corporation to secure alternate sources of supply at competitive pricing in a timely manner and upon fair and reasonable contractual terms and conditions. Any financial, operational, production or quality assurance difficulties experienced by the Corporation's strategic suppliers that result in a reduction or interruption in supply could significantly delay the development, manufacturing and commercialization of the Corporation's products.

**Risk related to start-up phase**

Operations essentially consist in the development of new products and the conduct of clinical research studies on animals and humans. The Corporation is considered a development stage enterprise. Almost all research and development, administration and capital expenditures incurred by the Corporation since the start of operations are associated with the project described above.

The Corporation is subject to a number of risks associated with the successful development of new products and their marketing, the conduct of its clinical studies and their results, the meeting of development objectives set by Neptune in its license agreement, and the establishment of strategic alliances. The Corporation will have to finance its research and development activities and its clinical studies. To achieve the objectives of its business plan, the Corporation plans to establish strategic alliances, raise the necessary capital and make sales. It is anticipated that the products developed by the Corporation will require approval from the U.S. Food and Drug Administration and equivalent organizations in other countries before their sale can be authorized.

The Corporation has incurred operating losses and negative cash flows from operations since inception. As at November 30, 2012, the Corporation's current liabilities and expected level of expenses in the research and development phase of its drug candidate significantly exceed current assets. The Corporation's liabilities at November 30, 2012 include amounts due to Neptune of \$592. The Corporation plans to rely on the continued support of Neptune to pursue its operations, including obtaining additional funding, if required. The continuance of this support is outside of the Corporation's control. If the Corporation does not receive the continued financial support from its parent or the Corporation does not raise additional funds, it may not be able to realize its assets and discharge its liabilities in the normal course of business. As a result, there exists a material uncertainty that casts significant doubt about the Corporation's ability to continue as a going concern and, therefore, realize its assets and discharge its liabilities in the normal course of business.



The financial statements have been prepared on a going concern basis, which assumes the Corporation will continue its operations in the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the ordinary course of business. These financial statements do not include any adjustments to the carrying values and classification of assets and liabilities and reported revenues and expenses that may be necessary if the going concern basis was not appropriate for these financial statements should the Corporation not receive additional financing from Neptune or other sources.

### **Product Liability**

The parent corporation Neptune has secured a \$5,000 product liability insurance policy, which also covers its subsidiaries, renewable on an annual basis, to cover civil liability relating to its products. Neptune also maintains a quality-assurance process that is QMP certified by the Canadian Food Inspection Agency (CFIA) and has obtained *Good Manufacturing Practices* accreditation from Health Canada.

### **Forward – Looking Information**

This Management Analysis contains prospective information. Prospective statements include a certain amount of risk and uncertainty and may result in actual future Corporation results differing noticeably from those predicted. These risks include, but are not limited to: the time required to complete important strategic transactions, the development and commercialization of its product candidates, the ability to secure additional financing from Neptune and third parties and changes to economic conditions in Canada, the United States and Europe (including changes to exchange and interest rates).

The Corporation based its prospective statement on the information available when this analysis was drafted. The inclusion of this information should not be considered a declaration by the Corporation that these estimated results have been achieved.

### **Additional Information**

Updated and additional information on the Corporation and the parent corporation Neptune Technologies & Bioresources is available from the SEDAR Website at <http://www.sedar.com>.

As at January 14, 2013, the total number of class A shares issued by the Corporation and in circulation was 72,800,038. The Corporation also has 5,537,500 stock options, 5,651,100 Series 4 warrants and 750,000 Series 6 & 7 warrants outstanding.

*/s/ Henri Harland*

Henri Harland  
President & Chief Executive Officer

*/s/ Xavier Harland*

Xavier Harland  
Chief Financial Officer

## FORM 52-109FV2

### CERTIFICATION OF INTERIM FILINGS VENTURE ISSUER BASIC CERTIFICATE

I, Henri Harland, President and Chief Executive Officer of Acasti Pharma Inc., certify the following:

1. **Review:** I have reviewed the interim financial report and interim MD&A (together, the “interim filings”) of Acasti Pharma Inc. (the “issuer”) for the interim period ended November 30<sup>th</sup>, 2012.
 

**No misrepresentations:** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.
2. **Fair presentation:** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performances and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.

Date: January 14<sup>th</sup>, 2013

/s/ Henri Harland

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Henri Harland  
President and Chief Executive Officer

#### NOTE TO READER

In contrast to the certificate required for non-venture issuers under Regulation 52-109 respecting Certification of Disclosure in Issuers' Annual and Interim Filings (c. V-1.1, r. 27) (Regulation 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in Regulation 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.



The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in Regulation 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

**FORM 52-109FV2**CERTIFICATION OF INTERIM FILINGS  
VENTURE ISSUER BASIC CERTIFICATE

I, Xavier Harland, Chief Financial Officer of Acasti Pharma Inc., certify the following:

1. **Review:** I have reviewed the interim financial report and interim MD&A (together, the “interim filings”) of Acasti Pharma Inc. (the “issuer”) for the interim period ended November 30<sup>th</sup>, 2012.  
  
**No misrepresentations:** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.
3. **Fair presentation:** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.

Date: January 14<sup>th</sup>, 2013

/s/ Xavier Harland

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Xavier Harland  
Chief Financial Officer

**NOTE TO READER**

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