

Cynapsus Therapeutics Announces CAD\$21 Million Private Placement

TORONTO-- **Cynapsus Therapeutics Inc. (TSX:CTH) (OTCQX:CYNAF)**, a specialty pharmaceutical company focused on the treatment of OFF episodes in Parkinson's disease, today announced the completion of a private placement (the "Offering") of 22,039,472 common shares of the Company (the "Common Shares") for gross proceeds of CAD\$20,981,579.

The financing was led by funds associated with OrbiMed, Aisling Capital and Venrock, with participation from various other institutional investors, including existing shareholders Broadfin Capital, Sphera Funds Management, Pura Vida Investments, DAFNA Capital Management and Dexcel Pharma Technologies Ltd./Dexxon Holdings Ltd ("Dexcel").

"We greatly appreciate the confidence shown by such high-quality life science investors in leading this financing," commented Anthony Giovinazzo, Cynapsus' President and Chief Executive Officer. "This fund raise provides us with further resources to undertake our Phase 3 clinical studies in the United States, file an expected New Drug Application in 2016, and continue with our strategic objectives."

Details of the Offering

Each Common Share was issued at a price of CAD\$0.95 (the "Issue Price"), which represents a 20% discount to the 5-day volume-weighted average price per Common Share on the Toronto Stock Exchange (the "TSX") as of the close of business on March 27, 2015. The Common Shares issued are subject to a hold period, which will expire four months plus one day from the date of issue.

Noble Life Science Partners ("Noble") acted as exclusive placement agent for the transaction. The Company has agreed to pay Noble a commission consisting of a cash fee equal to 6% of the gross proceeds raised.

Related Party Transaction

Dexcel, a strategic pharmaceutical investor and significant shareholder of Cynapsus, subscribed for 4,342,105 Common Shares having an aggregate subscription price of CAD\$4,133,684. The number of outstanding Common Shares of the Company, immediately after giving effect to the Offering, is 110,304,528. Following the closing of the Offering, Dexcel holds 18,104,647 Common Shares and 13,762,542 warrants of the Company, resulting in post-transaction ownership of 16.4% and 18.9% of all the issued and outstanding Common Shares on a basic and fully diluted basis, respectively.

Dexcel's participation in the Offering may be considered a "related party transaction," as defined under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in*

Special Transactions (“MI 61-101”). Dexcel’s participation is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of the Common Shares issued to or the consideration paid by Dexcel exceeds 25% of the Company’s pre-Offering market capitalization.

A material change report in respect of this aspect of the transaction was not filed 21 days in advance of the expected closing of the Offering. The shorter period was necessary in order to permit the Company to close the Offering in a timeframe consistent with usual market practice for transactions of this nature.

U.S. Disclaimer

The securities offered have not been registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or applicable state securities laws, and may not be offered or sold to persons in the United States absent registration or an exemption from such registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

About Cynapsus

Cynapsus is a specialty pharmaceutical company developing a sublingual thin filmstrip for the acute rescue of OFF episodes associated with Parkinson’s disease. Cynapsus’ drug candidate, APL-130277, currently in late-stage clinical development, is an easy-to-use, fast-acting, formulation of apomorphine, which is the only approved drug (in the United States, Europe, Japan and other countries) to rescue patients from OFF episodes. Cynapsus anticipates completing pivotal studies to support a 505(b)(2) New Drug Application (NDA) expected to be submitted in 2016.

Parkinson’s disease is a chronic and progressive neurodegenerative disease. OFF episodes are periods of time during which Parkinson’s disease symptoms re-emerge despite taking Parkinson’s disease medicines. Symptoms include stiffness, slow movements and difficulty in starting movements, greatly impacting a patient’s quality of life and ability to work. More than 1 million people in the U.S. and an estimated 4 to 6 million people globally suffer from Parkinson’s disease with prevalence increasing with the aging of the population. It is estimated that up to one half of all people with Parkinson’s disease experience OFF episodes at least once daily and up to six times daily, with each episode lasting between 30 and 120 minutes.

More information about Cynapsus (TSX:CTH) (OTCQX:CYNAF) is available at www.cynapsus.ca and at the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

Forward-Looking Statements

This announcement contains “forward-looking statements” within the meaning of applicable securities laws. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as “plans,” “expects” or “does not expect,” “is expected,” “budget,” “scheduled,” “estimates,” “forecasts,” “intends,” “anticipates” or

“does not anticipate,” or “believes” or variations of such words and phrases or state that certain actions, events or results “may,” “could,” “would,” “might” or “will be taken,” “occur” or “be achieved.” Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Cynapsus to be materially different from those expressed or implied by such forward-looking statements, including but not limited to those risks and uncertainties relating to Cynapsus’ business disclosed under the heading “Risk Factors” in its Annual Information Form and its other filings with the various Canadian securities regulators which are available online at www.sedar.com. Although Cynapsus has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Cynapsus does not undertake to update any forward-looking statements, except in accordance with applicable securities laws.

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