

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event Reported): August 26, 2021

ACASTI PHARMA INC.

(Exact Name of Registrant as Specified in Charter)

Québec, Canada
(State or Other Jurisdiction of Incorporation)

001-35776
(Commission File Number)

98-1359336
(I.R.S. Employer Identification Number)

3009, boul. de la Concorde East
Suite 102
Laval, Québec
CA H7E 2B5
(Address of Principal Executive Offices) (Zip Code)

450-686-4555
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.
Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Shares, no par value per share	ACST	NASDAQ Stock Market

Item 2.01 Completion of Acquisition or Disposition of Assets.

On August 27, 2021, Acasti Pharma Inc. ("Acasti") completed its previously announced business combination with Grace Therapeutics Inc. ("Grace") in accordance with the terms of the Agreement and Plan of Merger, dated as of May 7, 2021 (the "Merger Agreement"), by and among Acasti, Acasti Pharma U.S., Inc. ("Merger Sub"), and Grace, pursuant to which Merger Sub merged with and into Grace, with Grace surviving as a wholly-owned subsidiary of Acasti (the "Merger"). Following the completion of the Merger, the business conducted by Acasti will be focused on developing innovative drug delivery technologies for the treatment of rare and orphan diseases.

Under the terms of the Merger Agreement, Acasti issued common shares to Grace's stockholders at an equity exchange rate of 5.684 Acasti common shares for each share of Grace's common stock outstanding immediately prior to the Merger. The equity exchange rate was determined through arms'-length negotiations between Acasti and Grace under the terms of the Merger Agreement.

Immediately after the Merger and before giving effect to the Reverse Stock Split (as described herein), there were 354,305,416 Acasti common shares outstanding, of which Acasti's existing shareholders owned approximately 59% and the former securityholders of Grace owned approximately 41%.

The Acasti common shares issued to the former stockholders of Grace were registered with the Securities and Exchange Commission (the "SEC") on a Registration Statement on Form S-4 (Reg. No. 333-257589), as amended.

The foregoing description of the Merger Agreement does not purport to be complete and is subject to and qualified in its entirety by reference to the full text of the Merger Agreement, which was filed as Exhibit 2.1 to Acasti's Current Report on Form 8-K filed with the SEC on May 7, 2021 and is incorporated herein by reference.

Item 3.03 Material Modification to Rights of Security Holders

At Acasti's Annual and Special Meeting of Shareholders held on August 26, 2021 (the "Annual and Special Meeting"), Acasti shareholders approved on an advisory (non-binding) basis a reverse stock split of Acasti's common shares (the "Reverse Stock Split") within a range of 1-6 to 1-8, with the specific ratio to be approved by Acasti's board of directors. Acasti's board of directors has set the Reverse Stock Split ratio at 1-8.

On August 27, 2021, in connection with the Reverse Stock Split, Acasti received confirmation of filing of Articles of Amendment with the *Registraire des entreprises du Québec* (the "Amended Certificate") pursuant to the *Business Corporations Act (Québec)*. The Reverse Stock Split will become effective before the commencement of trading

on August 31, 2021.

Following the completion of Merger and after giving effect to the Reverse Stock Split, there will be approximately 44,288,177 Acasti common shares outstanding, (subject to rounding upwards of fractional shares). No fractional shares will be issued in connection with the Reverse Stock Split. In accordance with the Amended Certificate, any fractional shares resulting from the Reverse Stock Split will be rounded up to the nearest whole number.

Immediately after the Reverse Stock Split, each Acasti shareholder's percentage ownership interest in Acasti and proportional voting power will remain unchanged, other than as a result of the rounding to eliminate fractional shares. The rights and privileges of the holders of shares of Acasti common shares will be unaffected by the Reverse Stock Split.

The foregoing description of the Amended Certificate does not purport to be complete and is qualified in its entirety by reference to the complete text of the Amended Certificate, which is filed herewith as Exhibit 3.1 and incorporated herein by reference.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

At the Annual and Special Meeting, Acasti shareholders approved amendments to the Acasti stock option plan to provide for a 10% rolling plan by setting the total number of Acasti common shares reserved for issuance pursuant to options granted under the stock option plan to 10% of the issued and outstanding Acasti common shares from time to time, which 10% number shall include Acasti common shares issuable pursuant to awards issued under Acasti's equity incentive plan. Acasti shareholders also approved amendments to the Acasti equity incentive plan to set the total number of Acasti common shares reserved for issuance pursuant to awards granted under the equity incentive plan at the lesser of (i) 10% of the issued and outstanding Acasti common shares as of June 24, 2021, representing 20,837,554 Acasti common shares (prior to giving effect to the Reverse Stock Split), and (ii) 10% of the issued and outstanding Acasti common shares from time to time, which 10% number will include Acasti common shares issuable pursuant to options issued under Acasti's stock option plan.

For a description of the amendment to Acasti's stock option plan, please refer to "Proposal No. 6: Stock Option Plan Proposal" in Acasti's Proxy Statement/Prospectus filed with the SEC on July 15, 2021 (the "Proxy Statement"), which information is incorporated herein by reference. The description herein of Acasti's stock option plan is subject to and qualified in its entirety by reference to full text of Acasti's stock option plan, which is included as Exhibit 10.1 hereto and incorporated herein by reference. For a description of Acasti's equity incentive plan, please refer to "Proposal No. 7: Equity Incentive Plan Proposal" in the Proxy Statement, which information is incorporated herein by reference. The description herein of Acasti's equity incentive plan is subject to and qualified in its entirety by reference to full text of Acasti's equity incentive plan, which is included as Exhibit 10.2 hereto and incorporated herein by reference.

Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

The information set forth in Item 3.03 of this Current Report on Form 8-K is incorporated by reference into this Item 5.03.

Item 5.07. Submission of Matters to a Vote of Security Holders.

Proxies for the Annual and Special Meeting held on August 26, 2021 were solicited pursuant to Section 14(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and there was no solicitation in opposition to the board of director's solicitation. Holders of a total of 79,679,548 of Acasti's common shares were present or represented by proxy at the Annual and Special Meeting, representing 36.32% of Acasti's 208,375,549 common shares that were outstanding and entitled to vote at the Annual and Special Meeting as of the record date of July 14, 2021. Set forth below are the matters acted upon by the Acasti's shareholders at the Annual and Special Meeting, and the final voting results on each matter. Each of the proposals is described in further detail in the Proxy Statement.

Proposal 1

1. To approve the issuance of Acasti common shares necessary to complete the transactions contemplated by the Merger Agreement.

Votes Cast For	% Votes Cast For	Votes Cast Against	% Votes Cast Against
21,915,935	90.82%	2,024,031	8.39%

Proposal 2

2. To elect Roderick N. Carter, Jan D'Alvise, Jean Marie (John) Canan and Donald Olds as directors to serve for a term that expires at the 2022 annual meeting of Acasti shareholders, or until his or her successor is elected and qualified or until his or her earlier resignation or removal.

Nominee	Votes For	% Votes For	Votes Withheld	% Votes Withheld
Roderick N. Carter	21,898,808	90.75%	2,232,592	9.25%
Jean-Marie (John) Canan	21,787,291	90.29%	2,344,109	9.71%
Jan D'Alvise	22,258,065	92.24%	1,873,335	7.76%
Donald Olds	21,802,345	90.35%	2,329,055	9.65%

Proposal 3

3. To elect each of William A. Haseltine and Vimal Kavuru, conditional upon and to be effective only at the closing of the merger, as a director to serve for a term that expires at the 2022 annual meeting of Acasti shareholders, or until his successor is elected and qualified or until his earlier resignation or removal, as provided in the Merger Agreement.

Nominee	Votes For	% Votes For	Votes Withheld	% Votes Withheld
William A. Haseltine	22,397,309	92.81%	1,734,090	7.19%
Vimal Kavuru	22,302,490	92.42%	1,828,909	7.58%

Proposal 4

4. To appoint KPMG LLP to hold office as Acasti's auditors until the close of the next annual meeting of shareholders and to authorize the board of directors of Acasti to fix their remuneration.

Votes Cast For	% Votes Cast For	Votes Cast Against	% Votes Cast Against
73,715,107	97.49%	1,024,711	1.36%

Proposal 5

5. To adopt an advisory (non-binding) resolution approving the compensation of Acasti's named executive officers, as disclosed in the Proxy Statement.

Votes Cast For	% Votes Cast For	Votes Cast Against	% Votes Cast Against
19,499,771	80.81%	3,938,689	16.32%

Proposal 6

6. To approve amendments to the Acasti stock option plan to provide for a 10% rolling plan by setting the total number of Acasti common shares reserved for issuance pursuant to options granted under the stock option plan to 10% of the issued and outstanding Acasti common shares from time to time, which 10% number shall include Acasti common shares issuable pursuant to awards issued under the equity incentive plan, as described in the Proxy Statement.

Votes Cast For	% Votes Cast For	Votes Cast Against	% Votes Cast Against
18,398,569	76.87%	4,588,149	19.17%

Proposal 7

7. To approve amendments to the Acasti equity incentive plan to set the total number of Acasti common shares reserved for issuance pursuant to awards granted under the equity incentive plan at the lesser of (i) 10% of the issued and outstanding Acasti common shares as of June 24, 2021, representing 20,837,554 Acasti common shares (before giving effect to the Reverse Split), and (ii) 10% of the issued and outstanding Acasti common shares from time to time, which 10% number shall include Acasti common shares issuable pursuant to options issued under the stock option plan, as described in the Proxy Statement.

Votes Cast For	% Votes Cast For	Votes Cast Against	% Votes Cast Against
18,407,325	76.91%	4,624,496	19.32%

Proposal 8

8. If necessary to regain compliance with NASDAQ's minimum bid price rules, to adopt an advisory (non-binding) resolution to amend to the articles of incorporation of Acasti, as amended, to effect a reverse stock split of Acasti common shares, within a range of 1-6 to 1-8 with such specific ratio to be approved by the Acasti board.

Votes Cast For	% Votes Cast For	Votes Cast Against	% Votes Cast Against
13,248,244	54.90%	10,064,376	41.71%

A report outlining the voting results described above is filed as Exhibit 99.1 hereto.

Item 7.01. Regulation FD Disclosure.

On August 27, 2021, Acasti issued a press release announcing the closing of the Merger and the voting results of the Annual and Special Meeting, a copy of which is attached as Exhibit 99.2 hereto.

The information set forth in this Item 7.01 and in the press release attached hereto as Exhibit 99.2, are deemed to be "furnished" and shall not be deemed to be "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that Section. The information set forth in this Item 7.01, including Exhibit 99.2, shall not be deemed incorporated by reference into any filing under the Exchange Act or the Securities Act of 1933, as amended, except to the extent that Acasti specifically incorporates it by reference.

Item 9.01. Financial Statements and Exhibits.

(a) Financial Statements of Business Acquired

The financial statements required by this item are not being filed herewith. To the extent such information is required by this item, it will be filed by amendment to this Current Report on Form 8-K not later than 71 days after the date on which this Current Report on Form 8-K is required to be filed.

(b) Pro Forma Financial Information

The financial statements required by this item are not being filed herewith. To the extent such information is required by this item, it will be filed by amendment to this Current Report on Form 8-K not later than 71 days after the date on which this Current Report on Form 8-K is required to be filed.

(d) Exhibits

Exhibit No.	Description
2.1	Agreement and Plan of Merger dated as of May 7, 2021 among Acasti Pharma Inc., Acasti Pharma U.S., Inc. and Grace Therapeutics Inc. (incorporated by reference from Exhibit 2.1 of Acasti's Current Report on Form 8-K filed with the SEC on May 7, 2021)
3.1	Articles of Amendment of Acasti Pharma Inc. (English translation)
10.1	Acasti Stock Option Plan (incorporated by reference from Schedule A to Acasti's proxy statement filed with the SEC on July 15, 2021)
10.2	Acasti Equity Incentive Plan (incorporated by reference from Schedule B to Acasti's proxy statement filed with the SEC on July 15, 2021)
99.1	Voting results report
99.2	Press Release dated August 27, 2021 announcing voting results of Annual and Special Meeting

SIGNATURE

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 hereunto duly authorized.

ACASTI PHARMA INC.

Date: August 27, 2021

By: /s/ Jan D'Alvise
Jan D'Alvise
Chief Executive Officer



CERTIFICATE OF AMENDMENT

Business Corporations Act (CQLR, chapter S-31.1)

I attest that the legal person

ACASTI PHARMA INC.

has modified its articles pursuant to the *Business Corporations Act* (Québec) to integrate the changes outlined in the attached articles.

August 27, 2021

Filed in the register on August 26, 2021 under the
Québec Registration Number 1160589793.

(Signed)
Registraire des entreprises

Registraire des entreprises

REZ-909 (2017-04)

Page 1 of 1

Articles of Amendment

Québec Enterprise Number:
1160589793

Business Corporations Act (Québec)

1 Information about the business

ACASTI PHARMA INC.

Version(s) of the name of the corporation in any other language other than French, if applicable

1 Amendment to Articles

2.1 Amendment to Name

2.2 Other Amendments

See Schedule Attached.

2.3. Date and Time of certificate, if applicable

Date: August 27, 2021 **Time:**

2 Correction of Articles

3 Signature

Last name and first name of the authorized officer or director:

Janelle D'Alvise

Electronic signature of:

Janelle D'Alvise

Reserved for the administration
Reference number of request: 020200085440883
Numeric designation:

SCHEDULE TO
ARTICLES OF AMENDMENT
OF
ACASTI PHARMA INC.
(the "Corporation")

As of the date of the issuance of a Certificate of Amendment confirming the present Articles of Amendment, all of the issued and outstanding Class "A" Shares (the "Common Shares") in the capital of the Corporation are consolidated (the "Consolidation") on the bases of one (1) post-Consolidation Common Share for every 8 (eight) pre-Consolidation Common Shares (provided that each fractional Common Share that results from the Consolidation shall be rounded up to the nearest whole number).



VIA SEDAR

August 27, 2021

**Autorité des marchés financiers
Alberta Securities Commission
British Columbia Securities Commission
Manitoba Securities Commission
Ontario Securities Commission**

Subject: Acasti Pharma Inc. (the "Corporation")
Report on the Voting Results, in accordance with article 11.3 of Regulation 51-102 respecting Continuous Disclosure Obligations ("Regulation 51-102")

Following the annual and special meeting of shareholders of the Corporation held on August 26, 2021 (the "AGM"), this report presents the items voted on during the AGM and the corresponding voting results, in accordance with article 11.3 of Regulation 51-102. For more detailed information on the proposals submitted to shareholders, please refer to the management information circular and proxy statement of the Corporation dated July 15, 2021 (the "Circular").

According to the scrutineer's reports, being present in person or by proxy, were the holders of 75,679,548 common shares, or 36.32%, of the 208,375,549 common shares issued and outstanding on July 14, 2021, the record date for the AGM.

The following individuals were elected as directors of Acasti at its AGM: Roderick N. Carter, Jean-Marie (John) Canan, Jan D'Alvise, Donald Olds, William A. Haseltine and Vimal Kavuru.

1. Ordinary resolution approving the issuance of common share necessary to complete the transactions contemplated by the merger agreement, as more particularly described in the Circular

Votes Cast For	% Votes Cast For	Votes Cast Against	% Votes Cast Against
21,915,935	90.82%	2,024,031	8.39%

2. Election of the directors of the Corporation for the ensuing year

Nominee	Votes For	% Votes For	Votes Withheld	% Votes Withheld
Roderick N. Carter	21,898,808	90.75%	2,232,592	9.25%
Jean-Marie (John) Canan	21,787,291	90.29%	2,344,109	9.71%
Jan D'Alvise	22,258,065	92.24%	1,873,335	7.76%
Donald Olds	21,802,345	90.35%	2,329,055	9.65%

3. Election of William A. Haseltine and Vimal Kavuru as directors of the Corporation for the ensuing year, conditional upon and to be effective only at the closing of the merger, as provided for in the merger agreement

Nominee	Votes For	% Votes For	Votes Withheld	% Votes Withheld
William A. Haseltine	22,397,309	92.81%	1,734,090	7.19%
Vimal Kavuru	22,302,490	92.42%	1,828,909	7.58%

4. Appointment of KPMG LLP as auditors for the ensuing year and to authorize the board of directors of the Corporation (the "Board") to fix their remuneration

Votes Cast For	% Votes Cast For	Votes Cast Against	% Cast Votes Against
73,715,107	97.49%	1,024,711	1.36%

5. Ordinary resolution approving an advisory (non-binding) resolution approving the compensation of our named executive officers, as more particularly described in the Circular

Votes Cast For	% Votes Cast For	Votes Cast Against	% Votes Cast Against
19,499,771	80.81%	3,938,689	16.32%

6. Ordinary resolution approving, ratifying and confirming certain amendments to the Corporation's stock option plan, as more particularly described in the Circular

Votes Cast For	% Votes Cast For	Votes Cast Against	% Votes Cast Against
18,395,569	76.87%	4,588,149	19.17%

(Disinterested Shareholders only – 197,500 shares are excluded)

7. Ordinary resolution approving, ratifying and confirming certain amendments to the Corporation's equity incentive plan, as more particularly described in the Circular

Votes Cast For	% Votes Cast For	Votes Cast Against	% Votes Cast Against
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18,407,325	76.91%	4,642,496	3.77%
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(Disinterested Shareholders only – 197,500 shares are excluded)

8. Ordinary resolution approving, an advisory (non-binding) resolution to amend the articles of the Corporation, to effect a reverse stock split of the Corporation's common shares, with a 1-8 ratio, as more particularly described in the Circular

Votes Cast For	% Votes Cast For	Votes Cast Against	% Votes Cast Against
13,248,244	54.90%	10,064,376	41.71%

Sincerely,

/s/ Jan D'Alvise

Jan D'Alvise

Chief Executive Officer



**Acasti Pharma Announces Successful Completion of its Merger with Grace Therapeutics, Inc.,
Voting Results of its Annual and Special Meeting of Shareholders and Reverse Stock Split**

LAVAL, Québec, Aug. 26, 2021 (GLOBE NEWSWIRE) -- Acasti Pharma Inc. (“**Acasti**”) (NASDAQ: ACST-TSX-V: ACST), announced today the completion of its previously disclosed acquisition of Grace Therapeutics, Inc. (“**Grace**”) via merger. The successful completion of the merger positions Acasti to build a premier, late-stage specialty pharma company focused on rare diseases. Based on management’s current forecasts, Acasti expects to have enough cash on its balance sheet following the merger to provide at least two years of operating runway. The combined companies will be led by Jan D’Alvise as President and Chief Executive Officer, under the oversight of Acasti’s newly elected Board of Directors, comprised of four re-elected directors of Acasti and two Grace nominees newly elected as directors (with a third Grace nominee expected to be nominated prior to the next annual meeting of shareholders). All Grace employees will transition to Acasti and they will continue to maintain a research and development laboratory and commercial presence in North Brunswick, New Jersey.

Jan D’Alvise, Acasti’s Chief Executive Officer stated, “I’d like thank our shareholders for your strong vote of confidence in supporting this transaction, as well as the Acasti and Grace boards and management teams who worked tirelessly to make this transaction possible. We believe the Grace acquisition will be truly transformative, creating new and exciting opportunities for us in sizable markets with substantial unmet medical needs. With the transaction now complete, we look forward to aggressively executing on our mission of building a premier, late-stage specialty pharma company with a large portfolio of drug candidates focused on rare diseases. As previously discussed, Grace’s technologies enable us to customize the formulation of marketed drugs in new ways that have the potential to address significant unmet medical needs by achieving faster onset of action, enhanced efficacy, reduced side effects, and more convenient drug delivery – all of which can help to increase compliance and improve patient outcomes. We are extremely encouraged by the outlook for the business and look forward to providing regular updates as we execute on our strategy.”

In connection with the transaction, Grace was merged with a new wholly owned subsidiary of Acasti and became a subsidiary of Acasti. As a result, Acasti acquired Grace’s entire therapeutic pipeline consisting of three unique clinical stage and multiple pre-clinical stage assets supported by an intellectual property portfolio consisting of more than 40 granted and pending patents in various jurisdictions worldwide. Grace’s product candidates aim to improve clinical outcomes by applying proprietary formulation and drug delivery technologies to existing pharmaceutical compounds to achieve improvements over the current standard of care or provide treatment for diseases with no currently approved therapy. Grace’s three lead programs have all received Orphan Drug Designation¹ from the U.S. Food & Drug Administration (“**FDA**”), which could provide up to seven years of marketing exclusivity in the United States upon the FDA’s approval of a New Drug Application, provided that certain conditions are met.

After giving effect to the adjustments provided in the merger agreement based on each company’s capitalization and net cash balances, as described in more detail in the Circular, a total of 145,929,867 common shares of Acasti have been issued to Grace stockholders as consideration for the acquisition, bringing the total number of Acasti common shares issued and outstanding to 354,305,416 (pre-reverse stock split referenced below). As a result, Acasti securityholders prior to the transaction own after closing approximately 59% of the combined company’s common shares, and former Grace securityholders own approximately 41%.

In connection with the merger, Grace stockholders representing substantially all of the outstanding shares of Grace entered into voting and lock-up agreements with Acasti pursuant to which they have agreed, amongst other things, to be subject to lock-up provisions for a period of 12 months after the closing of the merger (subject to certain exceptions) and support the election of Acasti’s board nominees through to the 2023 annual general meeting of shareholders.

Oppenheimer & Co. acted as Acasti’s financial advisor for the merger and Osler, Hoskin & Harcourt, LLP served as its legal counsel. William Blair & Company, LLC acted as financial advisor to Grace, and Reed Smith, LLP served as its legal counsel.

The merger is an arm’s length transaction in accordance with the policies of the TSX Venture Exchange (the “**TSXV**”).

Voting Results of Annual General and Special Meeting of Shareholders

*For further information on the voting results of the resolution passed during the annual general and special meeting of shareholders (the “**AGSM**”), please refer to details of voting results available on Acasti’s Current Report Form 8-K dated today available on EDGAR at www.sec.gov or the Report of Voting Results available on SEDAR at www.sedar.com.*

Issuance of Acasti Shares pursuant to the Merger

At the AGSM, shareholders approved the issuance of Acasti shares as consideration to Grace securityholders pursuant to the merger.

Election of Directors

At the AGSM, each of the four director nominees proposed in Acasti’s proxy statement/prospectus dated July 15, 2021 (the “**Circular**”), being Roderick N. Carter, Jan D’Alvise, Jean Marie (John) Canan, Donald Olds was elected at the AGSM to serve for a term that expires at the 2022 annual meeting of Acasti shareholders or until their successors are duly elected or appointed, unless such office is earlier vacated in accordance with Acasti’s by-laws.

At the AGSM, shareholders also elected each of William A. Haseltine and Vimal Kavuru, conditional upon the now completed closing of the merger, as a director to serve for a term that expires at the 2022 annual meeting of Acasti shareholders, or until his successor is elected and qualified or until his earlier resignation or removal, as provided in the merger agreement.

Acasti’s Board of Directors is now composed of Roderick N. Carter, Jean Marie (John) Canan, Jan D’Alvise, William A. Haseltine, Vimal Kavuru, and Donald Olds.

Appointment of Auditors

At the AGSM, KPMG LLP were appointed as Acasti’s auditors for the ensuing fiscal year and the directors were authorized to fix their remuneration.

Advisory Vote on the Compensation of Named Executive Officers

At the AGSM, shareholders passed an advisory (non-binding) resolution approving the compensation of Acasti’s named executive officers.

Amendments to Acasti’s Stock Option Plan and Equity Incentive Plan

At the AGSM, disinterested shareholders approved amendments to Acasti’s stock option plan and equity incentive plan, as more particularly described in the Circular.

Advisory Vote to effect a reverse stock split of Acasti common shares

At the AGSM, shareholders passed an advisory (non-binding) resolution to amend the articles of incorporation of Acasti to effect a reverse stock split of Acasti common shares in conjunction with the closing of the Grace transaction to help regain compliance with NASDAQ’s minimum bid price rule, within a range of 6-1 to 8-1 with such specific ratio to be approved by the Acasti board, as more particularly described in the Circular.

Reverse Stock Split

In connection with the merger and in furtherance to the advisory resolution passed by shareholders approving the reverse split, Acasti confirms that a reverse split of its common stock at an 8-1 ratio will be implemented to help regain compliance with NASDAQ minimum bid price rule, as described in more detail in the Circular, and is expected to be made effective on NASDAQ and the TSXV at the start of trading on August 31st.

About Acasti

Acasti is a late-stage specialty pharma company with drug delivery capability and technologies addressing rare and orphan diseases. Acasti's novel drug delivery technologies have the potential to improve the performance of currently marketed drugs by achieving faster onset of action, enhanced efficacy, reduced side effects, and more convenient drug delivery—all which could help to increase treatment compliance and improve patient outcomes.

Acasti's three lead clinical assets have each been granted Orphan Drug Designation by the FDA, which provide the assets with seven years of marketing exclusivity post-launch in the United States and protection by over 40 granted and pending patents. The lead assets target underserved orphan diseases: (i) GTX-104, an intravenous infusion targeting Subarachnoid Hemorrhage (SAH), a rare and life-threatening medical emergency in which bleeding occurs over the surface of the brain in the subarachnoid space between the brain and skull; (ii) GTX-102, an oral mucosal spray targeting Ataxia-telangiectasia (A-T), a progressive, neurodegenerative genetic disease that primarily impacts children causing severe disability, for which no treatment currently exists; and (iii) GTX-101, a topical spray, targeting Postherpetic Neuralgia (PHN), a persistent and often debilitating neuropathic pain caused by nerve damage from the varicella zoster virus (shingles), which may persist for months and even years. For more information, please visit: <https://www.acastipharma.com/en>.

Forward-Looking Statements

Statements in this press release that are not statements of historical or current fact constitute "forward-looking information" within the meaning of Canadian securities laws and "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995, as amended, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (collectively, "forward-looking statements"). Such forward-looking statements involve known and unknown risks, uncertainties, and other unknown factors that could cause the actual results of Acasti to be materially different from historical results or from any future results expressed or implied by such forward-looking statements. In addition to statements which explicitly describe such risks and uncertainties, readers are urged to consider statements labelled with the terms "believes," "belief," "expects," "intends," "anticipates," "potential," "should," "may," "will," "plans," "continue," "targeted" or other similar expressions to be uncertain and forward-looking. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release.

These forward-looking statements are based upon Acasti's current expectations and involve assumptions that may never materialize or may prove to be incorrect. Actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of various risks and uncertainties, including, without limitation: (i) potential adverse reactions or changes to business relationships resulting from the announcement or completion of the merger; (ii) the success and timing of regulatory submissions and pre-clinical and clinical trials; (iii) regulatory requirements or developments; (iv) changes to clinical trial designs and regulatory pathways; (v) Acasti's projected cash position and operating runway; (vi) legislative, regulatory, political and economic developments, and (vii) the effects of COVID-19 on clinical programs and business operations. The foregoing review of important factors that could cause actual events to differ from expectations should not be construed as exhaustive and should be read in conjunction with statements that are included herein and elsewhere, including the risk factors detailed in documents that have been and may be filed by Acasti from time to time with the SEC, including Circular. All forward-looking statements contained in this press release speak only as of the date on which they were made. Acasti undertakes no obligation to update such statements to reflect events that occur or circumstances that exist after the date on which they were made.

Neither NASDAQ, the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.

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¹ The Orphan Drug Designation program provides orphan status to drugs and biologics which are defined as those intended for the treatment, prevention or diagnosis of a rare disease or condition, which is one that affects less than 200,000 persons in the United States or meets cost recovery provisions of the Orphan Drug Act. The status helps incentivize the development of therapies to treat unmet medical needs by providing a company with seven years of exclusivity rights once a drug reaches market.