TITAN PHARMACEUTICALS INC.

Moderator: Sunil Bhonsle
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3:15 pm CT

Operator: Thank you for holding, and welcome to the Titan Pharmaceuticals' Second Quarter 2016 Financial Results conference call. At this time, all participants are in a listen-only mode. There will be a question-and-answer session following today's remarks. Please be advised that this call is being recorded at the company's request and will be archived on the company's website starting today.

At this time, I would like to turn the call over to Sunil Bhonsle, President and CEO of Titan Pharmaceuticals. Please go ahead sir.

Sunil Bhonsle: Thank you, Rufus, and thank you all for joining us. Welcome to the Titan Pharmaceuticals call to review financial and operational results for the second quarter of 2016.

Before we begin, I want to inform you that this morning we filed our second quarter 2016 Form 10-Q with the SEC, and the press release issued this morning provides a summary of the results, and can be found on our website at titanpharm.com.

Joining me on the call today from Titan are Dr. Kate Beebe, Executive Vice President and Chief Development Officer; and Brian Crowley, Vice President of Finance.

Before we get into the details of the financial results and provide an update on the company, I want to remind everyone that certain matters we will discuss today, other than historical information, consist of forward-looking statements relating to, among other things, our expectations concerning our financial results, available cash, development programs, partnering arrangements, regulatory strategies and business plans.

The forward-looking statements are not guarantees of future performance and are subject to a variety of risks and uncertainties that could cause actual results to differ materially from the results contemplated by the forward-looking statements. These risks and uncertainties are described in our Annual Report on Form 10-K filed with the SEC.

You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of today. We undertake no obligation to update or revise the information provided in this call, whether as a result of new information, future events or circumstances or otherwise.

I want to tell you Marc Rubin, our Executive Chairman, could not participate today and he sends his apologies. So I will review highlights of the past quarter followed by Brian Crowley, our Vice President of Finance, discussing the financial results, and finally, Kate Beebe, our Chief Development Officer providing an update on the product development and other activities.

I would like to start by once again congratulating the Titan and Braeburn teams on their excellent work that led to the FDA approval of Probuphine. This milestone was undoubtedly the most significant accomplishment in the second quarter of 2016, and Probuphine is now the first and only product for the six-month long-term maintenance treatment of opioid addiction in adults, stabilized on 8 milligrams or less a day of buprenorphine.

Buprenorphine products are currently available in the form of daily dosed sublingual formulations with annual sales around $2 billion in the United States. However, unlike other buprenorphine

products on the market, Probuphine is uniquely positioned as a maintenance therapy, providing a powerful new option for people who are already in recovery. We believe many of these patients could benefit from receiving continuous around-the-clock levels of buprenorphine for six months following a single treatment.

Braeburn commenced the product launch activities immediately following FDA approval, starting with a comprehensive nationwide training program to certify healthcare providers to treat their patients with Probuphine, including hands-on training for the procedure to insert and remove the implants.

The first patients were treated with Probuphine in late June, just weeks after FDA approval. We are very pleased with Braeburn's progress to-date, and in particular, the great interest in Probuphine that we are seeing from the medical community and the patients.

As of the beginning of August, Braeburn had certified 2,342 healthcare providers from all 50 states and Puerto Rico to provide Probuphine to their patients. Braeburn's goal is to have 4,000 certified healthcare professionals by the end of this year, and based on the certification numbers already seen, I have complete confidence that this will be accomplished. As you well know, this is just the first step in the product launch plan, but a very important one to get sufficient capacity in place to perform the treatment procedures.

Equally important is to have third-party payer coverage for Probuphine, which would give patients better access to treatment with the product. Braeburn has been very active in engaging the insurance companies and meeting with key officials who govern the regional health insurance plans.

This helps to both educate the officials on the benefits of treatment with Probuphine and to secure coverage for treatment under these insurance plans. As of now Braeburn has met with 40

regional insurance plans as well as Medicare, Medicaid and the Veterans' Administration to secure third party payer coverage, and has received a positive response from all. It may take a little time to get all the paperwork in place, but this is a great achievement in short amount of time, and Braeburn continues its progress in this area.

Also, Braeburn has put in place important medical affairs resources to support the 35 healthcare providers with ongoing information on patient selection, performance of treatment procedures, and the logistics of ordering the product and getting third party payer reimbursements. This overall comprehensive approach to product launch is very encouraging, and will bear fruit in the coming months.

As you know, the approval of Probuphine represents an important validation of Titan's ProNeura long-term continuous drug delivery platform. We are continuing to advance our pipeline of products based on ProNeura, and are pleased with the progress we are making in our ropinirole implant for Parkinson's disease and our T3 implant for hypothyroidism.

We remain on track to submit an investigational new drug application for our ropinirole implant by the end of the year and to secure a pre-IND meeting with the FDA for our T3 implant development within that same time frame. In just a moment Dr. Beebe will provide additional details on our product pipeline.

In addition to advancing our product pipeline, we were pleased with see that Titan stock was added to the broad US market Russell 3000 Index and the Small Cap Russell 2000 Index in late June, a move that holds the potential for additional exposure and awareness among institutional investors.

Our financial position remains strong, and our goal is to continue to add value through progress in the product development programs, especially with the potential of successfully completing the initial proof-of-concept clinical testing of the ropinirole implant in the next 18 to 24 months.

I would like to take this opportunity to thank Victor Bauer and Ley Smith, members of our board who retired this month after long and valuable tenures of 19 and 16 years on the board. The board has begun the process to find appropriate replacements. The board continues to be enthusiastic about Titan's prospects and the potential value our ProNeura product development pipeline brings to the company and our shareholders.

I'll now ask Brian to review the second quarter financial results, and then Kate will review our product and business development activities. To conclude, we will open up the call for your questions for the Titan management team. Brian?

Brian Crowley: Thank you, Sunil, and hello everybody. As Sunil mentioned earlier we filed our second quarter Form 10-Q this morning. I will be providing you with a summary of our second quarter 2016 financial results, and I'll happy to address any questions you may have during the Q&A session.

Titan recorded approximately $15 million in revenue from the second quarter of 2016, compared with approximately $0.8 million for the comparable quarter in 2015. License revenue in the second quarter of 2016 reflects the one-time milestone payment earned from our development and commercialization partner, Braeburn, upon approval of Probuphine by the FDA in May 2016. Revenue in the second quarter of 2015 reflects the amortization of the upfront license fee received from Braeburn in December 2012.

Total operating expenses consisting primarily of research and development (or R&D) expenses and general and administrative (or G&A) expenses were approximately $3 million in the second quarter of 2016, compared with approximately $1.9 million in the second quarter of 2015.

R&D expenses for the quarter ended June 30, 2016 were approximately $1.7 million, compared with approximately $1.1 million for the same period in 2015, an increase of approximately $0.6 million. The increase in R&D costs was primarily a result of increases in external R&D expense related to the support of our ProNeura product development programs, and increases in employee-related expenses and other R&D expenses.

During the three months ended June 30, 2016, external R&D expenses related to our product development programs were approximately $0.9 million, compared with approximately $0.4 million in the same quarter of 2015. G&A expenses for the second quarter of 2016 were approximately $1.2 million, compared with approximately $0.8 million for the same quarter in 2015, an increase of approximately $0.4 million.

The increased G&A expenses were primarily related to a contractual fee obligation of approximately $0.2 million in connection with the milestone payment received under the Probuphine license, and increases in non-cash stock compensation and other employee-related costs.

Net other expenses for the second quarter of 2016 were approximately $0.1 million, compared with $1.2 million in the same quarter of 2015. Net other expenses consisted primarily of non-cash losses on changes in the fair value of warrants.

Net income for the second quarter of 2016 was approximately $11.9 million or 58 cents per share, compared with a net loss of approximately $2.3 million or 11 cents per share for the comparable period in 2015.

At the end of June, Titan had cash of approximately $19.3 million, which we believe is sufficient to fund our operations through the end of 2017. These financial results were as expected, and we are well-positioned heading into the remainder of the year and into 2017.

Just to remind you, under the terms of the licensing agreement, Braeburn will pay Titan tiered royalties on net sales for Probuphine in the U.S. and Canada at rates ranging from the mid-teens to low 20s. We will receive sales reports quarterly a few weeks after the end of each period, and we will report this in our 10-Q quarterly report for the same quarter.

We expect that during the next several quarters, as commercialization efforts ramp up, the royalty rate will remain in the mid-teens. Additionally, Titan is eligible for up to $165 million in future milestone payments, based on achievement of certain annual sales targets. However, it is too early to estimate the extent and timing of any such additional payments.

Now, to provide you with an update of recent ProNeura product pipeline development activities, let me turn the call over to Dr. Beebe. Kate?

Kate Beebe: Thank you, Brian, and hi, everyone. I'm very pleased to provide you with some additional details on Probuphine as well as our ropinirole implant for Parkinson's Disease and our ProNeura T3 implant for hypothyroidism.

While we celebrated the approval of Probuphine in May, we also continue to present and publish data that further supports this important role in the treatment of opioid addiction. As we touched on in our last earnings call, Dr. Richard Rosenthal, who is the co-lead investigator of the last Phase 3 trial, and is Professor of Psychiatry and Medical Director of Addiction Psychiatry at the Icon School of Medicine at Mt. Sinai, presented a poster on the data from that study at the 47th annual American Society of Addiction Medicine (otherwise known as ASAM) Conference, which

was held in April. These data showed that subjects, who were clinically stable on sublingual buprenorphine at a dose of 8 milligrams or less per day maintained their stability when transferred to Probuphine, and that they were more likely to sustain abstinence from illicit opioids throughout the six months, compared to subjects who remained on sublingual buprenorphine. This was the first controlled head-to-head comparison of Probuphine and sublingual buprenorphine demonstrating the efficacy of our six-month buprenorphine implant.

These data, along with pharmocoeconomic data on Probuphine were also presented at the American Psychiatric Association (or APA) meeting in Atlanta, Georgia in May, and at the College on Problems of Drug Dependence (CPDD) meeting in Palm Springs, California in June. I attended both the ASM and the CPDD meetings, and was very excited to see the eagerness of the conference attendees in terms of learning more about Probuphine, the first new treatment approach to be approved in many years.

In addition, we recently published these data in the prestigious *Journal of the American Medical Association* (or JAMA). The publication, entitled Six Month Buprenorphine Implant for Treatment of Opioid Dependence: A Randomized Clinical Trial was co-authored by myself and several investigators who participated in the study, including Dr. Rosenthal and also by Dr. Kim from Braeburn Pharmaceuticals.

Now while there has been a lot of progress in the treatment of addiction over the past several years, there is no question that significant unmet medical needs remain, particularly when it comes to maintenance therapy. There are three proprietary daily dose formulations of buprenorphine on the market today, along with a few generic versions. There are also three injectable one-month depo formulations currently in clinical development.

Now as Sunil mentioned, however, we believe that Probuphine is uniquely positioned among currently available treatments for opioid addiction, as it is the first and only six-month treatment option available for patients already stabilized on buprenorphine.

As Braeburn expands the commercial availability of Probuphine in the U.S., we are evaluating opportunities for regulatory approval and commercialization outside of the U.S. and Canada. We've conducted initial discussions with opinion leaders and regional pharmaceutical companies in countries where buprenorphine products are used for the treatment of opioid addiction.

And now, with the recent U.S. approval of Probuphine, we're the midst of obtaining additional regulatory guidance, while also preparing the required briefing materials in anticipation of meetings with the European Medicines Agency, which I'll refer to as EMA, to confirm the pathway to product approval in Europe.

We're currently targeting an initial meeting with the EMA in the fourth quarter, which is a very important step towards finalizing partnerships for commercialization of Probuphine in this region. And we are also now in due diligence with several pharmaceutical companies outside of the U.S. that have indicated interest in Probuphine.

Now I'd like to switch gears and discuss our ropinirole implant for Parkinson's Disease program. Based on the FDA's feedback on our initial development plans we have completed now the manufacturing and release of ropinirole implants for GLP toxicity studies; We've completed pharmacokinetic and dose ranging studies in non-human primates; we've completed some of the required local toxicity studies and a 13-week chronic toxicity study in non-human primates. There are now two ongoing toxicity studies that are expected to be completed in the coming weeks.

All of these comprise the required non-clinical studies to support the potential submission of an IND application in the fourth quarter of 2016, which will then be followed by the initial

pharmacokinetic and proof-of-concept clinical study. As we've mentioned before, Titan is pursuing a 505(b)(2) registration pathway for the product candidate.

The ropinirole implant is designed for the long-term continuous delivery of ropinirole HCL for the treatment of signs and symptoms of Parkinson's disease. And these include stiffness, tremors, muscle spasms and poor muscle control. Ropinirole is a dopamine agonist currently available in daily or more frequently dosed oral formulations for the treatment of Parkinson's disease symptoms and restless leg syndrome. About one million people in the U.S. suffer from Parkinson's, and that number is expected to double by 2030, due to the aging population, according to the Parkinson's Disease Foundation.

So the ProNeura long-term continuous drug delivery platform can offer a way of providing around-the-clock stable levels of medicines like ropinirole in an outpatient setting, and we believe this has the potential to alleviate some of the motor complications and offer another option in treating this very serious disease.

In addition to the progress we're making with our ropinirole implant, we continue to advance our implantable T3 product for the treatment of hypothyroidism, and are now in the process of testing our current formulation animal models in preparation for requesting a pre-IND meeting with the FDA in the fourth quarter of 2016. Hypothyroidism is a chronic disease affecting about 15 million Americans, mostly women.

Based upon symptoms and blood tests, it is estimated that as many as 15% to 20% of hypothyroid patients are not adequately treated with the standard therapy, resulting in a persistent deficiency in a primary active form of thyroid hormone, T3, and physicians typically add an oral T3 regimen to the treatment of these patients.

Now once-daily synthetic T3, otherwise known as Cytomel, is an effective medication for hypothyroidism; but it is also associated with potential side effects, including headache, nervousness, irritability, sweating, and cardiac arrhythmias, which are driven by the peak and trough blood level fluctuations associated with standard oral delivery.

Continuous delivery of T3, either oral or parenteral route, is highly desirable, but it has been difficult to achieve because of unique solubility characteristics of the compound. An implantable T3 product utilizing the ProNeura platform could more closely replicate the normal thyroid physiology and avoid the unwanted side effects associated with the current pulsatile release oral formulation. We believe that this could present a significant market opportunity for Titan.

As we've mentioned, we're very enthusiastic about the prospects of our ProNeura continuous long-term delivery platform and its role in the treatment of select chronic diseases for which maintaining consistent levels of a medication in the blood over long periods of time may offer safety and/or other health benefits. We're also evaluating several other product candidates now across a variety of different chronic disease indications for potential inclusion in our portfolio.

Now I'll turn the call back to Sunil. Sunil?

Sunil Bhonsle: Thank you, Kate. This brings us to the end of our formal remarks. And now, Rufus, we are ready to take questions from the call participants.

Operator: Thank you sir. Ladies and gentlemen, if you would like to ask a question, please signal by pressing the star key followed by the digit 1 on your telephone keypad. If you're using a speakerphone, please make sure that your mute function is disengaged to allow your signal to reach our equipment. Again, press star 1 to ask a question. And we will pause for just a moment to allow everyone the opportunity to signal for a question.

And for our first question we go to Scott Henry with ROTH Capital.

Scott Henry: Thank you and good afternoon, and congratulations again on the approval and successful ongoing launch of Probuphine.

Sunil Bhonsle: Great, great. Thanks a lot, Scott. How are you?

Scott Henry: A couple questions, and I realize, I don't know how much color you're going to be able to give. But for starters, when it comes to reporting sales, is there a lag between when the procedure takes place and sales take place? I noticed that there were a couple of procedures in June, but there were no revenues in June. Just trying to think of how to match that up.

Sunil Bhonsle: Sure, Scott. In general...

Brian Crowley: Yes, Scott, this is Brian Crowley. In general, the revenues will be, we'll receive quarterly reports from Braeburn and we'll be recognizing them in the same quarters that they do, going forward.

Sunil Bhonsle: The pattern for Braeburn's side, and just to provide a little color on that. Essentially, it's a buy-and-build type process. And so the doctor orders the product, which is then shipped from the specialty distribution site, and may eventually be a specialty pharmacy. But that triggers a sale on Braeburn's side.

Scott Henry: Okay. So, I'm confused, why wouldn't there be revenues in 2Q if the procedures took place in June, at the end of June?

Sunil Bhonsle: I mean there were just a very few procedures obviously, it was less than 10 days of product being on the market at that point. And there was a very nominal amount of revenue in

terms of royalty that we received. But it really was overshadowed by the $15 million milestone payment, and the royalty number was obviously not even in the decimal point.

Scott Henry: Okay, that's helpful. I'm just trying to understand.

Sunil Bhonsle: Yes. There is a royalty. I mean, in terms of numbers it was $4,000 and something...

(Crosstalk)

Scott Henry: Okay.

Sunil Bhonsle: ...something, obviously very small based on, you know, just a handful of sales in those first 10 days.

Scott Henry: Yes, that makes sense, because obviously the number's 15,004. Okay. I just wanted to clarify that. Staying on that topic, the certifications have been outstanding. That's certainly the first indicator we should look at, to get a sense of adoption. What would be the second thing you would look at? I mean do you start to look at, I guess, your hit-rate among certified physicians, whether you have returning physicians using it a second time? I'm just trying to get a sense of once we get past the certifications what I should be focusing on?

Sunil Bhonsle: You know, certainly in terms of the first statistic, that is very important, as we say, it is the number of physicians and healthcare provides that are certified. Similar to what happens with the buprenorphine oral sales, you know, there is 23,000-something physicians certified. But 6,000 physicians are still seen to write 90% of the prescriptions. So you'll see a similar pattern that will form over here. It's too early to see it, obviously, because it's still very early in the process. But I would expect that a number of these physicians and healthcare providers will specialize in this type of treatment, and others will do it periodically. So we'll see that develop.

It's just too early to really look at anything to see a pattern at this early stage. You realize, obviously, that after the healthcare provider is trained, it takes some time for them to then look at patients that they have, where and who would be the right person that would be treated, to make sure that they have all of the process in place to obtain the product, and that process takes a little time. So I would expect over the next couple of quarters, we will start seeing what additional information in terms of how many of the certified healthcare providers have actually started treating, how many have done repeat treatments. Early data on this is being collected by Braeburn, and I'm sure as time goes on, it will start showing a pattern that would be meaningful.

Scott Henry: Okay, thank you. That's helpful. Looking at the income statement, 2Q, and I think you mentioned as well that G&A and R&D kind of ticked up a little bit in Q2. Looking to Q3, would I expect R&D to come down a little bit? And the same for G&A, just trying to get a sense of how that should trend going forward.

Brian Crowley: Yes, Scott, G&A will probably track the way it is, depending on what revenues are, that could drive part of it due to the contractual fee agreement. R&D will probably tick up during the later part of the year, as we are working on our ProNeura development programs.

Sunil Bhonsle: In general, quarter by quarter, it's very hard to project, because it's literally based upon when the clinical study starts. If it starts during the fourth quarter, suddenly you'll start seeing a higher one, but if not during the fourth quarter it'll happen in the first quarter. It'll just be dependent on that. But the expenses really will be driven by the ropinirole clinical study start, and the next part of it is driven by the non-clinical studies required for the IND for T3.

And as we've indicated in the past, those non-clinical studies in total, those expenses over a period of six to nine months, tend to be in the range of $1 million to $1.5 million for that. And the

clinical studies in this setting, I - what we have indicated - it's not going to be huge, but it will somewhere I would expect within the $3 million to $5 million range.

Scott Henry: Okay, great, that is helpful. And I think that wraps up the questions on my end. But congratulations again, and I look forward to future updates.

Sunil Bhonsle: Thank you very much, Scott.

Kate Beebe: Thanks, Scott.

Operator: And, as a reminder, that is star 1 to ask a question. And we go next to John Vandermosten with Zacks Small Capital Research.

John Vandermosten: Good morning Sunil.

Sunil Bhonsle: Hi John, how are you?

John Vandermosten: Just had a couple questions. One, I wanted to follow on what Scott had asked, just in terms of the tick up in levels of R&D: now, is that for the first half, the tick up from the first half on average, or is that a tick up from Q2? And maybe you answered it when you were talking about some of the details there, but can you clarify for that for me, please?

Sunil Bhonsle: The pickup essentially, it was primarily in the first half. It was a gradual increase. But the second quarter really increased more than the first, primarily driven by the non-clinical studies and the ropinirole implant, and most of those studies started - and some of them even ended - during the second quarter.

John Vandermosten: Okay. And so for the second half will we see a pickup from Q2 levels, or will we see a pickup from first half levels?

Brian Crowley: Probably from the first half levels.

John Vandermosten: Okay. Great. That is helpful. And then, looking at the health providers that have been trained, can they immediately, right after they're trained, begin to start performing the procedure? Or is there some other documentation that has to be done before they're able to do that? I mean I'm just trying to get a sense for how immediately they can start?

Kate Beebe: Hi, John, this is Kate Beebe. Yeah they should be able to start as soon as they are trained and certified. So that's an important component of it, is that they have the certification in order to do the implant procedure. So, as soon as they are certified and they are clear to order drug and they have drug, they can start treating patients.

John Vandermosten: Okay and that 2,342, they're trained and certified, correct?

Sunil Bhonsle: Yes.

Kate Beebe: Yes, correct.

Sunil Bhonsle: That's the trained and certified number. And the process itself, John and clearly there is a REMS website. So they have to be added to that REMS website. It doesn't take long, but it does take some time and same thing in terms of, distribution house has a list of approved and certified healthcare providers who can order the products. So that's how it's all controlled. So it takes matter of couple of days, maybe three, four days, to get all that in place. But it's really fairly quickly after their training and certification.

John Vandermosten: Okay. And then to actually get the product, is there a delay from when they're trained and certified to that? I mean, I guess just the supply lines. How long would it take them to actually get product in place after the training?

Sunil Bhonsle: The product is ordered through a central distribution, specialty distribution house. And it is shipped directly to the physician once it's ordered. And of course the distribution house verifies that these are all certified people, and so on. The shipment is overnight shipment, so it is not a time-consuming process in that sense. And the product has been available in stock with the distributor since late July.

John Vandermosten: Okay. And any learnings from the mass training sessions that have gone on? Anything that was unexpected there that might be helpful?

Kate Beebe: No, there is nothing that's been reported.

John Vandermosten: Okay. And, just looking at the pain indication for Probuphine, where do we stand on that, and is there any timeline that you anticipate Braeburn following for that?

Sunil Bhonsle: In terms of the pain indication, clearly Braeburn has expressed strong interest in that. As you know, they also have some other programs with buprenorphine injectables that they are developing. And in their presentations, they have indicated that all of these will be developed for the treatment of addiction, and then pain. Timing-wise, they have not made that public. So unfortunately, I cannot say much about it at this stage. But it's certainly something that is on their timelines, and I would expect over the next couple of years that these will be indications that will be added, especially for Probuphine.

You realize, also, there's a couple of other things that they are focusing on right now, some requirements from the FDA, especially doing some clinical evaluation of doing the implant in the

same site as previously done, to show that this can be done, so that it does not in any way impede continuous treatment of patients over time.

So, there are some things like that that they are focusing on with Probuphine and will start soon. And I'm sure following that they will look at the new indications as well.

John Vandermosten: Okay. And just a question on Europe: We've seen over the last several quarters a lot of interest in this area here in the United States. It's just been very favorable. Has a similar trend been occurring in Europe, just, the focus on addiction, and potentially new therapies that are a lot more effective and beneficial? Is that same trend going on in Europe, based on your observations?

Kate Beebe: John, this is Kate. I would say yes, that there certainly is interest and recognition, particularly that depot formulations of good medications, including in the addiction arena, are potentially very valuable and very helpful, both in the marketplace to patients and to providers. And that's why, as we said, we have had interest from several companies outside of the U.S. and Canada who have expressed interest in Probuphine and exploring potential collaboration with us.

Sunil Bhonsle: And the one caveat, I think, in terms of differences between here and Europe that we have observed also has to do more with, in Europe, this is more, obviously, socialized medicine structures, which have some constraints on acceptance of products, and payments for products, and so on. So going through that, and so far, you find buprenorphine in some countries has a preference; in other countries, methadone has a preference. And so it varies country by country. It's not as standardized as things are in the U.S. today.

John Vandermosten: Okay. Well, thank you, Sunil, Kate, and Brian, I appreciate you answering my questions.

Kate Beebe: Thank you, John.

Sunil Bhonsle: Thank you.

Operator: And for our next question we go to Francesco Pellegrino with Sidoti & Companies.

Francesco Pellegrino: Good afternoon, guys.

Kate Beebe: Good afternoon.

Sunil Bhonsle: Good afternoon.

Francesco Pellegrino: I just want to first off congratulate you on the success of the initial launch. Just a couple of questions about how guidance has been sort of trending over the first couple of months. I know we've used the end of July to sort of use guidance for the number of trainees. We've said that - at least you have said that you'd like to - you have guided for at least 2,000 trainees by the end of July. But it seems as if the week before July, we were already up to 2,200, but still guiding for 2,000. It just really seems as if maybe from the investor community, there might be a little bit of a lag from where actual guidance is to where actual numbers are going. I was just really looking for a little bit of guidance in regards to, maybe, where your actual guidance will be, going forward?

Sunil Bhonsle: Sure. Clearly, the goal that Braeburn had established was to have 2,000 healthcare providers certified by the end of July. They reached that goal earlier than the end of July. The real goal for them now is 4,000 by the end of this year. That's sort of the target that they're going towards. And they have not changed that. So I cannot really provide you much than what Braeburn has targeted, and that's the goal that they still are shooting for.

As you know, some things happen sooner than others. And I think during the summer, there's probably less of - the trend of getting healthcare certifications probably slows down. And so Braeburn is taking all of those things into account and basing their goal on what is realistic. And I think that 4,000 healthcare providers by the end of this year is a very achievable goal for them and something that I think would be very meaningful in terms of creating a capacity for treatment with Probuphine out there.

Francesco Pellegrino: I definitely get where the long-term is going. But when I look at where the short term guidance is, when you're still guiding for 2,000 trained professionals by the end of July, but you've already trained 2,200, I'm just sort of wondering if there is a lag from where the compliance is to where actual numbers are. Because I think you would even admit that when you're still guiding for 2,000, but 2,200 have already been trained, and you're going to be looking for an additional, you've already said an additional four cities were going to have another training facilities for, for the additional couple of - the last week of July. It just seems that, you know, numbers might be conservative going forward. And I was just wondering - I know this is a new territory for Titan as well as Braeburn. It just seems as if it's going to be an easy by the end of the year. And I was just wondering if I can get a little bit more color on that, because it's just been a little bit frustrating with where actual numbers have been coming through as compared to where guidance has been.

Sunil Bhonsle: Each week, obviously, there are additional people being trained. The guidance that has been provided is based on projections from a while ago. Obviously updating it based on actual numbers ends up being - it's more important you see the actual numbers, you know whether those goals are being achieved or not. Moving that number for the next week, again, will not be as meaningful as providing you with guidance for where things will be at the end of the year. That's how Braeburn sees it, and frankly, I think that is very meaningful.

Francesco Pellegrino: As I said, I think you guys have done a tremendous job. I like the answer. My only other question is, Sunil, you run a very small company right now. I think there are 13 employees, if I was even to say there was 20 employees, I understand that you have additional drugs in the pipeline for Parkinson's, for hyperthyroidism. Do you think you're limited by the size of your actual company by maybe, if you were going to get this partnered with a bigger pharmaceutical company, and you'd be able to leverage a bigger employee base, that there could be more return to shareholder value sooner rather than later? And with that I'll jump back into queue for questions.

Sunil Bhonsle: Sure, Francesco, it's good a question. Clearly our board reviews that as well. And as we build the development programs, it does require additional resources. Besides the employees, we do use consultants as well. And, as time goes on, we will expand the company to accommodate additional products in the pipeline. So, over time we will provide guidance on that as well as we continue to grow the company and build value.

Francesco Pellegrino: Terrific, thanks again and congrats on a great quarter.

Sunil Bhonsle: Thank you. Take care.

Operator: And with that ladies and gentlemen, we have no further questions on our roster, therefore, Mr. Bhonsle, I will turn the conference back over to you for any closing remarks.

Sunil Bhonsle: Thank you everyone. Thank you for participating in this call. I believe this was a significant quarter with several milestones, and we certainly are looking forward to the progress that has been made and will continue to make. Thank you.

Operator: And again, ladies and gentlemen, this will conclude today's conference. Thank you for your participation. You may now disconnect.

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