

ANI Pharmaceuticals Acquires Exclusive Rights to Distribute Three Generic Drug Products from H2-Pharma for \$10 Million

BAUDETTE, Minnesota (February 1, 2016) - ANI Pharmaceuticals, Inc. ("ANI") (Nasdaq: ANIP) today announced that it has acquired the exclusive rights to distribute 1% and 2.5% hydrocortisone cream for rectal use and the exclusive rights to distribute the authorized generic of Lipofen® (fenofibrate capsules 50mg and 150mg USP) from H2-Pharma, LLC. In addition, ANI also acquired an early stage development project for an undisclosed generic injectable drug product.

In 2015 the combined market for 1% and 2.5% hydrocortisone cream for rectal use was \$73 million, according to IMS Health. ANI intends to launch both strengths during the second quarter of 2016 and will retain a portion of net profits from its sales of these products.

In 2015 the authorized generic for Lipofen® (fenofibrate capsules 50mg and 150mg USP) generated \$21.9 million in revenues. According to the distribution agreement with Kowa Pharmaceuticals America, Inc., ANI will retain 7.5% of net profits from its sales of the authorized generic for Lipofen®. Following a transition period, ANI intends to launch the authorized generic for Lipofen® (fenofibrate capsules 50mg and 150mg USP) under its own label during the second quarter of 2016.

Arthur S. Przybyl, ANI's President and CEO stated, "We are excited to add these products to our growing portfolio of commercial generic drugs. We continue to pursue opportunities to expand our generic business and mature brand portfolio."

Bryce M. Harvey, President of H2-Pharma, stated, "This transaction resonates with our primary goal at H2, which is to bring value to our partners' existing product portfolios by utilizing our extensive industry experience and knowledge. Our commitment is and will continue to be to foster innovation within our industry by developing new ideas and programs which will benefit each and every one of our partners."

About 1% and 2.5% Hydrocortisone Cream for Rectal Use

Topical corticosteroids such as 1% and 2.5% hydrocortisone cream are indicated for the relief of the inflammatory and pruritic manifestations of corticosteroid-responsive dermatoses.

About Lipofen® Capsules

Lipofen® (fenofibrate capsules) is a peroxisome proliferator receptor alpha (PPAR α) activator indicated as an adjunct to diet: to reduce elevated LDL-C, Total-C, TG and Apo B, and to increase HDL-C in adult patients with primary hypercholesterolemia or mixed dyslipidemia and for treatment of adult patients with severe hypertriglyceridemia.

About ANI

ANI Pharmaceuticals, Inc. (the "Company" or "ANI") is an integrated specialty pharmaceutical company developing, manufacturing, and marketing branded and generic prescription pharmaceuticals. The Company's targeted areas of product development currently include narcotics, oncolytics (anti-cancers), hormones and

steroids, and complex formulations involving extended release and combination products. For more information, please visit our website anipharmaceuticals.com.

About H2-Phama

H2-Pharma LLC is a privately-held pharmaceutical company focused on the sales, marketing and development of generic pharmaceuticals.

Forward-Looking Statements To the extent any statements made in this release deal with information that is not historical, these are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements about price increases, the Company's future operations, products financial position, operating results and prospects, the Company's pipeline or potential markets therefor, and other statements that are not historical in nature, particularly those that utilize terminology such as "anticipates," "will," "expects," "plans," "potential," "future," "believes," "intends," "continue," other words of similar meaning, derivations of such words and the use of future dates.

Uncertainties and risks may cause the Company's actual results to be materially different than those expressed in or implied by such forward-looking statements. Uncertainties and risks include, but are not limited to, the risk that the Company may face with respect to importing raw materials; increased competition; delays or failure in obtaining product approval from the U.S. Food and Drug Administration; general business and economic conditions; market trends; products development; regulatory and other approvals and marketing.

More detailed information on these and additional factors that could affect the Company's actual results are described in the Company's filings with the Securities and Exchange Commission, including its most recent annual report on Form 10-K and quarterly reports on Form 10-Q, as well as its proxy statement. All forward-looking statements in this news release speak only as of the date of this news release and are based on the Company's current beliefs, assumptions, and expectations. The Company undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

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