TIMBER
PHARMACEUTICALS

Building Bridges in Medical Dermatology

Investor Presentation

April 2021

NYSE American: TMBR

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Safe Harbor Statement

Certain statements contained in this PowerPoint presentation describing Timber's technology and development program, including, without limitation, statements containing the words "expects," "anticipates," "believes," and words of similar import, constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to various risks and uncertainties that could cause actual future results and events to differ materially from those currently anticipated. Potential investors are cautioned not to place undue reliance on these forward-looking statements.

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Timber Pharmaceuticals Overview

Timber Pharmaceuticals is building a rare and orphan dermatology company that focuses on mitigating the cost, risk, and time of drug development by leveraging the Orphan Drug pathway for conditions with no FDA Approved treatments.

The company's investigational therapies utilize proven mechanisms-of-action backed by decades of clinical experience and well-established CMC (chemistry, manufacturing and control) and safety profiles.

Timber is initially focused on developing non-systemic treatments for rare dermatologic diseases including congenital ichthyosis (CI), facial angiofibromas in tuberous sclerosis complex (TSC), and scleroderma.

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Investment Highlights

- Positioned to become a leading dermatology company with a focus on rare and orphan diseases, led by a management team with a proven track record in development and commercialization
- High potential, late stage, lower risk multi-product candidate pipeline
  - Proven clinical Proof of Concept (POC)
  - All strategic programs have Orphan designations and no currently approved treatments
- Large market opportunities for both lead product candidates
  - U.S. market for each is estimated at $250 million annually at peak*
  - Recently granted formulation patent providing strong IP protection for TMB-001, additional patents pending
  - Additional market expansion potential in broader dermatology indications
- Currently enrolling patients in two Phase 2b studies with two different product candidates
  - Both studies on track and proceeding as expected with data readout <12 months
  - Actions put in place to mitigate additional risk from COVID-19
- Lean operating model and cost structure
- $10.4 million in cash on hand expected to fund company through multiple key clinical development milestones

* Based on Timber estimates

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Timber Business Model

- **Focused on Orphan Drug Indications and Leveraging the 505(b)(2) pathway**
  - **Why Orphan Drugs?**
    - Timber will be first to market by pursuing conditions for which there are no current FDA approved treatments
    - Requires smaller and less costly drug trials with greater flexibility from the FDA
    - Orphan Drug Market Exclusivity limits additional market entrants and conveys pricing power
      - 7 years in U.S., 10 years in E.U.
    - Tax advantages and potential to receive valuable priority review voucher from FDA
  - **Why Leverage the 505(b)(2) Pathway?**
    - Fewer requirement from the FDA
    - Bypasses Phase 1 trials by utilizing proven drugs and mechanisms of action
      - Safety and efficacy already established
    - Can immediately begin Phase 2 studies

Priority Review Voucher – A program of the US Food and Drug Administration that grants a voucher for priority review to a drug developer as an incentive to develop treatments for drugs that might otherwise not be profitable to develop because of a smaller pool of patients needing treatment. Voucher can be redeemed by recipient or sold to another company.

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Rare Dermatologic Diseases

- Rare dermatological diseases are underrepresented in drug development and pharmaceutical company sponsored trials
  - Approximately 30 million people in the U.S. are living with a rare disease – equivalent to 1 in 10 Americans
  - Many orphan and rare dermatology disorders are associated with significant quality of life impairments, particularly if the disease is insufficiently controlled
    - Disease visibility in particular, can have a profoundly negative impact on patient confidence
    - Rare disease impact typically ripples far beyond the patient, effecting families and the entire support system

- Significant unmet needs exist for more efficacious and safer treatment options
  - Need to target underlying causes of disease rather than managing symptoms

- Global premium products market size for orphan and rare dermatology therapeutics is expected to grow, from $1.64 billion in 2017 to $6.07 billion in 2024, a CAGR of 20.5%*
  - US premium products market size is expected to increase from $794m in 2017 to $2.73bn in 2024, a CAGR of 19.3%, accounting for just under half of the global orphan and rare dermatology market*

* Source: 'Global Orphan and Rare Dermatology Drugs Market to 2024', GBI Research Business Intelligence, 2018

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Strategic Pipeline in Rare Dermatologic Disease

Product/Indication	Preclinical	Phase 1	Phase 2A	Phase 2B	Phase 3
TMB-001 (topical isotretinoin)					
Congenital ichthyosis					
Additional Indications[1]					
TMB-002 (topical rapamycin)					
FAs in TSC					
Additional Indications[2]					
TMB-003 (topical / subQ ET-A receptor antagonist)[3]					
Scleroderma					
BPX-01 (topical minocycline, 2%)					
Acne vulgaris					
BPX-04 (topical minocycline, 1%)					
Papulopustular rosacea					

[1] Indications under consideration include Darier's Disease, Severe Acne and/or Sebaceous Hyperplasia

[2] Indications under consideration include Port Wine Stains, and Sturge-Weber Syndrome

[3] Initially to be investigated in Localized Scleroderma; additional indications may include Scarring alopecia and Hypertrophic/Keloid Scars

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TMB-001 for Congenital Ichthyosis

A rare disorder of keratinization affecting ~ 80,000 people in the U.S. (>1.5 million globally)

Prevalence

- X-Linked Ichthyosis has a prevalence of 1:2,000-1:6,000 males
- Lamellar Ichthyosis has a prevalence of 1:100,000-200,000

Quality of life is significantly affected

- Skin inflammation and fragility, pruritus, fissuring and cracking of thickened skin, ectropion, anhidrosis, and in some severe cases, an increased susceptibility to infection
- In Lamellar Ichthyosis, almost the whole body can be covered and be severe

No FDA Approved treatments

Unmet Need:

An efficacious and safe treatment that can be used long term to cover a large body surface area.

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TMB-001 Topical Isotretinoin in CI

Proprietary topical formulation minimizing systemic absorption and allowing for chronic treatment

Isotretinoin is widely viewed as the most effective therapy for several skin conditions, including ichthyosis, but it is only available orally, where high dose, chronic oral therapy cannot be tolerated due to systemic toxicity

TMB-001 utilizes patented IPEG™ delivery system to target isotretinoin delivery to the epidermis and dermis, minimize systemic absorption and remove irritating excipients

We believe we have Strong Market Protection, with Orphan exclusivity granted (7 years in U.S., 10 years in E.U.) and patent awarded for formulation; additional patents pending

Market Opportunity:

- $250 million annual estimated US market size at peak*

Development Stage:

- Phase 2B study in CI is currently enrolling
- Phase Ib/2a POC study in CI completed in 2018 with positive data on clinically meaningful endpoints and no systemic absorption

2018 FDA Orphan Products Grant Recipient

- Awarded $1.5 Million from the FDA to run the Phase 2A and Phase 2B Clinical Trials

* Based on Timber's estimates

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TMB-002 for Facial Angiofibromas in Tuberous Sclerosis Complex

TSC is a multisystem genetic disorder affecting approximately 50,000 people in the US

TSC is caused by the unregulated activation of the mammalian target of rapamycin (mTOR) pathway, resulting in the growth of hamartomas in multiple organs

Prevalence

- 40,000-50,000 People suffer from TSC in the US
- 75% of these have Facial Angiofibromas

Rapamycin is a well-known inhibitor of inflammatory signaling in TSC, including in FAs, but only available as an oral agent, associated with significant systemic toxicity

No FDA Approved Topical Formulation of Rapamycin

Unmet Need:

FDA Approved, GMP Quality Topical Rapamycin Formulation to treat Facial Angiofibromas with a significantly better safety profile

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TMB-002 Topical Rapamycin (Pascomer®)

Potentially the First Commercially Available, High-Quality Topical Formulation of Rapamycin with Broad Access

Proprietary topical formulation of rapamycin (1.0%, 0.5%, and 0.1%)

- Additional 5% strength assessed in preclinical toxicity studies

Utilizes trade secret lipid crystalline vehicle system designed to improve stability and delivery of unstable APIs

- Compounded formulations that are sometimes currently used lack consistent quality, potency, and homogeneity
- Other topical rapamycin formulations have short shelf lives and require refrigeration
- Pascomer has demonstrated room temperature stability for 0.5%, 1.0%, and 5.0% formulations

Market Opportunity:

- $250 million annual estimated US market size at peak*

Development Stage:

- Efficacy of topical rapamycin demonstrated in multiple well controlled studies and dozens of published case reports
- Robust Phase 2B study (one of two pivotal studies required for registration) in FAs in TSC underway; Enrolling 120 subjects across 17 sites

We believe we have Strong Market Protection, with Orphan exclusivity granted (7 years in U.S., 10 years in E.U.) and with additional patents pending

* Based on Timber's estimates

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Barriers to Entry

- Orphan exclusivity granted for all three strategic assets
  - 7 years in U.S., 10 years in E.U.
- Patents granted and pending globally
- Trade secrets in formulation/manufacturing
  - Cytotoxic, requires containment, photolabile, prone to oxidation, temperature sensitivities, stability challenges, etc.

TMB-001	TMB-002	TMB-003
• WO 2017/074982 A1 – initial family is formulation based, with expansion planned around dosing, PK, and other methods of use • Granted in the US, pending in Australia, Canada, China, EPO, Japan, Mexico, and South Korea • Priority date of October 2015 • FTO complete	• AUS 2020277132 – formulation application licensed from AFT, with expansion planned around other methods of use • Will be converted to PCT and pursued in key countries • Priority date of November 2020 • FTO complete	• WO 2019/173215 A1 and WO 2019/173219 – Two method of use families (cutaneous fibrosis and pigmentation disorders) with expansion planned around formulation, PK, dosing, and other methods of use • Pending in the US, China, Japan, EPO, Korea, Australia, Brazil, Israel, and Canada • Priority date of March 2018 • Landscape search complete

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TMB-003 Topical Sitaxsentan for Cutaneous Fibrosis

Highly Selective ET-A inhibitor

Sitaxsentan was a highly selective (6,500:1) ET-A receptor antagonist previously on the market in the EU, Canada and Australia as an oral treatment for PAH, but voluntarily withdrawn from global market in 2010 due to risks of liver toxicity

- Demonstrated benefit in cutaneous scleroderma symptoms in multiple case reports

TMB-003

- Topical Sitaxsentan in development
    - Systemic safety concerns addressed via local administration
- We believe we have strong market protection based on:
    - Method of use patents pending for conditions of cutaneous fibrosis and hyperpigmentation
    - Orphan exclusivity granted
    - New Chemical Entity (NCE) exclusivity

Role of Et-A Inhibition

Endothelin-1 is a potent and long-lasting vasoconstrictor and profibrotic known to play a role in skin fibrosis

- Endothelin-1 acts through two receptors, ET-A and ET-B, known to have broadly opposing functions
- Hypothesized that selectively antagonizing ET-A may lead to more effective reductions in collagen production

Endothelin Receptor Antagonists are a class of drugs currently on the market (in oral form) for the treatment of Pulmonary Arterial Hypertension (PAH)

- A review of the literature showed no difference in endothelin selectivity in PAH, however in the subset of PAH patients with connective tissue disease, selective ET-A inhibition was beneficial

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Scleroderma

Rare connective tissue disorder characterized by abnormal thickening of the skin

Two potential markets:

- Moderate to Severe Localized Scleroderma which generally only affects the skin
  - More common in children, with a prevalence of approximately 90,000 people in the U.S.
- Systemic sclerosis where fibrotic changes may affect the connective tissue in the skin plus other organs
  - More common in adults, with a prevalence of approximately 100,000 people in the U.S.

Quality of life can be significantly affected

- Disfiguring
- Can cover joints and cause pain, affect movement / mobility, etc.
- Extremely painful

No FDA Approved treatments for any cutaneous symptoms in scleroderma

- Off-label therapies have significant side effects and rarely lead to benefit
- Bosentan (Tracleer®), a non-selective endothelin receptor antagonist, is approved in Europe to reduce digital ulcers in patients with systemic scleroderma

Ref: Progressive Cutaneous Scleroderma | Consultant360

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Life Cycle Management

Market expansion potential for additional indications for all products

TMB-001	TMB-002	TMB-003	
Darier's Disease	*Sturge-Weber Syndrome*	*Scarring Alopecia*	*Rare Diseases*
Severe Acne	*Port Wine Stains*	*Hypertrophic/Keloid Scars*	*High Unmet Need but Not Rare Disease*
Sebaceous Hyperplasia			

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World Class Clinical Advisors and Partners

Clinical Advisors

- **Peter Elias, MD** – Professor, Dept of Dermatology, University of California, San Francisco (UCSF)
- **Keith Choate, MD, PhD** – Professor of Dermatology, Pathology, and Genetics, Yale University
- **Joyce Teng, MD** – Professor and Director of Pediatric Dermatology, Stanford University

Partners

Development Partner on TMB-002 (Pascomer®) program

AFT pharmaceuticals
Working to improve your health

Patient Advocacy Groups related to TMB-001 and TMB-003

FIRST
Foundation for Ichthyosis & Related Skin Types
Educate • Inspire • Connect

Tuberous Sclerosis Alliance

Leadership Team

Strong Balance between Entrepreneurial Acumen and Proven Operational Leadership

John Koconis, MBA
Chairman and Chief Executive Officer

- Seasoned Pharmaceutical executive with over 25 years experience leading successful teams in global markets and having launched multiple market leading products in Dermatology
- President & CEO of LEO Pharma (US), established a market leading dermatology company with focus on Psoriasis and AK
- Global Lead for Dermatology and Respiratory Disease at Sanofi Genzyme, led the Global launch of Dupilumab in AD
- EVP & CCO at Castle Creek Pharmaceuticals, built a rare/orphan dermatology company with a focus on EBS

Joseph Lucchese
Chief Financial Officer

- Founding member and Managing Director of Oncology Partners; Managing Director at BlueStone Capital Partners, headed the Private Placement desk.
- Portfolio Manager and Chief Financial Officer of the MicroCap Fund, a NASDAQ-listed private equity fund that invested in early-stage companies in the healthcare and information technology sectors.
- Began career as a member of Chase Manhattan Bank's Merchant Banking Group, part of the team that financed highly leveraged transactions and managed the bank's private equity portfolio.
- Partner at TardiMed Sciences

Zach Rome
Chief Operating Officer

- Dermatology inventor and entrepreneur
- Co-founder and President at Patagonia Pharmaceuticals, raised >$11 million in funding from founders and strategic partner
- Advanced lead development candidate from concept to Phase 2B clinical studies and was the Recipient of FDA Orphan Products Grant
- Partner at TardiMed Sciences

Alan Mendelsohn, M.D.
Executive Vice President, Chief Medical Officer

- Board certified in Pediatrics and Pediatric Cardiology with strong management skills and over 20 years of drug development and medical affairs experience in major pharmaceutical companies.
- Associate Vice President of Dermatology Medical Affairs at Sun Pharma, focused on the post-clinical development of Tildrakizumab (ILUMYA), an IL-23p19 inhibitor for patients with moderate to severe plaque psoriasis. Senior Director, Rheumatology Team Leader, US Medical Affairs .at Pfizer leading the US organization in supporting the pre-launch and launch medical activities for Xeljanz (tofacitinib)
- Senior Director of Immunology R&D at Johnson & Johnson/Janssen) in Phase 2/3 clinical trial development for multiple biologic agents targeting rheumatoid arthritis and psoriatic arthritis. Authored or co-authored over 200 peer reviewed abstracts and manuscripts in the areas of dermatology, rheumatology and cardiology.

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Financial and Capitalization Highlights

On May 18, 2020, upon closing of its merger with a NYSE-listed company, Timber also completed a financing with gross proceeds of $25 million, which included the conversion of a $5 million bridge note previously issued by Timber and the issuance of Series A and Series B warrants.

Effective November 19, 2020, Timber executed waiver agreements that fixed the number of Series A and B warrants to be issued, permanently waived provisions providing for future resets and fixed the strike price of the Series A warrants at $1.16 per share. The Series B warrant strike price remained at $0.001 per share.

The table below shows the outstanding and fully diluted ownership, as well as the remaining unexercised warrants, as of March 15, 2021.

As of March 15, 2021	*Shares Outstanding*	*Fully Diluted Shares*	*Fully Diluted Ownership %*	*Exercise Price*
Common Shares	36,843,045	36,843,045	68.00%	
Series A Warrants		16,701,824	30.83%	$ 1.16
Series B Warrants		-	0.00%	$ 0.00
Bridge Warrants		413,751	0.76%	$ 2.24
Legacy BPMX Warrants		218,928	0.40%	$60-$360
	36,843,045	54,177,548	100.00%	
Total unexercised warrants		17,334,503	Weighted average exercise price =	$ 2.37

With $10.4 million in cash at Dec 31, 2020, Timber believes that its cash on hand will be sufficient to fund its operating expenses and capital expenditure requirements into Q3 2021.

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Key Takeaways

Rare, High Need Medical Dermatology

- High unmet needs with large market potential
- All strategic programs have been granted Orphan Drug status
- No approved treatments for indications
- Potential to receive valuable priority review voucher from FDA (for TMB-003)

Large Market Potential

- Portfolio of orphan indications
- Market expansion potential in broader dermatology indications for all programs

Multiple Shots on Goal

- Topical Isotretinoin for Congenital Ichthyosis
- Topical Rapamycin for Facial Angiofibromas in Tuberous Sclerosis Complex
- Locally Delivered Endothelin-A Antagonist for Scleroderma
- Partnering opportunities for recently acquired non-strategic Topical Minocycline programs

De-Risked Portfolio

- Clinical proof of concept established in two assets
- Proven mechanism of action (MOA's) with decades of clinical experience
- Well-known CMC and safety profiles

Management Expertise

- Track record of success, including founding and build-up of Castle Creek Pharma, raising >$120 million in capital
- Deep experience in dermatology and rare disease

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Thank You

For additional Investor Information please contact:

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