UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549
FORM 10-Q

(Mark One)

x **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2019

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

DARÉ BIOSCIENCE, INC.
(Exact Name of Registrant as Specified in its Charter)

Delaware	**Commission File No. 001-36395**	**20-4139823**
(State or Other Jurisdiction of Incorporation)		(IRS Employer Identification No.)
3655 Nobel Drive, Suite 260 San Diego, CA	**(858) 926-7655**	**92122**
(Address of Principal Executive Offices)	(Registrant's telephone number, including area code)	(Zip Code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No o

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes x No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company, or emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	o	Accelerated filer	o
Non-accelerated filer	x	Smaller reporting company	x
Emerging growth company	x		

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 pursuant to Section 13(a) of the Exchange Act. x

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes o No x

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 Stock	**DARE**	**Nasdaq Capital Market**

As of May 13, 2019, 16,683,411 shares of the Registrant's Common Stock, par value $0.0001, were issued and outstanding.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q, in particular "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations," of Part I. Financial Information, and the information incorporated by reference herein contains forward-looking statements that involve substantial risks and uncertainties. All statements, other than statements of historical facts, contained in this report, including statements regarding our strategy, future operations, future financial position, projected costs, prospects, plans and objectives of management, are forward-looking statements. Forward-looking statements, in some cases, can be identified by terms such as "believe," "may," "will," "estimate," "continue," "anticipate," "design," "intend," "expect," "could," "plan," "potential," "predict," "seek," "should," "would," "contemplate," project," "target," "tend to," or the negative version of these words and similar expressions.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including those factors described in Part II, Item 1A, "Risk Factors," in this report, and elsewhere in this report. Given these uncertainties, you should not place undue reliance on any forward-looking statement. The following factors are among those that may cause such differences:

- *Inability to continue as a going concern;*
- *Inability to raise additional capital, under favorable terms or at all;*
- *Inability to successfully attract partners and enter into collaborations on acceptable terms;*
- *Failure to select or capitalize on the most scientifically, clinically or commercially promising or profitable indications or therapeutic areas for our product candidates due to limited financial resources;*
- *Inability to develop and commercialize our product candidates;*
- *Failure or delay in starting, conducting and completing clinical trials or obtaining United States Food and Drug Administration, or FDA, or foreign regulatory approval for our product candidates in a timely manner;*
- *A change in the FDA's primary oversight responsibility;*
- *A change in regulatory requirements for our product candidates, including the development pathway pursuant to Section 505(b)(2) of the Federal Food, Drug, and Cosmetic Act, or the FDA's 505(b)(2) pathway;*
- *Unsuccessful clinical trial outcomes stemming from clinical trial designs, failure to enroll a sufficient number of patients, higher than anticipated patient dropout rates, failure to meet established clinical endpoints, undesirable side effects and other safety concerns;*
- *Negative publicity concerning the safety and efficacy of our product candidates, or of product candidates being developed by others that share characteristics similar to our candidates;*
- *Inability to demonstrate sufficient efficacy of our product candidates;*
- *Loss of our licensed rights to develop and commercialize a product candidate as a result of the termination of the underlying licensing agreement;*
- *Monetary obligations and other requirements in connection with our exclusive, in-license agreements covering the patents and related intellectual property related to our product candidates;*
- *Developments by our competitors that make our product candidates less competitive or obsolete;*
- *Dependence on third parties to conduct clinical trials and to manufacture product candidates;*
- *Dependence on third parties to supply clinical supplies and raw materials, drugs and other materials required to produce a finished product and to produce the quantities needed;*
- *Failure of our product candidates, if approved, to gain market acceptance or obtain adequate coverage for third party reimbursement;*

- *A reduction in demand for contraceptives caused by an elimination of current requirements that health insurance plans cover and reimburse FDA-cleared or approved contraceptive products without cost sharing;*
- *Lack of precedent to help assess whether health insurance plans will cover our product candidates;*
- *The reimbursement environment relating to our product candidates at the time we obtain regulatory approval, if ever;*
- *Difficulty in introducing branded products in a market made up of generic products;*
- *Inability to adequately protect or enforce our, or our licensor's, intellectual property rights;*
- *Lack of patent protection for the active ingredients in certain of our product candidates which could expose those product candidates to competition from other formulations using the same active ingredients;*
- *Higher risk of failure associated with product candidates in pre-clinical stages of development that may lead investors to assign them little to no value and make these assets difficult to fund;*
- *Disputes or other developments concerning our intellectual property rights;*
- *Actual and anticipated fluctuations in our quarterly or annual operating results;*
- *Price and volume fluctuations in the stock market, and in our stock in particular, which could subject us to securities class-action litigation;*
- *Litigation or public concern about the safety of our potential products;*
- *Strict government regulations on our business, including various fraud and abuse laws, including, without limitation, the U.S. federal Anti-Kickback Statute, the U.S. federal False Claims Act and the U.S. Foreign Corrupt Practices Act;*
- *Regulations governing the production or marketing of our product candidates;*
- *Loss of, or inability to attract, key personnel; and*
- *Increased costs as a result of operating as a public company, and substantial time devoted by our management to compliance initiatives and corporate governance practices.*

In addition, statements that "we believe" and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of this report, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain and investors are cautioned not to unduly rely upon these statements.

All forward-looking statements in this report are current only as of the date of this report. We do not undertake any obligation to publicly update any forward-looking statement to reflect events or circumstances after the date on which any statement is made or to reflect the occurrence of unanticipated events, except as required by law.

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PART I. FINANCIAL INFORMATION

Item 1. Consolidated Financial Statements (Unaudited)

Daré Bioscience, Inc. and Subsidiaries
Consolidated Balance Sheets

	March 31, 2019	December 31, 2018
	(unaudited)	
Assets		
Current assets		
Cash and cash equivalents	$ 3,505,026	$ 6,805,889
Other receivables	166,713	31,037
Prepaid expenses	588,524	403,097
Total current assets	4,260,263	7,240,023
Property and equipment, net	8,245	9,396
Other non-current assets	751,347	577,968
Total assets	$ 5,019,855	$ 7,827,387
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable	$ 325,618	$ 459,705
Accrued expenses	690,829	631,351
Total current liabilities	1,016,447	1,091,056
Other liabilities	223,039	9,711
Total liabilities	1,239,486	1,100,767
Commitments and contingencies (Note 8)		
Stockholders' equity		
Preferred stock, $0.01 par value, 5,000,000 shares authorized; None issued and outstanding	—	—
Common stock, $0.0001 par value; 120,000,000 shares authorized; 11,422,161 shares issued and outstanding each period	1,143	1,143
Accumulated other comprehensive loss	(89,107)	(96,728)
Additional paid-in capital	35,889,940	35,791,972
Accumulated deficit	(32,021,607)	(28,969,767)
Total stockholders' equity	3,780,369	6,726,620
Total liabilities and stockholders' equity	$ 5,019,855	$ 7,827,387

See accompanying notes to interim consolidated financial statements.

Daré Bioscience, Inc. and Subsidiaries
Consolidated Statements of Operations and Comprehensive Loss
(**Unaudited**)

	Three months ended March 31,	
	2019	**2018**
Operating expenses		
General and administrative	$ 1,277,180	$ 1,303,189
Research and development expenses	1,693,391	1,086,653
License expenses	112,500	100,000
Impairment of goodwill	—	5,187,519
Total operating expenses	3,083,071	7,677,361
Loss from operations	(3,083,071)	(7,677,361)
Other income	31,231	11,744
Net loss	$ (3,051,840)	$ (7,665,617)
Foreign currency translation adjustments	$ 7,621	$ (13,746)
Comprehensive loss	$ (3,044,219)	$ (7,679,363)
Loss per common share - basic and diluted	$ (0.27)	$ (0.88)
Weighted average number of common shares outstanding:		
Basic and diluted	11,422,161	8,684,550

See accompanying notes to interim consolidated financial statements.

Daré Bioscience, Inc. and Subsidiaries
Consolidated Statements of Stockholders' Equity
(Unaudited)

Three Months Ended March 31, 2019

	Common stock		Additional paid-in	Accumulated other comprehensive	Accumulated	Total stockholders'
	Shares	Amount	capital	loss	deficit	equity
Balance at December 31, 2018	**11,422,161**	**$ 1,143**	**$ 35,791,972**	**$ (96,728)**	**$ (28,969,767)**	**$ 6,726,620**
Stock-based compensation	—	—	97,968	—	—	97,968
Net loss	—	—	—	—	(3,051,840)	(3,051,840)
Foreign currency translation adjustments	—	—	—	7,621	—	7,621
Balance at March 31, 2019	**11,422,161**	**$ 1,143**	**$ 35,889,940**	**$ (89,107)**	**$ (32,021,607)**	**$ 3,780,369**

Three Months Ended March 31, 2018

	Common stock		Additional paid-in	Accumulated other comprehensive	Accumulated	Total stockholders'
	Shares	Amount	capital	loss	deficit	equity
Balance at December 31, 2017	**6,047,161**	**$ 605**	**$ 25,541,210**	**$ (18,080)**	**$ (12,230,952)**	**$ 13,292,783**
Stock-based compensation	—	—	9,124	—	—	9,124
Net proceeds from issuance of common stock and warrants	375,000	37	1,037,727	—	—	1,037,764
Issuance of common stock via public offering, net	5,000,000	500	9,159,548	—	—	9,160,048
Net loss	—	—	—	—	(7,665,617)	(7,665,617)
Foreign currency translation adjustments	—	—	—	(13,746)	—	(13,746)
Balance at March 31, 2018	**11,422,161**	**$ 1,142**	**$ 35,747,609**	**$ (31,826)**	**$ (19,896,569)**	**$ 15,820,356**

See accompanying notes to interim consolidated financial statements.

Daré Bioscience, Inc. and Subsidiaries
Consolidated Statements of Cash Flows
(Unaudited)

	Three months ended March 31,	
	2019	**2018**
Operating activities:		
Net loss	$ (3,051,840)	$ (7,665,617)
Non-cash adjustments reconciling net loss to operating cash flows:		
Depreciation	1,150	—
Stock-based compensation	97,968	9,124
Non-cash lease expenses	10,130	—
Impairment of goodwill	—	5,187,519
Changes in operating assets and liabilities:		
Other receivables	(135,676)	255,318
Prepaid expenses	(201,129)	20,694
Other current assets	—	193,495
Other non-current assets and deferred charges	55,233	37,131
Accounts payable	(134,087)	(40,340)
Accrued expenses	59,478	(118,707)
Other liabilities	(9,711)	2,496
Net cash used in operating activities	(3,308,484)	(2,118,887)
Financing activities:		
Net proceeds from issuance of common stock and warrants	—	10,197,813
Net cash provided by financing activities	—	10,197,813
Effect of exchange rate changes on cash and cash equivalents	7,621	(13,746)
Net change in cash and cash equivalents	(3,300,863)	8,065,180
Cash and cash equivalents, beginning of period	6,805,889	7,559,846
Cash and cash equivalents, end of period	$ 3,505,026	$ 15,625,026
Supplemental disclosure of non-cash operating activities:		
Operating right-of-use assets obtained in exchange for new operating lease liabilities	$ 231,698	$ —

See accompanying notes to interim consolidated financial statements.

1. ORGANIZATION AND DESCRIPTION OF THE BUSINESS

Daré Bioscience, Inc. is a clinical-stage biopharmaceutical company committed to the advancement of innovative products for women's health. Daré Bioscience, Inc. and its wholly owned subsidiaries operate in one segment. In this report, the "Company" refers collectively to Daré Bioscience, Inc. and its wholly owned subsidiaries, unless otherwise stated or the context otherwise requires.

The Company is driven by a mission to identify, develop and bring to market a diverse portfolio of differentiated therapies that expand treatment options, improve outcomes and facilitate convenience for women, primarily in the areas of contraception, vaginal health, sexual health and fertility. The Company's business strategy is to license or otherwise acquire the rights to differentiated product candidates in women's health, some of which have existing clinical proof-of-concept data, and to advance those candidates through clinical development and regulatory approval alone or in collaboration with strategic partners.

The Company has assembled a portfolio of clinical-stage and pre-clinical-stage candidates addressing unmet needs in women's health. The Company's portfolio includes these four clinical-stage candidates:

- DARE-BV1, a unique hydrogel formulation of clindamycin phosphate 2% to treat bacterial vaginosis, or BV;
- Ovaprene, a non-hormonal monthly contraceptive intravaginal ring;
- Sildenafil Cream, 3.6%, a novel cream formulation of sildenafil to treat female sexual arousal disorder, or FSAD; and
- DARE-HRT1, a combination bio-identical estradiol and progesterone intravaginal ring for hormone replacement therapy following menopause.

The Company's portfolio also includes these pre-clinical stage product candidates:

- DARE-VVA1, a vaginally delivered formulation of tamoxifen to treat vulvar vaginal atrophy, or VVA, in patients with hormone-receptor positive breast cancer;
- DARE-RH1, a novel approach to non-hormonal contraception for both men and women by targeting the CatSper ion channel;
- ORB-204 and ORB-214, 6-month and 12-month formulations of injectable etonogestrel for contraception;
- DARE-FRT1, an intravaginal ring containing bio-identical progesterone for the prevention of preterm birth and for fertility support as part of an *in vitro* fertilization, or IVF, treatment plan; and
- DARE-OAB1, an intravaginal ring containing oxybutynin for the treatment of overactive bladder.

The Company's primary operations have consisted of, and are expected to continue to consist of, product research and development and advancing its portfolio of product candidates through clinical development and regulatory approval.

To date, the Company has not obtained any regulatory approvals for any of its product candidates, commercialized any of its product candidates or generated any product revenue. The Company is subject to several risks common to clinical-stage biopharmaceutical companies, including dependence on key individuals, competition from other companies, the need to develop commercially viable products in a timely and cost-effective manner, and the need to obtain adequate additional capital to fund the development of product candidates. The Company is also subject to several risks common to other companies in the industry, including rapid technology change, regulatory approval of products, uncertainty of market acceptance of products, competition from substitute products and larger

companies, compliance with government regulations, protection of proprietary technology, dependence on third parties, and product liability.

2. GOING CONCERN

The Company has prepared its consolidated financial statements on a going concern basis, which assumes that the Company will realize its assets and satisfy its liabilities in the normal course of business. However, as of March 31, 2019, the Company had an accumulated deficit of approximately $32.0 million and had cash and cash equivalents of approximately $3.5 million. The Company also had negative cash flow from operations of approximately $3.3 million during the three months ended March 31, 2019.

In March of 2019, the Company announced that it received a Notice of Award for an additional $982,851 of the anticipated $1.9 million from the Eunice Kennedy Shriver National Institute of Child Health and Human Development, or the NIH Grant, which will be applied to the clinical development efforts supporting Ovaprene. As of March 31, 2019, the Company recorded a receivable in the amount of $161,007 for expenses eligible for reimbursement under the NIH Grant that were incurred through March 31, 2019. See Note 9, "Grant Award," herein. In April of 2019, the Company completed a sale of common stock raising net proceeds of approximately $5.2 million. See Note 11, "Subsequent Events," herein. The Company still needs to raise additional capital to continue to fund its operations and to successfully execute its current operating plan, including the development of its current product candidates.

The Company has a history of losses from operations, expects negative cash flows from its operations will continue for the foreseeable future, and expects that its net losses will continue for at least the next several years as it develops its existing product candidates and seeks to acquire, license or develop additional product candidates. These circumstances raise substantial doubt about the Company's ability to continue as a going concern. The accompanying consolidated financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classifications of liabilities that may result from the outcome of the uncertainty of the Company's ability to continue as a going concern.

The Company is focused primarily on the development and commercialization of innovative products in women’s health. The Company will continue to incur significant research and development and other expenses related to these activities. If the clinical trials for any of the Company’s product candidates fail to produce successful results such that those product candidates do not advance in clinical development, then the Company’s business and prospects may suffer. Even if the product candidates advance in clinical development, they may fail to gain regulatory approval. Even if the product candidates are approved, they may fail to achieve market acceptance, and the Company may never become profitable. Even if the Company becomes profitable, it may not sustain profitability.

The Company believes that its current available current cash resources will be sufficient to fund planned operations into the first quarter of 2020. For the foreseeable future, the Company's ability to continue its operations will depend on its ability to obtain additional capital.

The Company is currently evaluating a variety of capital raising options, including financings, government or other grant funding, collaborations and strategic alliances or other similar types of arrangements to cover its operating expenses, including the development of its product candidates and any future product candidates it may license or otherwise acquire. The amount and timing of the Company's capital needs have been and will continue to depend highly on many factors, including the product development programs the Company chooses to pursue and the pace and results of its clinical development efforts. If the Company raises capital through collaborations, strategic alliances or other similar types of arrangements, it may have to relinquish, on terms that are not favorable to the Company, rights to some of its technologies or product candidates it would otherwise seek to develop or commercialize. There can be no assurance that capital will be available when needed or that, if available, it will be obtained on terms favorable to the Company and its stockholders. Additionally, equity or debt financings may have a dilutive effect on the holdings of the Company's existing stockholders. If the Company cannot raise capital when needed, on favorable terms or at all, the Company will not be able to continue development of its product candidates, will need to reevaluate its planned operations and may need to delay, scale back or eliminate some or all of its development programs, reduce expenses, file for bankruptcy, reorganize, merge with another entity, or cease operations. If the Company becomes unable to continue as a going concern, the Company may have to liquidate its assets, and might realize significantly less than the values at which they are carried on its consolidated financial statements, and stockholders may lose all or part of their investment in the Company's common stock. The interim consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Company's significant accounting policies are described in Note 1 to the interim consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2018, filed with the Securities and Exchange Commission, or SEC on April 1, 2019. Since the date of those consolidated financial statements, there have been no material changes to the Company's significant accounting policies, except as described below.

Basis of Presentation

The accompanying interim consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States, or GAAP, as defined by the Financial Accounting Standards Board, or FASB, for interim financial information and the instructions to Form 10-Q and Article 8 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In management's opinion, the accompanying interim consolidated financial statements reflect all adjustments, consisting of normal recurring adjustments, considered necessary for a fair presentation of the results of the interim periods presented.

Interim financial results are not necessarily indicative of results anticipated for any other interim period or for the full year. The accompanying interim consolidated financial statements should be read in conjunction with the audited financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2018.

Leases

The Company determines if an arrangement is a lease at inception. Operating leases are included in right-of-use, or ROU, lease assets, current portion of lease obligations, and long-term lease obligations on the Company's balance sheets.

ROU lease assets represent the Company's right to use an underlying asset for the lease term and lease obligations represent the Company's obligation to make lease payments arising from the lease. Operating ROU lease assets and obligations are recognized at the commencement date based on the present value of lease payments over the lease term. If the lease does not provide an implicit rate, the Company uses its incremental borrowing rate based on the information available at the commencement date in determining the present value of lease payments. The ROU lease asset also includes any lease payments made and excludes lease incentives. The Company's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. (See Note 7, Leased Properties.)

Fair Value Measurements

GAAP defines fair value as the price that would be received for an asset or the exit price that would be paid to transfer a liability in the principal or most advantageous market in an orderly transaction between market participants on the measurement date, and also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs, where available. The three-level hierarchy of valuation techniques established to measure fair value is defined as follows:

- Level 1: inputs are unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets and liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of assets or liabilities.
- Level 3: unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Cash and cash equivalents of $3.5 million and $6.8 million measured at fair value as of March 31, 2019 and December 31, 2018, respectively, are classified within Level 1 of the fair value hierarchy. Other receivables are financial assets with carrying values that approximate fair value due to the short-term nature of these assets. Accounts payable and accrued expenses and other liabilities are financial liabilities with carrying values that approximate fair value due to the short-term nature of these liabilities.

Recently Adopted Accounting Standards

In May 2014, FASB issued Accounting Standards Update, or ASU, 2014-09, *Revenue from Contracts with Customers*, which impacts the way in which some entities recognize revenue for certain types of transactions. The new standard became effective beginning in 2018 for public companies. Because the Company does not currently have any contracts with customers, the Company's adoption of this accounting standard did not impact the Company's interim consolidated financial statements.

In February 2016, FASB issued ASU 2016-02, *Leases (Topic 842)*, which sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract (i.e., lessees and lessors). The new standard requires lessees to apply a dual approach classifying leases as either finance or operating leases based on the principle of whether or not the lease is effectively a financed purchase by the lessee. This classification will determine whether lease expense is recognized based on an effective interest method or on a straight-line basis over the term of the lease. A lessee is also required to record a right-of-use asset and a lease liability for all leases with a term of greater than 12 months regardless of their classification. Leases with a term of 12 months or less will be accounted for similar to existing guidance for operating leases. The new standard requires lessors to account for leases using an approach that is substantially equivalent to existing guidance for sales-type leases, direct financing leases and operating leases. The new standard is effective for public companies for fiscal years beginning after December 15, 2018, with early adoption permitted. ASU 2016-02 became effective for the Company on January 1, 2019 and was adopted using a modified retrospective approach and the effective date is as of the initial application. Consequently, financial information was not updated, and the disclosures required under ASU 2016-02 are not provided for dates and periods prior to January 1, 2019. ASU 2016-02 provides a number of optional practical expedients and accounting policy elections. The Company elected the package of practical expedients requiring no reassessment of whether any expired or existing contracts are or contain leases, the lease classification of any expired or existing leases, or initial direct costs for any existing leases. The Company recorded approximately $232,000 right-of-use assets and $241,000 lease liabilities related to its lease of office space as of the adoption date in the consolidated balance sheets. There are no changes to the statement of operations or cash flows as a result of the adoption.

In January 2017, FASB issued ASU 2017-01, *Business Combinations (Topic 805): Clarifying the Definition of a Business*, which intended to clarify the definition of a business with the objective of adding guidance to assist entities with evaluating whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. The standard became effective for the Company on January 1, 2018. The Company's early adoption of this standard did not have a material impact on the Company's consolidated financial statements.

In July 2017, FASB issued ASU 2017-11, *Earnings Per Share (Topic 260), Distinguishing Liabilities from Equity (Topic 480), Derivatives and Hedging (Topic 815): (I) Accounting for Certain Financial Instruments with Down Round Features, (II) Replacement for the Indefinite Deferral for Mandatorily Redeemable Financial Instruments of Certain Nonpublic Entities and Certain Mandatorily Redeemable Noncontrolling Interests with a Scope Exception.* This update was issued to provide additional clarity related to accounting for certain financial instruments that have characteristics of both liabilities and equity. In particular, this update addresses freestanding and embedded financial instruments with down round features and whether they should be treated as a liability or equity instrument. Part II simply replaces the indefinite deferral for certain mandatorily redeemable non-controlling interests and mandatorily redeemable financial instruments of nonpublic entities contained within the Accounting Standards Committee Topic 480 with a scope exception and does not impact the accounting for these mandatorily redeemable instruments. For public business entities, the amendments in this Update are effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018. The Company has early adopted ASU 2017-11. As a result, the Company has not recognized the fair value of the warrants containing down round features that were issued in the underwritten offering in February 2018 (see Note 6) as liabilities.

In August 2018, the SEC adopted the final rule under SEC Release No. 33-10532, *Disclosure Update and Simplification,* amending certain disclosure requirements that were redundant, duplicative, overlapping, outdated or superseded. In addition, the amendments expanded the disclosure requirements relating to the analysis of stockholders' equity for interim financial statements. Under the amendments, an analysis of changes in each caption of stockholders' equity presented in the balance sheet must be provided in a note or separate statement. The analysis should present a reconciliation of the beginning balance to the ending balance of each period for which a statement of income is required to be filed. This final rule was effective November 5, 2018. In accordance with the new rule, the Company added a Consolidated Statement of Stockholders' Equity in this report and elected to present a reconciliation in a single statement that shows the changes in stockholders' equity for each interim period, as well as each comparable period.

4. ACQUISITIONS

Cerulean/Private Daré Stock Purchase Transaction

On July 19, 2017, the Company completed its business combination with Daré Bioscience Operations, Inc., a privately held Delaware corporation, or Private Daré, in accordance with the terms of the Stock Purchase Agreement dated as of March 19, 2017, or the Daré Stock Purchase Agreement, by and among the Company, Private Daré and the holders of capital stock and securities convertible into capital stock of Private Daré named therein, or the Private Daré Stockholders. Pursuant to the Daré Stock Purchase Agreement, each Private Daré Stockholder sold their shares of capital stock in Private Daré to the Company in exchange for newly issued shares of the Company's common stock, and as a result, Private Daré became a wholly owned subsidiary of the Company and the Private Daré Stockholders became majority stockholders of the Company. In connection with the closing of that transaction, the Company changed its name from "Cerulean Pharma Inc." to "Daré Bioscience, Inc." In this report, that transaction is referred to as the Cerulean/Private Daré stock purchase transaction and "Cerulean" refers to Cerulean Pharma Inc. before that transaction closed.

The Cerulean/Private Daré stock purchase transaction was accounted for as a reverse merger under the acquisition method of accounting whereby Private Daré was considered to have acquired Cerulean for financial reporting purposes because immediately upon completion of the transaction, Private Daré stockholders held a majority of the voting interest of the combined company. Pursuant to business combination accounting, the Company applied the acquisition method, which requires the assets acquired and liabilities assumed be recorded at fair value with limited exceptions. The excess of the purchase price over the assets acquired and liabilities assumed represents goodwill. The goodwill is primarily attributable to the cash and cash equivalents at closing of the transaction of approximately $9.9 million and the impact of the unamortized fair value of stock options granted by Cerulean that were outstanding immediately before the transaction closed of approximately $3.7 million. The unamortized fair value of such stock options relates to an option modification approved on March 19, 2017 that provided for an acceleration of vesting of such options upon a change in control event. Such modification became effective upon the closing of the Cerulean/Private Daré stock purchase transaction. Hence, the unamortized fair value of such stock options is deemed to be part of total purchase consideration and goodwill. Transaction costs associated with the Cerulean/Private Daré stock purchase transaction of $0.96 million are included in general and administrative expense. The total purchase price consideration of approximately $24.3 million represents the fair value of the shares of Cerulean stock issued in connection with the Cerulean/Private Daré stock purchase transaction and the unamortized fair value of the stock options described above, which was allocated as follows:

Purchase Consideration		**(in thousands)**
Fair value of shares issued	$	20,625
Unamortized fair value of Cerulean options		3,654
Fair value of total consideration	$	24,279
Assets acquired and liabilities assumed		
Cash and cash equivalents	$	9,918
Prepaid expense and other current assets		1,915
Accounts payable		(233)
Total assets acquired and liabilities assumed		11,600
Goodwill	**$**	**12,679**

The final allocation of the purchase price depended on finalizing the valuation of the fair value of assets acquired and liabilities assumed. The Company retrospectively recorded purchase price adjustments at the acquisition date to increase current liabilities and current assets by $23,609 and $225,778, respectively, which reduced the original goodwill amount of $12.9 million by $202,169.

The Company tests its goodwill for impairment at least annually as of December 31 and between annual tests if it becomes aware of an event or change in circumstance that would indicate the carrying value may be impaired. The Company tests goodwill for impairment at the entity level because it operates on the basis of a single reporting unit. A goodwill impairment is the amount by which a reporting unit's carrying value exceeds its fair value, not to exceed the carrying amount of goodwill. When impaired, the carrying value of goodwill is written down to fair value. Any excess of the reporting unit goodwill carrying value over the fair value is recognized as impairment loss.

The Company assessed goodwill at December 31, 2017. The Company determined there was an impairment and recognized an impairment charge of approximately $7.5 million in the consolidated statement of

operations and comprehensive loss for the year ended December 31, 2017 and reduced the goodwill carrying value from approximately $12.7 million to $5.2 million on its consolidated balance sheet as of December 31, 2017.

The Company assessed goodwill at March 31, 2018, determined there was an impairment and recognized an impairment charge of approximately $5.2 million in the interim consolidated statement of operations and comprehensive loss for the three months ended March 31, 2018. As of March 31, 2018, the goodwill carrying value on the Company's consolidated balance sheet was written off in its entirety.

Pear Tree Merger

On April 30, 2018, the Company entered into an Agreement and Plan of Merger, the Merger Agreement, with Pear Tree Pharmaceuticals, Inc., or Pear Tree, Daré Merger Sub, Inc., a wholly-owned subsidiary of the Company, or Merger Sub, and two individuals in their respective capacities as Pear Tree stockholders' representatives. The transactions contemplated by the Merger Agreement closed on May 16, 2018, and as a result, Pear Tree became the Company's wholly owned subsidiary. The Company acquired Pear Tree to secure the rights to develop DARE-VVA1, a proprietary vaginal formulation of tamoxifen, as a potential treatment for vulvar and vaginal atrophy.

The Company determined that the acquisition of Pear Tree should be accounted for as an asset acquisition instead of a business combination because substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets, and therefore, the asset is not considered a business. Transaction costs of approximately $452,000 associated with the merger are included in the Company's research and development expense.

In accordance with the terms of the Merger Agreement, because the Negative Consideration Amount (as defined below) exceeded the Positive Consideration Amount (as defined below), at the time of the closing of the merger, the excess amount (approximately $132,000) will be offset against future payments otherwise due under the Merger Agreement to certain former and continuing Pear Tree service providers and former holders of Pear Tree's capital stock, or the Holders, including the potential $75,000 payment due on the one-year anniversary of the closing of the merger. Positive Consideration Amount means the sum of $75,000, and the cash and cash equivalents held by Pear Tree at closing, and Negative Consideration Amount means the sum of (i) certain Pear Tree indebtedness and transaction expenses, (ii) transaction expenses of the stockholders' representatives, and (iii) amounts payable under Pear Tree's management incentive plan.

Under the Merger Agreement, the Holders will be eligible to receive, subject to certain offsets, tiered royalties, including customary provisions permitting royalty reductions and offset, based on percentages of annual net sales of certain products subject to license agreements the Company assumed and a percentage of sublicense revenue. The Company must also make contingent payments to the Holders that are based on achieving certain clinical, regulatory and commercial milestones, which may be paid, in the Company's sole discretion, in cash or shares of the Company's common stock.

5. STOCK-BASED COMPENSATION

The 2015 Employee, Director and Consultant Equity Incentive Plan

Prior to the Cerulean/Private Daré stock purchase transaction, the 2015 Employee, Director and Consultant Equity Incentive Plan of Private Daré, or the 2015 Private Daré Plan, governed the issuance of equity awards to Private Daré employees, officers, non-employee directors and consultants. Options granted under the 2015 Private Daré Plan have terms of ten years from the date of grant unless earlier terminated and generally vest over a three-year period. Upon closing of the Cerulean/Private Daré stock purchase transaction, the Company assumed the 2015 Private Daré Plan and each outstanding option to acquire Private Daré stock that was not exercised prior to the closing. Options to purchase 50,000 shares of Private Daré stock were assumed. Such options were assumed on the same terms as were applicable to them under the 2015 Private Daré Plan and became an option to purchase such number of shares of the Company's common stock equal to the number of Private Daré shares subject to such option multiplied by the exchange ratio specified in the Daré Stock Purchase Agreement, at a correspondingly adjusted exercise price. Based on the exchange ratio and after giving effect to the reverse stock split effected in connection with the closing of the Cerulean/Private Daré stock purchase transaction, such options were replaced with options to purchase 10,149 shares of the Company's common stock, all of which were outstanding as of March 31, 2019.

Private Daré issued 900,000 and 200,000 shares of fully vested restricted stock to non-employees under the 2015 Private Daré Plan during 2015 and 2016, respectively. In connection with the closing of the Cerulean/Private Daré stock purchase transaction, the Company assumed these shares and replaced them with 223,295 restricted shares of the Company's common stock (after giving effect to the reverse stock split effected in connection with the closing of the Cerulean/Private Daré stock purchase transaction).

No further awards may be granted under the 2015 Private Daré Plan following the closing of the Cerulean/Private Daré stock purchase transaction.

2014 Employee Stock Purchase Plan

In March 2014, the Company's board of directors adopted, and its stockholders approved the 2014 Employee Stock Purchase Plan, or the ESPP, which became effective in April 2014. The ESPP permits eligible employees to enroll in a six-month offering period whereby participants may purchase shares of the Company's common stock, through payroll deductions, at a price equal to 85% of the closing price of the common stock on the first day of the offering period or on the last day of the offering period, whichever is lower. Purchase dates under the ESPP occur on or about June 30 and December 31 each year. The Company's board of directors decided not to initiate a new offering period beginning January 1, 2017 and no offering period has been initiated since then. There was no stock-based compensation related to the ESPP for the three months ended March 31, 2019 or March 31, 2018.

Amended and Restated 2014 Stock Incentive Plan

The Company maintains the Amended and Restated 2014 Plan, or the Amended 2014 Plan, which was approved by the Company's stockholders on July 10, 2018. The Amended 2014 Plan was an amendment and restatement of the Company's 2014 Stock Incentive Plan, or the 2014 Plan.

When adopted, there were 2,046,885 shares of common stock authorized for issuance under the Amended 2014 Plan. The number of authorized shares increases annually on the first day of each fiscal year until, and including, the fiscal year ending December 31, 2024 by the least of (i) 2,000,000, (ii) 4% of the number of outstanding shares of common stock on such date, or (iii) an amount determined by the Company's board of directors. On January 1, 2019, the number of authorized shares increased by 456,886 to 2,503,771, which increase represented 4% of the number of outstanding shares of common stock on such date.

In March 2017, the Company's board of directors approved two modifications to outstanding stock options granted under the 2014 Plan to participants providing services to the Company as of that date. One modification extended the exercise period of such stock options to two years after such participant's termination date, unless the exercise period absent such modification would be longer. The other modification provided for accelerated vesting of such stock options upon a change in control event. These modifications resulted in unamortized fair value expense of approximately $3.7 million and was recorded as part of the total consideration in the Cerulean/Private Daré stock purchase transaction (see Note 4). The two modifications resulted in certain options remaining outstanding that would have otherwise expired.

At March 31, 2019, 323,560 shares of common stock were reserved for future issuance under the Amended 2014 Plan, and options to purchase 2,190,360 shares of the Company's common stock granted under the Amended 2014 Plan were outstanding.

Summary of Stock Option Activity

The table below summarizes stock option activity under the Amended 2014 Plan, and related information for the three months ended March 31, 2019. The exercise price of all options granted during the three months ended March 31, 2019 was equal to the market value of the Company's common stock on the date of the grant. As of March 31, 2019, unamortized stock-based compensation expense of $1,343,624 will be amortized over a weighted average period of 3.3 years.

	Number of Shares	Weighted Average Exercise Price
Outstanding at December 31, 2018 (1)	1,635,790	$ 11.08
Granted	563,000	0.76
Exercised	—	—
Canceled/forfeited	(8,360)	17.81
Expired	(70)	59.48
Outstanding at March 31, 2019 (unaudited) (1)	2,190,360	$ 8.40
Exercisable at March 31, 2019 (unaudited)	650,151	$ 25.97

(1) Includes 10,149 shares subject to options granted under the 2015 Private Daré Plan assumed in connection with the Cerulean/Private Daré stock purchase transaction.

Compensation Expense

Total stock-based compensation expense related to stock options granted to employees and directors recognized in the consolidated statement of operations is as follows:

	Three Months Ended March 31,	
	2019	2018
Research and development	$ 24,703	$ —
General and administrative	73,265	9,124
Total	$ 97,968	$ 9,124

The assumptions used in the Black-Scholes option-pricing model for stock options granted to employees and to directors in respect of board services during the three months ended March 31, 2019 are as follows:

	Three Months Ended March 31, 2019
Expected life in years	10.0
Risk-free interest rate	2.70%
Expected volatility	120%
Forfeiture rate	0.0%
Dividend yield	0.0%
Weighted-average fair value of options granted	$0.72

Restricted Stock After the Cerulean/Private Daré Stock Purchase Transaction

The 3.14 million shares of common stock issued in connection with the Cerulean/Private Daré stock purchase transaction to the Private Daré stockholders were not registered with the SEC and may only be sold if registered under the Securities Act of 1933, as amended, or pursuant to an exemption from the registration requirements thereunder. The shares held by non-affiliates became eligible for sale under Rule 144 beginning six months after the closing of the Cerulean/Private Daré stock purchase transaction.

6. STOCKHOLDERS' EQUITY

ATM Sales Agreement

In January 2018, the Company entered into a common stock sales agreement under which the Company may sell up to an aggregate of $10 million in gross proceeds through the sale of shares of common stock from time to time in "at-the-market" equity offerings (as defined in Rule 415 promulgated under the Securities Act of 1933, as amended), including in sales made directly on the Nasdaq Capital Market, or Nasdaq, to or through a market maker or, subject to the Company's prior approval, in negotiated transactions. The Company agreed to pay a commission of up to 3% of the gross proceeds of any common stock sold under this agreement plus certain legal expenses. The common stock sales agreement was amended in August 2018 to refer to the Company's shelf registration statement on Form S-3 (File No. 333-227019) that was filed to replace the Company's shelf registration statement on Form S-3 (File No. 333-206396) that expired on August 28, 2018.

During the three months ended March 31, 2019, the Company issued and sold no shares under the common stock sales agreement. During the three months ended March 31, 2018, the Company generated gross proceeds of approximately $1.1 million and incurred issuance costs of $237,403 under this agreement on sales of an aggregate of 375,000 shares of the Company's common stock.

Underwritten Public Offering

In February 2018, the Company closed an underwritten public offering of 5.0 million shares of its common stock and warrants to purchase up to 3.5 million shares of its common stock. Each share of common stock was sold with a warrant to purchase up to 0.70 of a share of the Company's common stock. The Company granted the underwriter a 30-day over-allotment option to purchase up to an additional 750,000 shares of common stock and/or warrants to purchase up to 525,000 shares of common stock. The underwriter exercised the option with respect

to warrants to purchase 220,500 shares of common stock. The Company received gross proceeds of $10.3 million, including the proceeds from the sale of the warrants upon exercise of the underwriter’s over-allotment option, and net proceeds of approximately $9.4 million.

Common Stock Warrants

The warrants issued in the February 2018 underwritten offering have an exercise price of $3.00 per share and are exercisable immediately and for five years from issuance. The warrants include a price-based anti-dilution provision, which provides that, subject to certain limited exceptions, the exercise price of the warrants will be adjusted downward if the Company issues or sells (or is deemed to issue or sell) securities at a price that is less than the exercise price in effect immediately prior to such issuance or sale (or deemed issuance or sale). In that case, the exercise price of the warrants will be adjusted to equal the price at which the new securities are issued or sold (or are deemed to have been issued or sold). In addition, subject to certain exceptions, if the Company issues, sells or enters into any agreement to issue or sell securities at a price which varies or may vary with the market price of the shares of the Company’s common stock, the warrant holders have the right to substitute such variable price for the exercise price of the warrant then in effect. The warrants are exercisable only for cash, unless a registration statement covering the shares issued upon exercise of the warrants is not effective, in which case the warrants may be exercised on a cashless basis. A registration statement covering the shares issued upon exercise of the warrants is currently effective.

The exercise price of these warrants was automatically reduced to $0.98 per share in connection with the initial closing of the Company's underwritten public offering in April 2019. See Note 11, "Subsequent Events," herein.

The Company estimated the fair value of the warrants as of February 15, 2018 to be approximately $3.0 million which has been recorded in equity as of the grant date. The Company early adopted ASU 2017-11 and as a result has recorded the fair value of the warrants as equity (see Note 3).

No warrants were exercised during the three months ended March 31, 2019 or 2018. As of March 31, 2019, the Company had these warrants outstanding:

Shares Underlying Outstanding Warrants		Exercise Price	Expiration Date
2,906	$	120.40	December 1, 2021
3,737	$	120.40	December 6, 2021
17,190	$	60.50	January 8, 2020
6,500	$	10.00	April 4, 2026
3,720,500	$	3.00	February 15, 2023
3,750,833			

7. LEASED PROPERTIES

Effective January 1, 2019, the Company adopted ASC 842, which requires recognition of a right-of-use asset and lease liability for all leases at the commencement date based on the present value of lease payments over the lease term. Additional qualitative and quantitative disclosures regarding the Company's leasing arrangements are also required. The Company adopted ASC 842 prospectively and elected the package of transition practical expedients that does not require reassessment of: (1) whether any existing or expired contracts are or contain leases, (2) lease classification and (3) initial direct costs. In addition, the Company has elected other available practical expedients to not separate lease and nonlease components, which consist principally of common area maintenance charges, for all classes of underlying assets and to exclude leases with an initial term of 12 months or less.

The Company has one lease for its corporate headquarters that commenced on July 1, 2018 for 3,169 square feet of office space. The term of the lease is 37 months and terminates on July 31, 2021. The Company has the option to extend the term of the lease for one year at the Company's discretion. The gross monthly base rent is $8,873, which will increase approximately 4% per year, subject to certain future adjustments. The base rent was abated during the second month of the lease. The Company evaluates renewal options at lease inception and on an ongoing basis, and includes renewal options that it is reasonably certain to exercise in its expected lease terms when classifying leases and measuring lease liabilities. The lease does not require material variable lease payments, a residual value guarantee or restrictive covenants.

The lease does not provide an implicit rate, and therefore the Company uses its incremental borrowing rate as the discount rate when measuring operating lease liabilities. The incremental borrowing rate represents an

estimate of the interest rate the Company would incur at lease commencement to borrow an amount equal to the lease payments on a collateralized basis over the term of the lease within a particular currency environment. The Company used an incremental borrowing rate of 7% as of January 1, 2019 for the operating lease that commenced prior to that date. The depreciable lives of operating lease assets and leasehold improvements are limited by the expected lease term.

As of March 31, 2019, the Company recorded a right of use asset of $212,909 within its other non-current assets and $83,751 and $139,288, respectively within current and non-current other liabilities on its consolidated balance sheet.

As of March 31, 2019, future minimum lease payments for the Company's corporate headquarters are:

Years ending December 31:		
Remainder of 2019	$	81,950
2020		112,943
2021		67,595
Total future minimum lease payments		262,488
Less: Difference between future minimum lease payments and discounted operating lease liabilities		39,449
Total operating lease liabilities	$	223,039

Operating lease costs were $27,038 for the three months ended March 31, 2019. Operating lease costs are included in general and administrative expenses in the condensed consolidated statement of operations.

Cash paid for amounts included in the measurement of operating lease liabilities were $26,620 for the three months ended March 31, 2019, and this amount is included in operating activities in the condensed consolidated statements of cash flows.

8. COMMITMENTS AND CONTINGENCIES

License and Research Agreements

ADVA-Tec License Agreement

In March 2017, the Company entered into a license agreement, or the ADVA-Tec License Agreement, with ADVA-Tec, Inc., or ADVA-Tec, under which the Company was granted the exclusive right to develop and commercialize Ovaprene for human contraceptive use worldwide. ADVA-Tec and its affiliates own issued patents or patent applications covering Ovaprene and control proprietary trade secrets covering the manufacture of Ovaprene. As of the date of this report, this patent portfolio includes nine issued U.S. patents and one pending U.S. patent application, and 59 granted patents and four pending patent applications in other major markets, all of which are exclusively licensed to the Company for the human contraceptive use of Ovaprene as a human contraceptive device. The license continues on a country-by-country basis until the later of the life of the licensed patents or the Company’s last commercial sale of Ovaprene. Under the terms of the ADVA-Tec Agreement, the Company has a right of first refusal to license these patents and patent applications for additional indications.

The following is a summary of other terms of the ADVA-Tec License Agreement:

Research and Development. ADVA-Tec will conduct certain research and development work as necessary to allow the Company to seek a Premarket Approval, or PMA, from the United States Food and Drug Administration, or the FDA, and will supply the Company with its requirements of Ovaprene for clinical and commercial use on commercially reasonable terms. The Company must use commercially reasonable efforts to develop and commercialize Ovaprene, and must meet certain minimum spending amounts per year, such amounts totaling $5.0 million in the aggregate over the first three years, to cover such activities until a final PMA is filed, or until the first commercial sale of Ovaprene, whichever occurs first.

Milestone Payments. The Company will pay ADVA-Tec: (1) up to $14.6 million in the aggregate based on the achievement of specified development and regulatory milestones; and (2) up to $20 million in the aggregate based on the achievement of certain worldwide net sales milestones. The development and regulatory milestones include: the completion of a successful postcoital clinical study, which is required before the Company can commence a Phase 3 pivotal human clinical trial; approval by the FDA to commence such Phase 3 pivotal human clinical trial; successful completion of such Phase 3 pivotal human clinical trial; the FDA’s acceptance of a PMA filing for Ovaprene;

the FDA's approval of the PMA for Ovaprene; obtaining Conformité Européenne Marking of Ovaprene in at least three designated European countries; obtaining regulatory approval in at least three designated European countries; and obtaining regulatory approval in Japan. Because these milestone payments depend upon the successful progress of the Company's product development programs, the Company cannot estimate with certainty when these payments will occur, if ever.

Royalty Payments. After the commercial launch of Ovaprene, the Company will pay to ADVA-Tec royalties based on aggregate annual net sales of Ovaprene in specified regions, at a royalty rate that will vary between 1% and 10% and will increase based on various net sales thresholds.

Termination Rights. Unless earlier terminated, the license the Company received under the ADVA-Tec License Agreement continues on a country-by-country basis until the later of the life of the licensed patents or the Company's last commercial sale of Ovaprene. In addition to customary termination rights for both parties: (A) the Company may terminate the agreement with or without cause in whole or on a country-by-country basis upon 60 days prior written notice; and (B) ADVA-Tec may terminate the agreement if the Company develops or commercializes any non-hormonal ring-based vaginal contraceptive device competitive to Ovaprene or if the Company fails to: (1) in certain limited circumstances, commercialize Ovaprene in certain designated countries within three years of the first commercial sale of Ovaprene, (2) satisfy the annual spending obligation described above, (3) use commercially reasonable efforts to complete all necessary pre-clinical and clinical studies required to support and submit a PMA, (4) conduct clinical trials as set forth in the development plan that is agreed by the Company and ADVA-Tec, and as may be modified by a joint research committee, unless such failure is caused by events outside of the Company's reasonable control, or (5) enroll a patient in the first non-significant risk medical device study or clinical trial as allowed by an institutional review board within six months of the production and release of Ovaprene, unless such failure is caused by events outside of its reasonable control.

For products currently in development, future potential milestone payments based on product development are approximately $14.6 million as of March 31, 2019. Future potential milestone payments related to commercialization totaled $20 million at March 31, 2019. There are 1-10% royalties required under the license agreement. The Company is unable to estimate with certainty the timing on when these milestone payments will occur as these payments are dependent upon the Company's product development programs.

SST License and Collaboration Agreement

In February 2018, the Company entered into a license and collaboration agreement, or the SST License Agreement, with Strategic Science & Technologies-D, LLC and Strategic Science & Technologies, LLC, referred to collectively as SST. The SST License Agreement provides the Company with an exclusive, royalty-bearing, sublicensable license to develop and commercialize, in all countries and geographic territories of the world, for all indications for women related to female sexual dysfunction and/or female reproductive health, including treatment of female sexual arousal disorder, or the Field of Use, SST's topical formulation of Sildenafil Cream, 3.6% as it exists as of the effective date of the SST License Agreement, or any other topically applied pharmaceutical product containing sildenafil or a salt thereof as a pharmaceutically active ingredient, alone or with other active ingredients, but specifically excluding any product containing ibuprofen or any salt derivative of ibuprofen, or the Licensed Products.

The following is a summary of other terms of the SST License Agreement:

Invention Ownership*.* The Company retains rights to inventions made by its employees, SST retains rights to inventions made by its employees, and each party shall own a 50% undivided interest in all joint inventions.

Joint Development *Committee*. The parties will collaborate through a joint development committee that will determine the strategic objectives for, and generally oversee, the development efforts of both parties under the SST License Agreement.

Development*.* The Company must use commercially reasonable efforts to develop the Licensed Products in the Field of Use in accordance with a development plan in the SST License Agreement, and to commercialize the Licensed Products in the Field of Use. The Company is responsible for all reasonable internal and external costs and expenses incurred by SST in its performance of the development activities it must perform under the SST License Agreement.

Royalty Payments. SST will be eligible to receive tiered royalties based on percentages of annual net sales of Licensed Products in the single digits to the mid double digits, subject to customary royalty reductions and offsets, and a percentage of sublicense revenue.

Milestone Payments. SST will be eligible to receive payments (1) ranging from $0.5 million to $18.0 million in the aggregate on achieving certain clinical and regulatory milestones in the U.S. and worldwide, and (2)

between $10.0 million to $100 million in the aggregate upon achieving certain commercial sales milestones. If the Company enters into strategic development or distribution partnerships related to the Licensed Products, additional milestone payments would be due to SST.

License Term. The Company's license received under the SST License Agreement continues on a country-by-country basis until the later of 10 years from the date of the first commercial sale of such Licensed Product or the expiration of the last valid claim of patent rights covering the Licensed Product in the Field of Use. Upon expiration (but not termination) of the SST License Agreement in a particular country, the Company will have a fully paid-up license under the licensed intellectual property to develop and commercialize the applicable Licensed Products in the applicable country on a non-exclusive basis.

Termination. In addition to customary termination rights for both parties: (1) prior to receipt of approval by a regulatory authority necessary for commercialization of a Licensed Product in the corresponding jurisdiction, including New Drug Application Approval, or NDA Approval, the Company may terminate the SST License Agreement without cause upon 90 days prior written notice to SST; (2) following receipt of approval by a regulatory authority necessary for commercialization of a Licensed Product in the corresponding jurisdiction, including NDA Approval, the Company may terminate the SST License Agreement without cause upon 180 days prior written notice; and (3) SST may terminate the SST License Agreement with respect to the applicable Licensed Product(s) in the applicable country(ies) upon 30 days' notice to the Company if the Company fails to use commercially reasonable efforts to perform development activities in substantial accordance with the development plan and does not cure such failure within 60 days of receipt of SST's notice thereof.

Orbis Development and Option Agreement

In March 2018, the Company entered into an exclusive development and option agreement, or the Orbis Agreement, with Orbis Biosciences, or Orbis, for the development of long-acting injectable etonogestrel contraceptive with 6- and 12-month durations (ORB-204 and ORB-214, respectively). Under the Orbis Agreement, the Company paid Orbis $300,000 to conduct the first stage of development work, Stage 1, as follows: $150,000 upon signing the Orbis Agreement, $75,000 at the 50% completion point, not later than 6 months following the date the Orbis Agreement was signed (which the Company paid in September 2018), and $75,000 upon delivery by Orbis of the 6-month batch, not later than 11 months following the date the Orbis Agreement was signed (which the Company paid in January 2019). Upon Orbis successfully completing Stage 1 of the development program and achieving the predetermined target milestones for Stage 1, the Company will have 90 days to instruct Orbis whether to commence the second stage of development work, Stage 2. Should the Company execute its option to proceed to Stage 2, it will have to provide additional funding to Orbis for such activities.

Pre-clinical studies for the 6- and 12-month formulations have been completed, including establishing pharmacokinetics and pharmacodynamics profiles. The collaboration with Orbis will continue to advance the program through formulation optimization with the goal of achieving sustained release over the target time period.

The Orbis Agreement provides the Company with an option to enter into a license agreement for ORB-204 and ORB-214 should development efforts be successful.

Juniper Pharmaceuticals - License Agreement

In April 2018, the Company entered into an Exclusive License Agreement, or the Juniper License Agreement, with Juniper Pharmaceuticals, Inc., or Juniper, under which Juniper granted the Company (a) an exclusive, royalty-bearing worldwide license under certain patent rights, either owned by or exclusively licensed to Juniper, to make, have made, use, have used, sell, have sold, import and have imported products and processes; and (b) a non-exclusive, royalty-bearing worldwide license to use certain technological information owned by Juniper to make, have made, use, have used, sell, have sold, import and have imported products and processes. The Company is entitled to sublicense the rights granted to it under the Juniper License Agreement.

The following is a summary of certain terms of the Juniper License Agreement:

Upfront Fee. The Company paid a $250,000 non-creditable upfront license fee to Juniper in connection with the execution of the Juniper License Agreement.

Annual Maintenance Fee. The Company will pay an annual license maintenance fee to Juniper on each anniversary of the date of the Juniper License Agreement, the amount of which will be $50,000 for the first two years and $100,000 thereafter, and which will be creditable against royalties and other payments due to Juniper in the same calendar year but may not be carried forward to any other year.

Milestone Payments. The Company must make potential future development and sales milestone payments of (1) up to $13.5 million in the aggregate upon achieving certain clinical and regulatory milestones, and (2)

up to $30.3 million in the aggregate upon achieving certain commercial sales milestones for each product or process covered by the licenses granted under the Juniper License Agreement.

Royalty Payments. During the royalty term, the Company will pay Juniper mid-single-digit to low double-digit royalties based on worldwide net sales of products and processes covered by the licenses granted under the Juniper *License* Agreement. In lieu of such royalty payments, the Company will pay Juniper a low double-digit percentage of all sublicense income the Company receives for the sublicense of rights under the Juniper License Agreement to a third party. The royalty term, which is determined on a country-by-country basis and product-by-product basis (or process-by-process basis), begins with the first commercial sale of a product or process in a country and terminates on the latest of (1) the expiration date of the last valid claim within the licensed patent rights with respect to such product or process in such country, (2) 10 years following the first commercial sale of such product or process in such country, and (3) when one or more generic products for such product or process are commercially available in such country, except that if there is no such generic product by the 10th year following the first commercial sale in such country, then the royalty term will terminate on the 10-year anniversary of the first commercial sale in such country.

Efforts. The Company must use commercially reasonable efforts to develop and make at least one product or process available to the public, which efforts include achieving specific diligence requirements by specific dates specified in the Juniper License Agreement.

*T*erm. Unless earlier terminated, the term of the Juniper License Agreement will continue on a country-by-country basis until the later of (1) the expiration date of the last valid claim within such country, or (2) 10 years from the date of first commercial sale of a product or process in such country. Upon expiration (but not early termination) of the Juniper License Agreement, the licenses granted thereunder will convert automatically to fully-paid irrevocable licenses. Juniper may terminate the Juniper License Agreement (1) upon 30 days' notice for the Company's uncured breach of any payment obligation under the Juniper License Agreement, (2) if the Company fails to maintain required insurance, (3) immediately upon the Company's insolvency or the making of an assignment for the benefit of the Company's creditors or if a bankruptcy petition is filed for or against the Company, which petition is not dismissed within 90 days, or (4) upon 60 days' notice for any uncured material breach by the Company of any of its other obligations under the Juniper License Agreement. The Company may terminate the Juniper License Agreement on a country-by-country basis for any reason by giving 180 days' notice (or 90 days' notice if such termination occurs prior to receipt of marketing approval in the United States). If Juniper terminates the Juniper License Agreement for the reason described in clause (4) above or if the Company terminates the Juniper License Agreement, Juniper will have full access including the right to use and reference all product data generated during the term of the Juniper License Agreement that is owned by the Company.

Pear Tree Acquisition

The Company may be required to make certain royalty and milestone payments under the Merger Agreement (see Note 4).

Hammock/MilanaPharm Assignment and License Agreement

On December 5, 2018, the Company entered into (a) an Assignment Agreement with Hammock Pharmaceuticals, Inc., or the Assignment Agreement, and (b) a First Amendment to License Agreement with TriLogic Pharma, LLC and MilanaPharm LLC, or the License Amendment. Both agreements relate to the Exclusive License Agreement among Hammock, TriLogic and MilanaPharm dated as of January 9, 2017, or the MilanaPharm License Agreement. Under the Assignment Agreement and the MilanaPharm License Agreement, as amended by the License Amendment, the Company acquired an exclusive, worldwide license under certain intellectual property to, among other things, develop and commercialize products for the diagnosis, treatment and prevention of human diseases or conditions in or through any intravaginal or urological applications. The licensed intellectual property relates to the hydrogel drug delivery platform of TriLogic and MilanaPharm known as TRI-726. In DARE-BV1, this proprietary technology is formulated with clindamycin, an antibiotic used to treat certain bacterial infections, including BV, and has been engineered to produce a dual release pattern after vaginal application, providing maximum duration of exposure to clindamycin at the site of infection.

The following is a summary of other terms of the License Amendment:

License Fees. The Company paid $25,000 to MilanaPharm in connection with the execution of the License Amendment and must pay $200,000 to MilanaPharm (in the Company's discretion, either in cash or with shares of the Company's common stock) within 15 days of the first to occur of December 5, 2019 or the closing of an equity financing in which the Company raises aggregate proceeds of at least $10.0 million.

Milestone Payments. The Company will pay to MilanaPharm (1) up to $300,000 in the aggregate upon achievement of certain development milestones; and (2) up to $1.75 million in the aggregate upon achieving certain commercial sales milestones.

Foreign Sublicense Income. The Company will pay MilanaPharm a low double-digit percentage of all income received by the Company or its affiliates in connection with any sublicense granted to a third party for use outside of the United States, subject to certain exclusions.

Royalty Payments. During the royalty term, the Company will pay MilanaPharm high single-digit to low double-digit royalties based on annual worldwide net sales of licensed products and processes. The royalty term, which is determined on a country-by-country basis and licensed product-by-product basis (or process-by-process basis), begins with the first commercial sale of a licensed product or process in a country and terminates on the latest of (a) the expiration date of the last valid claim of the licensed patent rights that cover the method of use of such product or process in such country, or (b) 10 years following the first commercial sale of such product or process in such country. Royalty payments are subject to reduction in certain circumstances, including as a result of generic competition, patent prosecution expenses incurred by the Company, or payments to third parties for rights or know-how that are required for the Company to exercise the licenses granted to it under the MilanaPharm License Agreement or that are strategically important or could add value to a licensed product or process in a manner expected to materially generate or increase sales.

Efforts. The Company must use commercially reasonable efforts and resources to (1) develop and commercialize at least one licensed product or process in the United States and at least one licensed product or process in at least one of Canada, the United Kingdom, France, Germany, Italy or Spain, and (2) continue to commercialize that product or process following the first commercial sale of a licensed product or process in the applicable jurisdiction.

Term. Unless earlier terminated, the term of the MilanaPharm License Agreement will continue until (1) on a licensed product-by-product (or process-by-process basis) and country-by-country basis, the date of expiration of the royalty term with respect to such licensed product in such country, and (2) the expiration of all applicable royalty terms under the MilanaPharm License Agreement with respect to all licensed products and processes in all countries. Upon expiration of the term with respect to any licensed product or process in a country (but not upon earlier termination of the MilanaPharm License Agreement), the licenses granted to the Company under the MilanaPharm License Agreement will convert automatically to an exclusive, fully paid-up, royalty-free, perpetual, non-terminable and irrevocable right and license under the licensed intellectual property.

In addition to customary termination rights for all parties, MilanaPharm may terminate the license granted to the Company solely with respect to a licensed product or process in a country if, after having launched such product or process in such country, (1) the Company, or its affiliates or sublicensees, discontinue the sale of such product or process in such country and MilanaPharm notifies the Company of such termination within 60 days of having first been notified by the Company of such discontinuation, or (2) the Company, or its affiliates or sublicensees, (A) discontinues all commercially reasonable marketing efforts to sell, and discontinues all sales of, such product or process in such country for nine months or more, (B) fails to resume such commercially reasonable marketing efforts within 120 days of having been notified of such failure by MilanaPharm, (C) fails to reasonably demonstrate a strategic justification for the discontinuation and failure to resume to MilanaPharm, and (D) MilanaPharm gives 90 days' notice to the Company.

The following is a summary of other terms of the Assignment Agreement with Hammock:

Assignment; Technology Transfer. Hammock assigned and transferred to the Company all of its right, title and interest in and to the MilanaPharm License Agreement and agreed to cooperate to transfer to the Company all of the data, materials and the licensed technology in its possession pursuant to a technology transfer plan to be agreed upon by the parties, with a goal for the Company to independently practice the licensed intellectual property as soon as commercially practical in order to develop and commercialize the licensed products and processes.

Fees. The Company paid $250,000 to Hammock in connection with the execution of the Assignment Agreement and must pay $250,000 to Hammock (in the Company's discretion either in cash or with shares of the Company's common stock) within 15 days of the first to occur of December 5, 2019 or the closing of an equity financing in which the Company raises aggregate proceeds of at least $10.0 million.

Milestone Payments. The Company will pay Hammock up to $1.1 million in the aggregate upon achievement of certain clinical and regulatory development milestones.

Term. The Assignment Agreement will terminate upon the later of (1) completion of the parties' technology transfer plan, and (2) payment to Hammock of the last of the payments described above, including the milestone payments.

9. GRANT AWARD

In April 2018, the Company received a Notice of Award for the first $224,665 of the anticipated $1.9 million in grant funding from the Eunice Kennedy Shriver National Institute of Child Health and Human Development, a division of the National Institutes of Health, or the NIH. The Company must incur and track expenses eligible for reimbursement under the award and submit a detailed accounting of such expenses to receive payment. The Company subsequently received award payments totaling $224,665. The award payments were applied to clinical development efforts supporting Ovaprene and were recognized in the statement of operations as a reduction to research and development activities as the related costs were incurred to meet those obligations over the period.

On March 11, 2019, the Company received a Notice of Award for an additional $982,851 of the anticipated $1.9 million in grant funding from the Eunice Kennedy Shriver National Institute of Child Health and Human Development. The second award followed the NIH's review of an interim data analysis and other results of the first phase of the research supporting Ovaprene. The award will be applied to clinical development efforts supporting Ovaprene. The remaining portion of the award under the grant, $730,722, is contingent upon, among other matters, assessment that the results of the ongoing Ovaprene study satisfy specified requirements set out in the award notice, and the availability of funds. At March 31, 2019, the Company recorded a receivable of approximately $161,007 for expenses eligible for reimbursement incurred through March 31, 2019.

10. NET LOSS PER SHARE

The Company computes basic net loss per share using the weighted average number of common shares outstanding during the period. Diluted net income per share is based upon the weighted average number of common shares and potentially dilutive securities (common share equivalents) outstanding during the period. Common share equivalents outstanding, determined using the treasury stock method, are comprised of shares that may be issued under outstanding options and warrants to purchase shares of the Company's common stock. Common share equivalents are excluded from the diluted net loss per share calculation if their effect is anti-dilutive.

The following potentially dilutive outstanding securities were excluded from diluted net loss per common share for the period indicated because of their anti-dilutive effect:

Potentially dilutive securities	Three months ended March 31,	
	2019	2018
Stock options	2,190,360	543,396
Warrants	3,750,833	3,751,002
Total	5,941,193	4,294,398

11. SUBSEQUENT EVENTS

Capital Raising

On April 11, 2019, the Company closed an underwritten public offering of 4,575,000 shares of its common stock at a public offering price of $1.10 per share. The Company granted the underwriters a 30-day over-allotment option to purchase up to an additional 686,250 shares which was exercised in full on April 12, 2019. Including the over-allotment shares, the Company issued a total of 5,261,250 shares in the underwritten public offering, and received gross proceeds of approximately $5.8 million and net proceeds of approximately $5.2 million after deducting underwriting discounts and offering expenses.

February 2018 Warrant Exercise Price Reduced

As discussed in Note 6 above, the outstanding warrants to purchase up to an aggregate of 3,720,500 shares of the Company's common that were issued and sold in February 2018 include price-based anti-dilution provisions. Under the terms of those warrants, subject to certain limited exceptions, their exercise price will be reduced each time the Company issues or sells any securities for a consideration per share less than a price equal to the exercise price of those warrants in effect immediately prior to such issuance or sale. If the Company issues shares of

common stock for cash, the consideration received therefor will be deemed to be the net amount of consideration the Company received therefor. As of immediately prior to the initial closing of the April 2019 underwritten public offering, the exercise price of the warrants was $3.00 per share. The net amount of consideration the Company received for shares issued and sold at the initial closing was $0.98 per share. On April 11, 2019, in accordance with the anti-dilution provision of the warrants and as a result of the sale of such shares, the exercise price of the warrants was automatically reduced to $0.98 per share.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of financial condition and results of operations should be read in conjunction with our interim consolidated financial statements and notes thereto included in this Quarterly Report on Form 10-Q and our audited financial statements and notes thereto for the year ended December 31, 2018 included in our Annual Report on Form 10-K for the year ended December 31, 2018, or our 2018 10-K, filed with the Securities and Exchange Commission, or SEC, on April 1, 2019. Past operating results are not necessarily indicative of results that may occur in future periods.

The following discussion includes forward-looking statements. See "CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS," above. Forward-looking statements are not guarantees of future performance and our actual results may differ materially from those currently anticipated and from historical results depending upon a variety of factors, including, but not limited to, those discussed in Part I, Item 1A. Risk Factors in our 2018 10-K and in our subsequent filings with the SEC, including any discussed in Part II, Item 1A of this report under the heading "Risk Factors," which are incorporated herein by reference.

In this report: (a) "Cerulean" refers to Cerulean Pharma, Inc. before the Cerulean/Private Daré stock purchase transaction closed (as described in the "2017 Business Combination and Related Transactions" section below); and (b) "we," "us," "our," "Daré" or the "Company" refer collectively to Daré Bioscience, Inc. and its wholly owned subsidiaries, unless otherwise stated or the context otherwise requires. All information presented in this report is based on our fiscal year. Unless otherwise stated, references to particular years, quarters, months or periods refer to our fiscal years ending December 31 and the associated quarters, months and periods of those fiscal years.

Daré Bioscience® is a registered trademark of Daré Bioscience, Inc. Ovaprene® is a registered trademark licensed to Daré Bioscience, Inc. All other trademarks, service marks or trade names appearing in this report are the property of their respective owners. Use or display by us of other parties' trademarks, service marks or trade names is not intended to and does not imply a relationship with, or endorsements or sponsorship of, us by the trademark, service mark or trade name owners.

Business Overview

We are a clinical-stage biopharmaceutical company committed to the advancement of innovative products for women's health. We are driven by a mission to identify, develop and bring to market a diverse portfolio of differentiated therapies that expand treatment options, improve outcomes and facilitate convenience for women, primarily in the areas of contraception, vaginal health, sexual health and fertility. Our business strategy is to license or otherwise acquire the rights to differentiated product candidates in our areas of focus, some of which have existing clinical proof-of-concept data, and to take those candidates through advanced stages of clinical development. We and our wholly owned subsidiaries operate in one business segment.

Since July 2017, we have assembled a portfolio of clinical-stage and pre-clinical stage candidates addressing unmet needs in women's health. Our portfolio includes these four clinical-stage product candidates:

- DARE-BV1, a unique hydrogel formulation of clindamycin phosphate 2% for bacterial vaginosis, or BV;
- Ovaprene®, a non-hormonal monthly contraceptive intravaginal ring;
- Sildenafil Cream, 3.6%, a novel cream formulation of sildenafil for female sexual arousal disorder, or FSAD; and
- DARE-HRT1, a combination bio-identical estradiol and progesterone intravaginal ring for hormone replacement therapy, or HRT, following menopause.

Our portfolio also includes these pre-clinical stage product candidates:

- DARE-VVA1, a vaginally delivered formulation of tamoxifen to treat vulvar vaginal atrophy, or VVA, in patients with hormone-receptor positive breast cancer;
- DARE-RH1, a novel approach to non-hormonal contraception for both men and women by targeting the CatSper ion channel;

- ORB-204 and ORB-214, 6-month and 12-month formulations of injectable etonogestrel for contraception;
- DARE-FRT1, an intravaginal ring containing bio-identical progesterone for the prevention of preterm birth and for fertility support as part of an IVF treatment plan; and
- DARE-OAB1, an intravaginal ring containing oxybutynin for the treatment of overactive bladder.

We expect that the bulk of our development expenses over the next two years will support the advancement of our four clinical-stage product candidates. In addition, we intend to fund a portion of the development expenses of our pre-clinical stage product candidates, particularly those like DARE-FRT1 and DARE-VVA1 that have the opportunity to advance into clinical studies more quickly. We expect that DARE-FRT1 will advance into a clinical study in approximately 12 to 18 months. Any additional product candidates we may obtain in the future will also require cash to fund their development.

DARE-BV1

DARE-BV1 is a proprietary solution-to-gel formulation containing clindamycin, an antibiotic used to treat certain bacterial infections, including BV. DARE-BV1 is designed to be administered in a convenient, single vaginal dose with a dual release pattern to prolong the duration of exposure to clindamycin at the site of infection and to potentially improve the rate of effectiveness compared to existing FDA-approved therapies. Current FDA-approved therapies for BV have clinical cure rates of less than 70 percent. In an investigator initiated pilot study that enrolled 30 women, DARE-BV1 demonstrated an 88 percent clinical cure rate in evaluable subjects (n=26) at the test-of-cure visit (Day 7-14) after one administration. We plan to utilize the FDA's 505(b)(2) pathway to obtain marketing approval of DARE-BV1 for BV in the U.S. We expect to commence a Phase 3 clinical study of DARE-BV1 in approximately 250 women in the fourth quarter of 2019 and, if the study is successful, to be in a position to file a new drug application, or NDA, with the FDA in 2020. We anticipate that the cost of the Phase 3 clinical study, including manufacturing activities, and the NDA filing thereafter to be less than $10.0 million.

Ovaprene

Ovaprene is an intravaginal ring that, if approved, would represent a new category of birth control. Ovaprene is designed to be worn conveniently over multiple weeks, require no intervention at the time of intercourse, and it does not contain hormones. Ovaprene is a silicone-reinforced ring with a soft, absorbable scaffolding that encircles a fluid-permeable barrier. A non-braided, multi-filament mesh in the center of the ring functions as a physical barrier to sperm. The silicone ring also releases ferrous gluconate to create a spermiostatic environment within the vagina.

Ovaprene is a combination product and, following a request for designation process, the FDA designated Center for Devices and Radiological Health, or CDRH, as the lead agency FDA program center for premarket review and product regulation. CDRH has determined that a PMA will be required to market Ovaprene in the U.S.

In May 2018, we announced initiation of a postcoital test, or PCT, clinical trial of Ovaprene. This ongoing clinical trial is designed to assess general safety, acceptability, and effectiveness in preventing progressively motile sperm, or PMS, from reaching the cervical canal following intercourse. The study will enroll approximately 50 couples, with the woman to be evaluated over the course of five menstrual cycles, with a target of having approximately 25 women complete a total of 21 visits. Each woman’s cervical mucus will be measured at several points during the study, including a baseline measurement at menstrual cycle 1 that excludes the use of any product. Subsequent cycles and visits will include the use of a diaphragm (menstrual cycle 2) and Ovaprene (menstrual cycles 3, 4 and 5). Data from the PCT clinical trial are expected to be available in the second half of 2019.

PCT clinical trials have been used as a surrogate marker for contraceptive effectiveness. Infertility research suggests that higher rates of pregnancy are associated with PMS per high power field, or HPF, of from greater than one to greater than 20 sperm, and less than 5 PMS per HPF is considered reflective of contraceptive effectiveness.

If the PCT clinical trial demonstrates that less than 5 PMS per HPF progressed into the cervical canal in most women and can be safely worn over multiple weeks, we intend to prepare and file an Investigational Device Exemption, or IDE, with the FDA to commence a pivotal clinical trial to support marketing approvals of Ovaprene in the United States, Europe and other countries worldwide.

Sildenafil Cream, 3.6%

Sildenafil Cream, 3.6%, which incorporates sildenafil, the same active ingredient in the male erectile dysfunction drug Viagra®, if approved, could be the first FDA-approved FSAD treatment option for women. FSAD is characterized primarily by a persistent or recurrent inability to attain or maintain sufficient physical sexual arousal, frequently resulting in distress or interpersonal difficulty. Sildenafil Cream, 3.6% is formulated to increase blood flow locally to the vulvar-vaginal tissue, leading to a potential improvement in genital arousal response.

We plan to leverage the existing data and established safety profile of sildenafil and the Viagra® brand to utilize the FDA's 505(b)(2) pathway to obtain marketing approval of Sildenafil Cream, 3.6% in the U.S. During the third quarter of 2018, we had a Type C meeting with the FDA regarding the design of our Phase 2b clinical trial for Sildenafil Cream, 3.6% and the overall development program for this product candidate. Based on the FDA guidance we received from that meeting, we commenced Phase 2b related activities during the fourth quarter of 2018 with the initiation of a non-interventional study intended to support the validity of specific patient reported outcome, or PRO, measures. This content validity PRO study seeks to identify and document the genital arousal symptoms that will be assessed in our planned at-home Phase 2b trial, as well as our pivotal studies, and to demonstrate that these symptoms are the most important and relevant to our target population and are also acceptable endpoints for the FDA. In parallel, we will continue to explore additional clinical and non-clinical work that might be valuable or required to support the overall program and the anticipated design of the Phase 2b trial. Because our plan is for the co-primary endpoints used in the Phase 2b trial to reflect the endpoints used in the Phase 3 trials, after the ongoing qualitative study is completed and before the Phase 2b at-home trial is initiated, we plan to request another Type C meeting to obtain the FDA's guidance on the endpoints for our Phase 2b and Phase 3 clinical trials, including whether the FDA agrees that the PRO instruments are content valid for the target population. The timing of when we initiate the Phase 2b at-home trial will be influenced by such guidance.

DARE-HRT1

DARE-HRT1 is an intravaginal ring, or IVR, containing bio-identical estradiol and bio-identical progesterone to treat the vasomotor symptoms (VMS) associated with menopause as part of a hormone replacement therapy regimen. There are currently no FDA-approved IVRs that deliver bio-identical progesterone in combination with bio-identical estradiol. The IVR technology used in DARE-HRT1 was developed by Dr. Robert Langer from the Massachusetts Institute of Technology and Dr. William Crowley from Massachusetts General Hospital and Harvard Medical School. We plan to utilize the FDA's 505(b)(2) pathway to obtain marketing approval of DARE-HRT1 in the U.S. We intend to initiate a Phase 1 clinical study for DARE-HRT1 during 2019 and to report topline results in 2020. DARE-HRT1 has the potential to be a first-in-class product.

Financial Overview

We incurred a loss of approximately $3.1 million for the quarter ended March 31, 2019. As of March 31, 2019, we had (a) an accumulated deficit of approximately $32.0 million and (b) cash and cash equivalents of approximately $3.5 million. We also had negative cash flow from operations of approximately $3.3 million during the three months ended March 31, 2019. As further discussed below, in an underwritten public offering we closed in April 2019, we received aggregate net proceeds of approximately $5.2 million. We will need to raise substantial additional capital to continue to fund our operations and to successfully execute our current operating plan, including the development of our current product candidates. The amount and timing of future funding will depend on many factors, including the pace and results of our clinical development efforts. If we do not raise capital as and when needed, we will not be able to continue development of our product candidates or we will be required to delay, scale back or eliminate some or all of our development programs or cease operations.

2017 Business Combination and Related Transactions

Until July 20, 2017, our corporate name was Cerulean Pharma Inc., or Cerulean. Cerulean was incorporated in Delaware in December 2005. On July 19, 2017, Cerulean and Daré Bioscience Operations, Inc., a privately held Delaware corporation, or Private Daré, completed a transaction in which the holders of capital stock and securities convertible into capital stock of Private Daré, which holders are collectively referred to as the Private Daré Stockholders, sold their shares of capital stock of Private Daré to Cerulean in exchange for newly issued shares of Cerulean common stock. As a result of that transaction, Private Daré became a wholly owned subsidiary of Cerulean. As of immediately following the closing of that transaction: (i) the Private Daré Stockholders owned approximately 51% of the outstanding common stock of Cerulean, and (ii) the equity holders of Cerulean immediately prior to the closing, collectively, owned approximately 49% of the outstanding common stock of Cerulean. In connection with the transaction, Cerulean changed

its name from “Cerulean Pharma, Inc.” to “Daré Bioscience, Inc.” We refer to the transaction described above as the Cerulean/Private Daré stock purchase transaction.

Recent Events

Capital Raising

On April 11, 2019, we closed an underwritten public offering of 4,575,000 shares of our common stock at a public offering price of $1.10 per share. We granted the underwriters a 30-day over-allotment option to purchase up to an additional 686,250 shares, which was exercised in full on April 12, 2019. Including the over-allotment shares, we issued a total of 5,261,250 shares in the underwritten public offering, and received gross proceeds of approximately $5.8 million and net proceeds of approximately $5.2 million after deducting underwriting discounts and offering expenses.

February 2018 Warrant Exercise Price Reduced

As discussed in Note 6 of the accompanying Notes to Consolidated Financial Statements, the outstanding warrants to purchase up to an aggregate of 3,720,500 shares of our common stock we issued and sold in February 2018 include price-based anti-dilution provisions. Under the terms of those warrants, subject to certain limited exceptions, their exercise price will be reduced each time we issue or sell any securities for a consideration per share less than a price equal to the exercise price of those warrants in effect immediately prior to such issuance or sale. If we issue shares of our common stock for cash, the consideration received therefor will be deemed to be the net amount of consideration we received therefor. As of immediately prior to the initial closing of the April 2019 underwritten public offering, the exercise price of the warrants was $3.00 per share. The net amount of consideration we received for shares issued and sold at the initial closing was $0.98 per share. On April 11, 2019, in accordance with the anti-dilution provision of the warrants and as a result of the sale of such shares, the exercise price of the warrants was automatically reduced to $0.98 per share.

Financial Operations Overview

Revenue

To date we have not generated any revenue and do not expect to generate any revenue for the foreseeable future. In the future, we may generate revenue from product sales, license fees, milestone and research and development payments in connection with strategic partnerships, and royalties resulting from the sales of products developed under licenses of intellectual property. Any revenue generated is expected to fluctuate from quarter to quarter as a result of the timing and amounts of any such payments. Our ability to generate product revenue will depend on the successful clinical development of our product candidates, receiving regulatory approvals to market such products and the eventual successful commercialization of product candidates. If we fail to complete the development of products candidates in a timely manner, or to receive regulatory approval for such product candidates, our ability to generate future revenue and our results of operations would be materially adversely affected.

Research and Development Expenses

Research and development expenses include research and development costs for our product candidates and transaction costs related to our acquisitions. We recognize all research and development expenses as they are incurred. Research and development expenses consist primarily of:

- expenses incurred under agreements with consultants and clinical trial sites that conduct research and development activities on our behalf;
- laboratory and vendor expenses related to the execution of clinical trials;
- contract manufacturing expenses, primarily for the production of clinical supplies;
- transaction costs related to the acquisition of technologies and related intellectual property; and
- internal costs that are associated with activities performed by our research and development organization and generally benefit multiple programs.

We expect research and development expenses to increase in the future as we invest in the development of our clinical-stage product candidates and as any other potential product candidates we may develop are advanced

into and through clinical trials in the pursuit of regulatory approvals. Such activities will require a significant increase in investment in regulatory support, clinical supplies, inventory build-up related costs, and the payment of success-based milestones. In addition, we continue to evaluate opportunities to acquire or in-license other product candidates and technologies, which may result in higher research and development expenses due to, among other factors, license fee and/or milestone payments.

Conducting clinical trials necessary to obtain regulatory approval is costly and time consuming. We may not obtain regulatory approval for any product candidate on a timely and cost-effective basis or at all. The probability of success of our product candidates may be affected by numerous factors, including clinical results and data, competition, intellectual property rights, manufacturing capability and commercial viability. As a result, we cannot accurately determine the duration and completion costs of development projects or when and to what extent we will generate revenue from the commercialization of any of our product candidates.

General and Administrative Expense

General and administrative expenses consist of personnel costs, facility expenses, expenses for outside professional services, including legal, audit and accounting services. Personnel costs consist of salaries, benefits and stock-based compensation. Facility expenses consist of rent and other related costs. We expect to incur additional expenses because of additional costs associated with being a public company, including expenses related to compliance with SEC and Nasdaq rules and regulations, additional insurance, investor relations, and other administrative expenses and professional services.

Critical Accounting Policies and Significant Judgments and Estimates

Management's discussion and analysis of financial condition and results of operations is based on our interim consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States, or GAAP. Preparing these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities and expenses. On an ongoing basis, we evaluate these estimates and judgments. We base our estimates on historical experience and on various assumptions we believe to be reasonable under the circumstances. These estimates and assumptions form the basis for making judgments about the carrying values of assets and liabilities and the recording of expenses that are not readily apparent from other sources. Actual results may differ materially from these estimates. For a description of critical accounting policies that affect our significant judgments and estimates used in the preparation of our unaudited consolidated interim financial statements, refer to Item 7 in Management's Discussion and Analysis of Financial Condition and Results of Operations and Note 1 to our financial statements contained in our 2018 10-K and Note 3 to our unaudited interim consolidated financial statements contained in this report.

Results of Operations

Comparison of Three Months Ended March 31, 2019 and 2018 (Unaudited)

The following table summarizes our results for the periods indicated, together with the changes in those items in dollars:

	Three months ended March 31,		Dollar
	2019	2018	Change
Operating expenses:			
General and administrative expense	$ 1,277,180	$ 1,303,189	$ (26,009)
Research and development expenses	1,693,391	1,086,653	606,738
License expenses	112,500	100,000	12,500
Impairment of goodwill	—	5,187,519	(5,187,519)
Total operating expenses	3,083,071	7,677,361	(4,594,290)
Loss from operations	(3,083,071)	(7,677,361)	4,594,290
Other income	31,231	11,744	19,487
Net loss	(3,051,840)	(7,665,617)	4,613,777
Other comprehensive loss:			
Foreign currency translation adjustments	7,621	(13,746)	21,367
Comprehensive loss	$ (3,044,219)	$ (7,679,363)	$ 4,635,144

Revenues

We did not recognize any revenues for either of the three months ended March 31, 2019 or 2018.

General and administrative expenses

The decrease of $26,009 in general and administrative expenses for the three months ended March 31, 2019 as compared to the three months ended March 31, 2018 was primarily attributable to (i) a decrease of approximately $311,800 in legal and professional services as the result of no fundraising activities in the current period as compared to the same period of the prior year, (ii) an increase in personnel costs of approximately $239,800 reflecting the hiring of additional employees which resulted in higher salary, benefit and bonus expenses in the current period, and (iii) an increase in stock-based compensation expense of $64,141 due to stock options granted in the current period compared to the same period of the prior year.

Research and development expenses

The increase of $606,738 in research and development expenses for the three months ended March 31, 2019 as compared to the three months ended March 31, 2018 was primarily attributable to (i) an increase in costs related to development activities of approximately $389,000 for Ovaprene and Sildenafil Cream, 3.6%, and to a lesser extent, DARE-BV1 and DARE-HRT1, offset by grant funding recorded as a reduction to research and development expense related to Ovaprene of approximately $161,007, (ii) an increase in personnel costs of approximately $346,000 due to increased salary, benefit and bonus expenses due to staff additions, and (iii) an increase in stock-based compensation expense of $21,628 due to stock options granted in the current period and none being granted during the same period of the prior year.

License expenses

The license expense of $112,500 for the three months ended March 31, 2019 related to the accrual of deferred license fees due under the Assignment Agreement with Hammock Pharmaceuticals, Inc. and the First Amendment to License Agreement with TriLogic Pharma, LLC and MilanaPharm LLC. We accrued $62,500 and $50,000 during the quarter with respect to, respectively, the $250,000 of license fees payable under the Assignment Agreement and the $200,000 of license fees payable under the First Amendment to License Agreement, both of which are payable, at the latest, in December 2019. In our discretion, we may both of these license fees either in cash or with shares of our common stock. The license expense of $100,000 for the three months ended March 31, 2018 was entirely related to fees paid to Strategic Science and Technologies-D, LLC and Strategic Science Technologies, LLC. For further discussion, see Note 8, "Commitments and Contingencies" of the Notes to the Interim Consolidated Financial Statements (Unaudited).

Goodwill impairment expense

We incurred an impairment loss of $5,187,519 for the three months ended March 31, 2018 due to our determination that the carrying amount of our goodwill exceeded its estimated fair value at March 31, 2018. For a discussion of our goodwill analysis, see Note 4, "Acquisitions," of the Notes to the Interim Consolidated Financial Statements (Unaudited).

Other income

The increase of $19,487 in other income for the three months ended March 31, 2019 as compared to the three months ended March 31, 2018 was primarily due to interest earned on cash balances in the current period.

Liquidity and Capital Resources and Financial Condition

We prepared the accompanying consolidated financial statements on a going concern basis, which assumes that we will realize our assets and satisfy our liabilities in the normal course of business. For the three months ended March 31, 2019, we incurred a net loss from operations of $3.1 million. In addition, we have a history of losses from operations, we expect negative cash flows from our operations to continue for the foreseeable future, and we expect that our net losses will continue for at least the next several years as we develop our existing product candidates and seek to acquire, license or develop additional product candidates.

At March 31, 2019, our accumulated deficit was approximately $32.0 million, our cash and cash equivalents were approximately $3.5 million and working capital was approximately $3.2 million. We also had negative cash flow from operations of approximately $3.3 million during the three months ended March 31, 2019. From our underwritten public offering that closed in April 2019, we received gross proceeds of approximately $5.8 million and net proceeds of approximately $5.2 million after deducting underwriting discounts and offering expenses. Considering our current cash resources, we believe our existing resources will be sufficient to fund planned operations into the first quarter of 2020. For the foreseeable future, our ability to continue our operations will depend upon our ability to obtain additional capital.

These circumstances raise substantial doubt about our ability to continue as a going concern. The accompanying interim consolidated financial statements do not include any adjustments to reflect the possible future effects on the recoverability and reclassification of assets or the amounts and classifications of liabilities that may result from the outcome of the uncertainty of our ability to remain a going concern.

Plan of Operations and Future Funding Requirements

Our primary uses of capital are, and we expect will continue to be, staff-related expenses, the cost of clinical trials and regulatory activities related to our product candidates, costs associated with contract manufacturing services and third-party clinical research and development services, payments due under license agreements upon the successful achievement of milestones of our product candidates, legal expenses, other regulatory expenses and general overhead costs.

We expect our expenses to increase in 2019 primarily in connection with the continuation of the Ovaprene PCT clinical trial and study readout by year end 2019, the initiation of a Phase 3 clinical trial of DARE-BV1, the continuation of Phase 2b-related activities and potential commencement of the at-home Phase 2b clinical study of Sildenafil Cream, 3.6%, the initiation of a Phase 1 clinical study of DARE-HRT1, and to a lesser extent, efforts to advance our pre-clinical portfolio candidates.

To date, we have not obtained any regulatory approvals for any of our product candidates, commercialized any of our product candidates or generated any product revenue, and we cannot anticipate if, and when we will generate any revenue. We have devoted significant resources to acquiring our portfolio of product candidates and to research and development activities for our product candidates. We must obtain regulatory approvals to sell any of our products in the future. We will need to generate sufficient safety and efficacy data on our product candidates for them to be attractive assets for potential strategic partners to license or for pharmaceutical companies to acquire, and for us to generate cash and other license fees related to such product candidates.

Based on our current operating plan estimates, we do not have sufficient cash to satisfy our working capital needs and other liquidity requirements over at least the next 12 months from the date of issuance of the accompanying interim consolidated financial statements.

We will need to raise substantial additional capital to continue to fund our operations and to successfully execute our current operating plan, including the development of our current product candidates. We are currently evaluating a variety of capital raising options, including financings, government or other grant funding, collaborations and strategic alliances or other similar types of arrangements to cover our operating expenses, including the development of our product candidates and any future product candidates we may license or otherwise acquire. The amount and timing of our capital needs have been and will continue to depend highly on many factors, including the product development programs we choose to pursue and the pace and results of our clinical development efforts. If we raise capital through collaborations, strategic alliances or other similar types of arrangements, we may have to relinquish, on

terms that are not favorable to us, rights to some of our technologies or product candidates we would otherwise seek to develop or commercialize. There can be no assurance that capital will be available when needed or that, if available, it will be obtained on terms favorable to us and our stockholders. In addition, equity or debt financings may have a dilutive effect on the holdings of our existing stockholders. If we cannot raise capital when needed, on favorable terms or at all, we will not be able to continue development of our product candidates, will need to reevaluate our planned operations and may need to delay, scale back or eliminate some or all of our development programs, reduce expenses, file for bankruptcy, reorganize, merge with another entity, or cease operations. If we become unable to continue as a going concern, we may have to liquidate our assets, and might realize significantly less than the values at which they are carried on our financial statements, and stockholders may lose all or part of their investment in our common stock. See "ITEM 1A. RISK FACTORS—Risks Related to Our Business—*We will need to raise additional capital to continue our operations*," in our 2018 10-K.

Cash Flows

The following table shows a summary of our cash flows for the periods indicated:

	Three months ended March 31,	
	2019	**2018**
Net cash used in operating activities	(3,308,484)	(2,118,887)
Net cash provided by financing activities	—	10,197,813
Effect of exchange rate changes on cash and cash equivalents	7,621	(13,746)
Net increase (decrease) in cash	$ (3,300,863)	$ 8,065,180

Net cash used in operating activities

Cash used in operating activities for the three months ended March 31, 2019 included the net loss of $3,051,840, decreased by non-cash stock-based compensation expense of $97,968. Major components reducing operating cash in this period were a $201,129 increase in prepaid expenses, a $135,676 increase in other receivables, and a $134,087 decrease of accounts payable. Components providing operating cash in this period were a $59,478 increase of accrued expenses and a $55,233 increase in other non-current assets and deferred charges.

Cash used in operating activities for the three months ended March 31, 2018 included the net loss of $7,665,617, decreased by non-cash impairment of goodwill of $5,187,519, and non-cash stock-based compensation expense of $9,124. Major components reducing operating cash in this period were a $40,340 decrease of accounts payable and a $118,707 decrease in accrued expenses. Major components providing operating cash were a $255,318 decrease in other receivables and $193,495 decrease in other current assets.

Net cash provided by financing activities

No cash was provided by financing activities for the three months ended March 31, 2019.

Cash provided by financing activities for the three months ended March 31, 2018 consisted of proceeds from the underwritten public offering completed in February 2018 and sales under the at-the-market offering agreement completed in January and February 2018.

License and Royalty Agreements

We have to make various royalty and milestone payments under the product license and development agreements related to our three clinical-stage assets, DARE-BV1, Ovaprene, and Sildenafil Cream, 3.6%, and under the other agreements related to our preclinical candidates. For further discussion of these potential payments, see Note 8, "Commitments and Contingencies," of the Notes to the Interim Consolidated Financial Statements (Unaudited).

Other Contracts

We enter into contracts in the normal course of business with various third parties for research studies, clinical trials, testing and other services. These contracts generally provide for termination upon notice, and we do not believe that our non-cancelable obligations under these agreements are material.

Off-Balance Sheet Arrangements

We did not have during the periods presented, and we do not currently have, any off-balance sheet arrangements, as defined under applicable SEC rules.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Under SEC rules and regulations, as a smaller reporting company we are not required to provide the information required by this item.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as defined in Rule 13a-15(e) of the Exchange Act) that are designed to provide reasonable assurance that information required to be disclosed in our Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognized that any controls and procedures, no matter how well designed and operated, can only provide reasonable assurance of achieving the desired control objectives, and in reaching a reasonable level of assurance, management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Based on an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures (as defined in Rule 13a-15(e) of the Exchange Act) were effective as of March 31, 2019 at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

There was no change in our internal control over financial reporting identified in connection with the evaluation required by Rules 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the fiscal quarter to which this report relates that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

From time to time, we may become involved in various claims and legal proceedings. Regardless of outcome, litigation and other legal and administrative proceedings can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors. There are no material pending legal proceedings, other than ordinary routine litigation incidental to our business, to which we are a party or of which any of our property is in the subject.

Item 1A. Risk Factors

An investment in shares of our common stock involves a high degree of risk. You should carefully consider the risks and uncertainties described in our 2018 10-K, in addition to other information in this report, before investing in our common stock. The occurrence of any of these risks could have a material adverse effect on our business, financial condition, results of operations and growth prospects. In these circumstances, the market price of our common stock could decline, and you may lose all or part of your investment. There have been no material changes from the risk factors disclosed in Part I, Item 1A. Risk Factors in our 2018 10-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

(a) None.
(b) None.
(c) None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

(a) None.
(b) None.

Item 6. Exhibits

Exhibit Number	Description of Exhibit	Incorporated by Reference				Filed Herewith
		Form	File No.	Filing Date	Exhibit No.	
31.1	Certification of principal executive officer pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as amended					X
31.2	Certification of principal financial officer pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as amended					X
32.1	Certification of principal executive officer pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					#
32.2	Certification of principal financial officer pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					#
101.INS	XBRL Instance Document					X
101.SCH	XBRL Taxonomy Extension Schema Document					X
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document					X
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document					X
101.LAB	XBRL Taxonomy Extension Label Linkbase Document					X
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document					X

Furnished herewith. This certification is being furnished solely to accompany this report pursuant to 18 U.S.C. § 1350, and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated herein by reference into any filing of the registrant whether made before or after the date hereof, regardless of any general incorporation in such filing.

Signatures

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Daré Bioscience, Inc.

Date: May 14, 2019 By: /s/ Sabrina Martucci Johnson

Sabrina Martucci Johnson
President and Chief Executive Officer
(Principal Executive Officer)

Date: May 14, 2019 By: /s/ Lisa Walters-Hoffert

Lisa Walters-Hoffert
Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 31.1

CERTIFICATIONS

I, Sabrina Martucci Johnson, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Daré Bioscience, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 14, 2019

/s/ Sabrina Martucci Johnson

Sabrina Martucci Johnson
President and Chief Executive Officer
(principal executive officer)

Exhibit 31.2

CERTIFICATIONS

I, Lisa Walters-Hoffert, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Daré Bioscience, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 14, 2019

/s/ Lisa Walters-Hoffert

Lisa Walters-Hoffert
Chief Financial Officer
(principal financial officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Daré Bioscience, Inc. (the "Company") for the fiscal quarter ended March 31, 2019, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Sabrina Martucci Johnson, President and Chief Executive Officer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, that, to her knowledge on the date hereof:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 14, 2019

/s/ Sabrina Martucci Johnson

Sabrina Martucci Johnson
President and Chief Executive Officer
(principal executive officer)

Exhibit 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Daré Bioscience, Inc. (the "Company") for the fiscal quarter ended March 31, 2019, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Lisa Walters-Hoffert, Chief Financial Officer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, that, to her knowledge on the date hereof:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 14, 2019

/s/ Lisa Walters-Hoffert

Lisa Walters-Hoffert
Chief Financial Officer
(principal financial officer)