

Ampio Pharmaceuticals, Inc.
Instructions for Filing
Form 8937
Report of Organizational Actions Affecting Basis of Securities

Filing with the Internal Revenue Service:

The original application should be signed (using full name and title) and dated by an authorized officer of the corporation.

The original form should be filed on or before February 18, 2016 with the following:

Department of the Treasury
Internal Revenue Service
Ogden, UT 84201-0054

To document the timely filing of your form, we suggest that you obtain and retain proof of mailing. Proof of mailing can be accomplished by sending the form by registered or certified mail (metered by the U.S. Postal Service) or through the use of an IRS approved delivery method provided by an IRS designated private delivery service.

Notification to Shareholders:

You must give a copy of Form 8937 to each security holder of record as of the date of the organizational action and all subsequent holders of record up to the date you give the copy of Form 8937. If you record the security on your books in the name of a nominee, you must give the copy of Form 8937 to the nominee in lieu of the holder. However, if you, your agent, or a plan you operate is listed as the nominee, you must give the copy of Form 8937 to the holder.

Or:

You are considered to have given a copy of Form 8937 to all holders and nominees if you post a completed Form 8937 to your primary public website.

You are not required to file Form 8937 with the IRS if, by the due date, you post a completed and signed Form 8937 in a readily accessible format in an area of your primary public website dedicated to this purpose and you keep it accessible to the public on this website or the primary website of any successor organization for 10 years.

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name Ampio Pharmaceuticals, Inc.		2 Issuer's employer identification number (EIN) 26-0179592	
3 Name of contact for additional information Gregory A. Gould, CFO	4 Telephone No. of contact 720-437-6500	5 Email address of contact ggould@ampiopharma.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 373 Inverness Parkway, Suite 200		7 City, town, or post office, state, and Zip code of contact Englewood, CO 80112	
8 Date of action January 4, 2016		9 Classification and description Ampio Common Stock	
10 CUSIP number 03209T109	11 Serial number(s)	12 Ticker symbol AMPE	13 Account number(s)

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ Ampio Pharmaceuticals, Inc. ("Ampio") distributed 10,399,661 shares of Aytu Bioscience, Inc. ("Aytu") (EIN: 47-0883144) (Ticker: AYTU) stock on or about January 4, 2016. Ampio distributed one share of Aytu common stock for every five shares of Ampio common stock held by an Ampio stockholder.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ The amount of non-taxable return of capital reported on the attached schedule represents a reduction in the shareholders' tax basis in their Ampio shares held in the amount of \$0.154 per share of Ampio Common Stock. No portion of the distribution is a dividend.

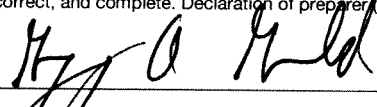
16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ The tax basis of the shareholders' Ampio shares for which these distributions were received is decreased per share by the amount of non-taxable return of capital on the attached schedule. This amount was determined based on the trading price of Aytu common stock on January 5, 2016. The total basis reduction equals the per share amount multiplied by the corresponding number of Ampio shares held on the record date.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ Pursuant to IRC Section 301(c)(2), the portion of a distribution that is not a dividend shall be applied against and reduce the adjusted tax basis of the stock. No portion of the distribution was a dividend because Ampio does not believe it has current or accumulated earnings and profits as determined under IRC Section 316 through the end of the 2016 taxable year.

18 Can any resulting loss be recognized? ▶ No loss can be recognized by the shareholders for the non-taxable return of capital distribution received.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ This organizational action is reportable with respect to tax year 2016. The information will also be provided on the shareholders' 2016 Form 1099-DIV, Box 3.

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.				
	Signature ▶		Date ▶	2/8/16	
Paid Preparer Use Only	Print your name ▶	Gregory A. Gould		Title ▶	Chief Financial Officer
	Print/Type preparer's name	Craig R. Choun	Preparer's signature	Date	2/5/2016
	Firm's name ▶	EKS&H LLLP		Check <input type="checkbox"/> if self-employed	PTIN P00173718
	Firm's address ▶	7979 E. Tufts Avenue, Suite 400, Denver, CO 80237		Firm's EIN ▶	46-1497033
				Phone no.	303-740-9400

ATTACHMENT TO FORM 8937
“REPORT OF ORGANIZATIONAL ACTIONS AFFECTING BASIS OF SECURITIES”

Part II, Items 14, 15, and 16

Record Date	Distribution Date	Per Share Distribution	Per Share Taxable Dividend	Per Share Non-taxable Return of Capital
December 1, 2015	On or about January 4, 2016	\$ 0.1540	\$ -	\$ 0.1540

The Ampio per share amounts above have been determined based upon the ratio of 1 share of Aytu stock distributed for 5 shares of Ampio stock held when the Aytu stock had a price of \$0.77 per share on January 5, 2016.