
United States
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
Form 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2022

or

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

For the transition period from _____ to _____

Commission File Number: 000-23661

ROCKWELL MEDICAL, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

30142 S. Wixom Road, Wixom, Michigan

(Address of principal executive offices)

38-3317208

(I.R.S. Employer
Identification No.)

48393

(Zip Code)

(248) 960-9009

(Registrant's telephone number, including area 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 No

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 No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an 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	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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

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

Securities registered pursuant to Section 12(b) of the Act:

Title of each class:	Trading Symbol	Name of each exchange on which registered:
Common Stock, par value \$0.0001	RMTI	Nasdaq Capital Market

The number of shares of common stock outstanding as of August 12, 2022 was 10,675,193.

Rockwell Medical, Inc. and Subsidiaries
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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

ROCKWELL MEDICAL, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Dollars In Thousands)

	June 30, 2022	December 31, 2021
	(Unaudited)	
ASSETS		
Cash and Cash Equivalents	\$ 30,780	\$ 13,280
Investments Available-for-Sale	—	9,158
Accounts Receivable, net	8,090	5,913
Inventory, net	5,171	4,076
Prepaid and Other Current Assets	3,204	2,861
Total Current Assets	47,245	35,288
Property and Equipment, net	2,289	2,486
Inventory, Non-Current	1,481	1,523
Right of Use Assets, net	6,671	7,737
Goodwill	921	921
Other Non-Current Assets	509	619
Total Assets	\$ 59,116	\$ 48,574
LIABILITIES AND STOCKHOLDERS' EQUITY		
Accounts Payable	\$ 2,942	\$ 3,739
Accrued Liabilities	4,660	5,090
Lease Liability - Current	1,935	2,004
Deferred License Revenue - Current	2,169	2,171
Term Loan - Net of Issuance Costs	5,131	7,381
Insurance Financing Note Payable	1,509	437
Customer Deposits	189	144
Total Current Liabilities	18,535	20,966
Lease Liability - Long-Term	4,947	5,887
Term Loan, Net of Issuance Costs	10,370	13,186
Deferred License Revenue - Long-Term	5,105	5,986
Long Term Liability - Other	14	14
Total Liabilities	38,971	46,039
Stockholders' Equity:		
Preferred Stock, \$0.0001 par value, 2,000,000 shares authorized; 15,000 and nil shares issued and outstanding at June 30, 2022 and December 31, 2021	—	—
Common Stock, \$0.0001 par value; 170,000,000 shares authorized; 9,407,296 and 8,544,225 shares issued and outstanding at June 30, 2022 and December 31, 2021	1	1
Additional Paid-in Capital	402,304	372,562
Accumulated Deficit	(382,209)	(370,080)
Accumulated Other Comprehensive Income	49	52
Total Stockholders' Equity	20,145	2,535
Total Liabilities and Stockholders' Equity	\$ 59,116	\$ 48,574

The accompanying notes are an integral part of the condensed consolidated financial statements.

ROCKWELL MEDICAL, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In Thousands, Except Shares and Per Share Amounts)

	Three Months Ended June 30, 2022	Three Months Ended June 30, 2021	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021
Net Sales	\$ 18,682	\$ 15,137	\$ 34,806	\$ 30,611
Cost of Sales	16,937	15,399	33,846	30,471
Gross (Loss) Profit	1,745	(262)	960	140
Research and Product Development	926	2,416	2,494	4,224
Selling and Marketing	526	1,468	981	3,319
General and Administrative	4,775	3,677	8,592	7,602
Operating Loss	(4,482)	(7,823)	(11,107)	(15,005)
Other (Expense) Income				
Realized Gain on Investments	—	(1)	4	(1)
Interest Expense	(485)	(583)	(1,021)	(1,164)
Interest Income	—	7	(4)	18
Total Other Expense	(485)	(577)	(1,021)	(1,147)
Net Loss	\$ (4,967)	\$ (8,400)	\$ (12,128)	\$ (16,152)
Basic and Diluted Net Loss per Share	\$ (0.56)	\$ (0.99)	\$ (1.40)	\$ (1.90)
Basic and Diluted Weighted Average Shares Outstanding	8,805,190	8,518,499	8,675,428	8,513,417

The accompanying notes are an integral part of the condensed consolidated financial statements.

ROCKWELL MEDICAL, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(In Thousands)

	Three Months Ended June 30, 2022	Three Months Ended June 30, 2021	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021
Net Loss	\$ (4,967)	\$ (8,400)	\$ (12,128)	\$ (16,152)
Unrealized Gain (Loss) on Available-for-Sale Debt Instrument Investments	—	(1)	—	(8)
Foreign Currency Translation Adjustments	(2)	—	(3)	3
Comprehensive Loss	<u>\$ (4,969)</u>	<u>\$ (8,401)</u>	<u>\$ (12,131)</u>	<u>\$ (16,157)</u>

The accompanying notes are an integral part of the condensed consolidated financial statements.

ROCKWELL MEDICAL, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(Dollars in Thousands)

	PREFERRED STOCK		COMMON STOCK		ADDITIONAL PAID-IN CAPITAL	ACCUMULATED DEFICIT	ACCUMULATED OTHER COMPREHENSIVE INCOME	TOTAL STOCKHOLDERS' (DEFICIT)
	SHARES	AMOUNT	SHARES	AMOUNT				
Balance as of January 1, 2022	—	\$ —	8,544,225	\$ 1	\$ 372,562	\$ (370,080)	\$ 52	\$ 2,535
Net Loss	—	—	—	—	—	(7,162)	—	(7,162)
Foreign Currency Translation Adjustments	—	—	—	—	—	—	(1)	(1)
Stock-based Compensation	—	—	—	—	(179)	—	—	(179)
Balance as of March 31, 2022	—	\$ —	8,544,225	\$ 1	\$ 372,383	\$ (377,242)	\$ 51	\$ (4,807)
Net Loss	—	—	—	—	—	(4,967)	—	(4,967)
Foreign Currency Translation Adjustments	—	—	—	—	—	—	(2)	(2)
Issuance of common stock, net of offering costs/Public Offering	—	—	844,613	—	14,893	—	—	14,893
Issuance of common stock, net of offering costs/At-the- Market Offering	—	—	7,500	—	15	—	—	15
Issuance of preferred stock, net of offering costs	15,000	—	—	—	14,916	—	—	14,916
Vesting of Restricted Stock Units Issued, net of taxes withheld	—	—	10,958	—	—	—	—	—
Stock-based Compensation and modification expense	—	—	—	—	97	—	—	97
Balance as of June 30, 2022	15,000	\$ —	9,407,296	\$ 1	\$ 402,304	\$ (382,209)	\$ 49	\$ 20,145

The accompanying notes are an integral part of the condensed consolidated financial statements.

ROCKWELL MEDICAL, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(Dollars in Thousands)

	PREFERRED STOCK		COMMON STOCK		ADDITIONAL PAID-IN CAPITAL	ACCUMULATED DEFICIT	ACCUMULATED OTHER COMPREHENSIVE INCOME	TOTAL STOCKHOLDERS' EQUITY
	SHARES	AMOUNT	SHARES	AMOUNT				
Balance as of January 1, 2021	—	\$ —	8,506,651	\$ 1	\$ 371,518	\$ (337,406)	\$ 57	\$ 34,170
Net Loss	—	—	—	—	—	(7,752)	—	(7,752)
Unrealized Loss on Available-for- Sale Investments	—	—	—	—	—	—	(7)	(7)
Foreign Currency Translation Adjustments	—	—	—	—	—	—	3	3
Stock-based Compensation	—	—	2,396	—	(236)	—	—	(236)
Balance as of March 31, 2021	—	\$ —	8,509,047	\$ 1	\$ 371,282	\$ (345,158)	\$ 53	\$ 26,178
Net Loss	—	—	—	—	—	(8,400)	—	(8,400)
Unrealized Loss on Available-for- Sale Investments	—	—	—	—	—	—	(1)	(1)
Vesting of Restricted Stock Units Issued, net of taxes withheld	—	—	19,260	—	(7)	—	—	(7)
Stock-based Compensation	—	—	—	—	433	—	—	433
Balance as of June 30, 2021	—	\$ —	8,528,307	\$ 1	\$ 371,708	\$ (353,558)	\$ 52	\$ 18,203

The accompanying notes are an integral part of the condensed consolidated financial statements.

ROCKWELL MEDICAL, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Dollars in Thousands)

For the six months ended June 30, 2022 and 2021

	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021
Cash Flows From Operating Activities:		
Net Loss	\$ (12,128)	\$ (16,152)
Adjustments To Reconcile Net Loss To Net Cash Used In Operating Activities:		
Depreciation and Amortization	279	385
Stock-based Compensation	(82)	197
Increase in Inventory Reserves	10	89
Amortization of Right of Use Asset	1,027	857
Amortization of Debt Financing Costs and Accretion of Debt Discount	184	184
(Gain) Loss on Disposal of Assets	(2)	8
Realized (Gain) Loss on Sale of Investments Available-for-Sale	(4)	1
Foreign Currency Translation Adjustment	(3)	3
Changes in Assets and Liabilities:		
Increase in Accounts Receivable, net	(2,177)	(1,186)
Increase in Inventory	(1,063)	(799)
Decrease in Prepaid and Other Assets	1,275	1,293
(Decrease) Increase in Accounts Payable	(797)	777
Decrease in Lease Liability	(969)	(839)
Decrease in Other Liabilities	(385)	(1,163)
Decrease in Deferred License Revenue	(883)	(1,088)
Changes in Assets and Liabilities	(4,999)	(3,005)
Cash Used In Operating Activities	(15,718)	(17,433)
Cash Flows From Investing Activities:		
Purchase of Investments Available-for-Sale	(2,810)	(13,765)
Sale of Investments Available-for-Sale	11,972	15,181
Purchase of Equipment	(80)	(281)
Cash Provided By Investing Activities	9,082	1,135
Cash Flows From Financing Activities:		
Payments on Debt	(5,250)	—
Payments on Short Term Note Payable	(439)	—
Proceeds from the Issuance of Common Stock	15,016	—
Offering Costs from the Issuance of Common Stock	(106)	—
Proceeds from the Issuance of Preferred Shares	15,000	—
Offering Costs from the Issuance of Preferred Stock	(85)	—
Repurchase of Common Stock to Pay Employee Withholding Taxes	—	(6)
Cash Provided by (Used In) Financing Activities	24,136	(6)
Increase (Decrease) in Cash and Cash Equivalents	17,500	(16,304)
Cash and Cash Equivalents at Beginning of Period	13,280	48,682
Cash and Cash Equivalents at End of Period	\$ 30,780	\$ 32,378
Supplemental Disclosure of Cash Flow Information:		
Cash Paid for Interest	\$ 998	\$ 982
Supplemental Disclosure of Noncash Investing and Financing Activities:		
Change in Unrealized Loss on Marketable Securities Available-for-Sale	\$ —	\$ (7)

The accompanying notes are an integral part of the condensed consolidated financial statements.



ROCKWELL MEDICAL, INC. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements
(Unaudited)

1. Description of Business

Rockwell Medical, Inc. ("Rockwell Medical," "Rockwell," or the "Company") is a commercial healthcare company focused on providing life-sustaining products for patients suffering from blood disorders and diseases associated with the kidney. Rockwell is a revenue-generating business and the second largest supplier of acid and bicarbonate concentrates for dialysis patients in the United States. Hemodialysis is the most common form of end-stage renal disease treatment and is usually performed at a freestanding outpatient dialysis center, at a hospital-based outpatient center, or at the patient's home.

We manufacture our hemodialysis concentrates under cGMP regulations at our three facilities in Michigan, Texas, and South Carolina totaling approximately 175,000 square feet, from which we deliver these products to dialysis clinics throughout the United States with our own delivery fleet as well as third parties. We also manufacture mixers that are used by clinics in our Iowa facility. Rockwell has developed a core expertise in manufacturing and delivering hemodialysis concentrates, and has built a longstanding reputation for reliability, quality, and excellent customer service.

Rockwell commercializes Triferic in the United States, an FDA-approved treatment indicated for the replacement of iron to maintain hemoglobin in adult patients with hemodialysis-dependent chronic kidney disease. Rockwell also has a number of partnerships with companies seeking to develop and commercialize Triferic outside the United States. Rockwell is working closely with these partners to progress these programs.

We have an emerging portfolio of drug development candidates we are pursuing. Rockwell is developing a next-generation, proprietary parenteral iron technology platform, Ferric Pyrophosphate Citrate ("FPC"). We believe our FPC platform has several advantages over other parenteral iron therapies by immediately providing bioavailable iron for critical body processes once it is administered. Rockwell is moving product candidates derived from this platform into the clinic to treat iron-deficiency anemia in the home infusion setting and for acute heart failure.

Together, with our dedicated employees and deep expertise in manufacturing and logistics and pharmaceutical development and commercialization. Rockwell is well-positioned to realize sustainable business growth and support our mission to provide life-sustaining products for patients suffering from blood disorders and diseases associated with the kidney.

ROCKWELL MEDICAL, INC. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements
(Unaudited)

2. Liquidity and Capital Resources

As of June 30, 2022, Rockwell had approximately \$30.8 million of cash and cash equivalents and working capital of \$28.7 million. Net cash used in operating activities for the six months ended June 30, 2022 was approximately \$15.7 million. Based on the currently available working capital and capital raises described below, management believes the Company currently has sufficient funds to meet its operating requirements for at least the next twelve months from the date of the filing of this report.

On April 6, 2022, the Company and DaVita, Inc. ("DaVita") entered into an amendment (the "Amendment") to the Products Purchase Agreement, dated July 1, 2019, under which the Company supplies DaVita with certain dialysis concentrates. Under the Amendment, the Company and DaVita agreed to certain price increases, effective May 1, 2022, as well as the pass-through of certain inflationary costs, determined on a quarterly basis. Certain costs are subject to a cap. The Amendment also requires the Company to implement certain cost containment and cost-cutting measures. The Amendment contains certain covenants with respect to the Company's ongoing operations, including a minimum cash covenant of \$10 million, or we will be in default under the Products Purchase Agreement. An event of default could result in termination of that agreement.

On April 6, 2022, the Company and DaVita entered into a Securities Purchase Agreement (the "SPA"), pursuant to which the Company issued \$15 million of preferred stock to DaVita in two separate tranches. The Company initially issued 7,500 shares of a newly designated series of preferred stock, which is designated "Series X Convertible Preferred Stock" (the "Series X Preferred Stock") for gross proceeds of \$7.5 million. On June 15, 2022, the Company issued to DaVita an additional 7,500 shares of Series X Preferred Stock in a second closing (the "Second Tranche") for an additional \$7.5 million. The Second Tranche was conditioned upon the Company raising an additional \$15 million in capital within a certain timeline, which took place on June 2, 2022.

On April 8, 2022, the Company entered into a sales agreement (the "Sales Agreement") with Cantor Fitzgerald & Co. (the "Agent"), pursuant to which the Company may offer and sell from time to time up to \$12,200,000 of shares of Company's common stock through the Agent. The offering and sale of such shares has been registered under the Securities Act of 1933, as amended (the "Securities Act"), pursuant to the Company's Registration Statement on Form S-3 (File No. 333-259923) (the "Registration Statement"), which was originally filed with the Securities and Exchange Commission ("SEC") on September 30, 2021 and declared effective by the SEC on October 8, 2021, the base prospectus contained within the Registration Statement, and a prospectus supplement that was filed with the SEC on April 8, 2022. As of June 30, 2022, the Company sold 7,500 shares of its common stock pursuant to the Sales Agreement for gross proceeds of \$15,135, at a weighted average selling price of approximately \$2.02. The Company paid \$378 in commissions and offering fees. Approximately \$12.2 million remains available for sale under the ATM facility.

On May 30, 2022, the Company entered into a Securities Purchase Agreement (the "RD Purchase Agreement") with the purchaser named therein (the "Purchaser"), pursuant to which the Company agreed to issue and sell, in a registered direct offering (the "Offering"), 844,613 shares of its common stock at price of \$1.39 per share, and prefunded warrants to purchase up to an aggregate of 7,788,480 shares of common stock (the "Pre-Funded Warrants" and the shares of common stock underlying the Pre-Funded Warrants, the "Warrant Shares"). The purchase price of each Pre-Funded Warrant was equal to the price at which a share of common stock was sold to the public in the Offering, minus \$0.0001, and the exercise price of each Pre-Funded Warrant is \$0.0001 per share.

Also on May 30, 2022, concurrently with the Offering, the Company entered into a Securities Purchase Agreement with the Purchaser (the "PIPE Purchase Agreement") relating to the offering and sale (the "Private Placement") of warrants to purchase up to a total of 9,900,990 shares of common stock and pre-funded warrants to purchase up to a total of 1,267,897 shares of common stock (the "PIPE Warrants"). Each warrant was sold at a price of \$0.125 per underlying warrant share and is exercisable at an exercise price of \$1.39 per share. The purchase price of each Pre-Funded Warrant was equal to the price at which a share of common stock was sold to the public in the Offering, minus \$0.0001, and the exercise price of each prefunded warrant is \$0.0001 per share. The Offering and the Private Placement closed on June 2, 2022. The net proceeds to the Company from the Offering and the Private Placement were approximately \$14.9 million, after deducting fees and expenses.

The Company expects it will require additional capital to sustain its operations and make the investments it needs to execute its strategic plan in developing FPC for iron deficiency anemia in patients undergoing home infusion and for progressing our pipeline development program of new indications for our FPC platform. If the Company attempts to obtain additional debt or equity financing, the Company cannot assume such financing will be available on favorable terms, if at all.

Currently, because the Company's public float is less than \$75 million, we are subject to the baby shelf limitations under our current registration statement on Form S-3, which limit the amount we may offer under our Form S-3. This could limit our ability to raise capital under this registration statement.

As previously reported, on June 11, 2021, the Company received written notice (the "Notification Letter") from the Nasdaq Stock Market ("Nasdaq") notifying the Company it is not in compliance with the minimum bid price requirements set forth in Nasdaq Listing Rule 5450(a)(1) for continued listing on the Nasdaq Global Market. Nasdaq Listing Rule 5450(a)(1) requires listed securities maintain a minimum closing bid price of \$1.00 per share, and Nasdaq Listing Rule 5810(c)(3)(A) provides that a failure to meet the minimum closing bid price requirement exists if the deficiency continues for a period of 30 consecutive business days. Based on the closing bid price of the Company's common stock for the 30 consecutive business days prior to the date of the Notification Letter, the Company did not meet the minimum closing bid price requirement. The Notification Letter provided for 180 calendar days, or until December 8, 2021, for the Company to regain compliance with Nasdaq Listing Rule 5450(a)(1). To regain compliance, the closing bid price of the Company's common stock must be at least \$1.00 per share for a minimum of 10 consecutive business days at any time prior to December 8, 2021. The Company was not able to meet the minimum compliance requirements set forth by Nasdaq by December 8, 2021.

On December 9, 2021, the Company received a written notice from Nasdaq indicating the Company's application to transfer its listing venue from The Nasdaq Global Market to The Nasdaq Capital Market for its common stock had been approved. The Company's common stock commenced trading on The Nasdaq Capital Market at the opening of business on December 10, 2021 under the symbol "RMTI."

Also on December 9, 2021, the Company received written notice that Nasdaq has determined the Company was eligible for an additional 180-day extension, or until June 6, 2022, to regain compliance with the minimum bid price requirements set forth in Nasdaq Listing Rule 5550(a)(2) for continued

listing on The Nasdaq Capital Market. To regain compliance, the closing bid price of the Company's common stock must be at least \$1.00 per share for a minimum of 10 consecutive business days at any time prior to June 6, 2022. On May 13, 2022, the Company effected a reverse stock split and on May 31, 2022 Nasdaq notified the Company it had regained compliance with the minimum bid price requirement (see Note 3 for further detail).

In addition, the Company is subject to certain covenants and cure provisions under its Loan Agreement with Innovatus. As of the date of this report, the Company is in compliance with all covenants (See Note 14 for further detail).

The COVID-19 pandemic and resulting domestic and global disruptions, particularly in the supply chain and labor market, among other areas, have adversely affected our business and operations, including, but not limited to, our sales and marketing efforts and our research and development activities, our plant and transportation operations and the operations of third parties upon whom we rely. The Company's international business development activities may also continue to be negatively impacted by COVID-19.

The COVID-19 pandemic and the resulting global disruptions and recent inflationary pressures have caused significant volatility in financial and credit markets. Rockwell has utilized a range of financing methods to fund its operations in the past; however, current conditions in the financial and credit markets may limit the availability of funding, refinancing or increase the cost of funding. Due to the rapidly evolving nature of the global situation, it is not possible to predict the extent to which these conditions could adversely affect the Company's liquidity and capital resources in the future.

ROCKWELL MEDICAL, INC. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements
(Unaudited)

3. Basis of Presentation, Summary of Significant Accounting Policies and Recent Accounting Pronouncements

The accompanying condensed consolidated financial statements have been prepared in accordance with the accounting principles generally accepted in the United States of America (“U.S. GAAP”) for interim financial information and pursuant to the instructions to Form 10-Q and Rule 10-01 of Regulation S-X of the U. S. Securities and Exchange Commission (“SEC”) and on the same basis as the Company prepares its annual audited consolidated financial statements.

The condensed consolidated balance sheet at June 30, 2022, condensed consolidated statements of operations for the three and six months ended June 30, 2022 and 2021, condensed consolidated statements of comprehensive loss for the three and six months ended June 30, 2022 and 2021, condensed consolidated statement of changes in stockholders' equity for the three and six months ended June 30, 2022 and 2021, and condensed consolidated statements of cash flows for the six months ended June 30, 2022 and 2021 are unaudited, but include all adjustments, consisting of normal recurring adjustments, the Company considers necessary for a fair presentation of the financial position, operating results and cash flows for the periods presented. The results for the three and six months ended June 30, 2022 are not necessarily indicative of results to be expected for the year ending December 31, 2022 or for any future interim period. The condensed consolidated balance sheet at December 31, 2021 has been derived from audited financial statements, however, it does not include all of the information and notes required by U.S. GAAP for complete financial statements. The accompanying condensed consolidated financial statements should be read in conjunction with the audited financial statements for the year ended December 31, 2021 and notes thereto included in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2021 as filed with the SEC on April 8, 2022. The Company’s consolidated subsidiaries consisted of its wholly-owned subsidiaries, Rockwell Transportation, Inc. and Rockwell Medical India Private Limited.

The accompanying condensed consolidated interim financial statements include the accounts of the Company and its subsidiaries. All material intercompany balances and transactions have been eliminated in consolidation.

Reverse Stock Split

On May 9, 2022, the stockholders of the Company authorized our Board of Directors to effect a reverse stock split of all outstanding shares of common stock. The Board of Directors subsequently approved the implementation of a reverse stock split as a ratio of one-for-eleven shares, which became effective on May 13, 2022. The Company’s outstanding stock options were also adjusted to reflect the one-for-eleven reverse stock split of the Company’s common stock. Outstanding stock options were proportionately reduced and the respective exercise prices, if applicable, were proportionately increased. The reverse stock split resulted in an adjustment to the Series X convertible preferred stock conversion prices to reflect a proportional decrease in the number of shares of common stock to be issued upon conversion. All share and per share data in these condensed consolidated financial statements and related notes hereto have been retroactively adjusted to account for the effect of the reverse stock split for the three and six month periods ended June 30, 2022 and 2021, respectively, and the balance sheet at June 30, 2022 and December 31, 2021.

Use of Estimates

The preparation of the condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that may affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual results could differ from those estimates.

Leases

The Company accounts for its leases under Accounting Standards Codification (“ASC”) 842, *Leases*. Under this guidance, arrangements meeting the definition of a lease are classified as operating or financing leases and are recorded on the consolidated balance sheet as both a right-of-use asset and lease liability, calculated by discounting fixed lease payments over the lease term at the rate implicit in the lease or the Company’s incremental borrowing rate. Lease liabilities are increased by interest and reduced by payments each period, and the right-of-use asset is amortized over the lease term. For operating leases, interest on the lease liability and the amortization of the right-of-use asset result in straight-line rent expense over the lease term. Variable lease expenses, if any, are recorded when incurred.

In calculating the right-of-use asset and lease liability, the Company elects to combine lease and non-lease components. The Company excludes short-term leases having initial terms of 12 months or less from the new guidance as an accounting policy election and recognizes rent expense on a straight-line basis over the lease term.

Loss Per Share

ASC 260, *Earnings Per Share*, requires dual presentation of basic and diluted earnings per share (“EPS”), with a reconciliation of the numerator and denominator of the basic EPS computation to the numerator and denominator of the diluted EPS computation. Basic EPS excludes dilution. Diluted EPS reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock or resulted in the issuance of common stock that are then sharing in the earnings of the entity.

Basic net loss per share is calculated by dividing the net loss attributable to common stockholders by the weighted average number of common shares outstanding for the period, without consideration for common stock equivalents. Diluted net loss per share is calculated by dividing the net loss attributable to common stockholders by the weighted-average number of common shares outstanding plus the effect of dilutive potential common shares outstanding during the period determined using the treasury-stock and if-converted methods. For purposes of the diluted net loss per share calculation, common stock warrants, unvested restricted stock units and stock options are considered to be potentially dilutive securities but are excluded from the calculation of diluted net loss per share because their effect would be anti-dilutive, and therefore, basic and diluted net loss per share were the same for all periods presented.

The following table sets forth the outstanding potentially dilutive securities that have been excluded from the calculation of diluted net loss per share for the six months ended June 30, 2022 and 2021, respectively, because to do so would be anti-dilutive (in common equivalent shares):

	As of June 30,	
	2022	2021
Options to purchase common stock	423,317	551,891
Unvested restricted stock awards	891	7,118
Unvested restricted stock units	125,000	31,146
Preferred stock conversion to common stock	1,363,636	—
Warrants to purchase common stock	21,359,809	2,402,442
Total	23,272,653	2,992,597

Adoption of Recent Accounting Pronouncements

The Company continually assesses new accounting pronouncements to determine their applicability. When it is determined a new accounting pronouncement affects the Company's financial reporting, the Company undertakes a review to determine the consequences of the change to its consolidated financial statements and assures there are sufficient controls in place to ascertain the Company's consolidated financial statements properly reflect the change.

In August 2020, the FASB issued ASU No. 2020-06, "Debt—Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging—Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity", which simplifies the accounting for convertible instruments by eliminating the requirement to separate embedded conversion features from the host contract when the conversion features are not required to be accounted for as derivatives under Topic 815, Derivatives and Hedging, or do not result in substantial premiums accounted for as paid-in capital. By removing the separation model, a convertible debt instrument will be reported as a single liability instrument with no separate accounting for embedded conversion features. This new standard also removes certain settlement conditions required for contracts to qualify for equity classification and simplifies the diluted earnings per share calculations by requiring an entity use the if-converted method and the effect of potential share settlement be included in diluted earnings per share calculations. This new standard will be effective for the Company for fiscal years beginning after December 15, 2023, including interim periods within those fiscal years. Early adoption is permitted, but no earlier than fiscal years beginning after December 15, 2020. The Company is currently assessing the impact of adopting this standard on the consolidated financial statements.

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4. Revenue Recognition

The Company recognizes revenue under ASC 606, *Revenue from Contracts with Customers*. The core principle of the new revenue standard is that a company should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. The following five steps are applied to achieve that core principle:

- Step 1: Identify the contract with the customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognize revenue when the company satisfies a performance obligation

Taxes assessed by a governmental authority that are both imposed on and concurrent with a specific revenue-producing transaction, that are collected by us from a customer, are excluded from revenue.

Shipping and handling costs associated with outbound freight related to contracts with customers are accounted for as a fulfillment cost and are included in cost of sales when control of the goods transfers to the customer.

Nature of goods and services

The following is a description of principal activities from which the Company generates its revenue.

Product sales –The Company accounts for individual products and services separately if they are distinct (i.e., if a product or service is separately identifiable from other items and if a customer can benefit from it on its own or with other resources that are readily available to the customer). The consideration, including any discounts, is allocated between separate products and services based on their stand-alone selling prices. The stand-alone selling prices are determined based on the cost plus margin approach.

Drug and dialysis concentrate products are sold directly to dialysis clinics and to wholesale distributors in both domestic and international markets. Distribution and license agreements for which upfront fees are received are evaluated upon execution or modification of the agreement to determine if the agreement creates a separate performance obligation from the underlying product sales. For all existing distribution and license agreements, the distribution and license agreement is not a distinct performance obligation from the product sales. In instances where regulatory approval of the product has not been established and the Company does not have sufficient experience with the foreign regulatory body to conclude regulatory approval is probable, the revenue for the performance obligation is recognized over the term of the license agreement (over time recognition). Conversely, when regulatory approval already exists or is probable, revenue is recognized at the point in time control of the product transfers to the customer.

The Company received upfront fees under five distribution and license agreements that have been deferred as a contract liability. The amounts received from Wanbang Biopharmaceuticals Co., Ltd. (“Wanbang”), Sun Pharmaceutical Industries Ltd. (“Sun Pharma”), Jeil Pharmaceutical Co., Ltd. (“Jeil Pharma”) and Drogosan Pharmaceuticals (“Drogosan Pharma”) are recognized as revenue over the estimated term of the applicable distribution and license agreement as regulatory approval was not received and the Company did not have sufficient experience in China, India, South Korea and Turkey, respectively, to determine regulatory approval was probable as of the execution of the agreement. The amounts received from Baxter Healthcare Corporation (“Baxter”) are recognized as revenue at the point in time the estimated product sales under the agreement occur.

For the business under the Company’s Distribution Agreement with Baxter (the “Baxter Agreement”) and for the majority of the Company’s international customers, the Company recognizes revenue at the shipping point, which is generally the Company’s plant or warehouse. For other business, the Company recognizes revenue based on when the customer takes control of the product. The amount of revenue recognized is based on the purchase order less returns and adjusted for any rebates, discounts, chargebacks or other amounts paid to customers. There were no such adjustments for the periods reported. Customers typically pay for the product based on customary business practices with payment terms averaging 30 days, while distributor payment terms average 45 days.

Disaggregation of revenue

Revenue is disaggregated by primary geographical market, major product line, and timing of revenue recognition.

In thousands of U.S. dollars (\$)	Three Months Ended June 30, 2022			Six Months Ended June 30, 2022		
	Total	U.S.	Rest of World	Total	U.S.	Rest of World
Products By Geographic Area						
Drug Revenues						
Product Sales – Point-in-time	\$ 482	\$ 209	\$ 273	\$ 641	\$ 368	\$ 273
License Fee – Over time	65	—	65	127	—	127
Total Drug Products	547	209	338	768	368	400
Concentrate Products						
Product Sales – Point-in-time	17,655	15,906	1,749	33,082	29,715	3,367
License Fee – Over time	480	480	—	956	956	—
Total Concentrate Products	18,135	16,386	1,749	34,038	30,671	3,367
Net Revenue	\$ 18,682	\$ 16,595	\$ 2,087	\$ 34,806	\$ 31,039	\$ 3,767

In thousands of U.S. dollars (\$)

Products By Geographic Area	Three Months Ended June 30, 2021			Six Months Ended June 30, 2021		
	Total	U.S.	Rest of World	Total	U.S.	Rest of World
Drug Revenues						
Product Sales – Point-in-time	\$ 215	\$ 215	\$ —	\$ 439	\$ 439	\$ —
License Fee – Over time	58	—	58	117	—	117
Total Drug Products	273	215	58	556	439	117
Concentrate Products						
Product Sales – Point-in-time	14,379	13,026	1,353	29,084	26,227	2,857
License Fee – Over time	485	485	—	971	971	—
Total Concentrate Products	14,864	13,511	1,353	30,055	27,198	2,857
Net Revenue	\$ 15,137	\$ 13,726	\$ 1,411	\$ 30,611	\$ 27,637	\$ 2,974

Contract balances

The following table provides information about receivables, contract assets, and contract liabilities from contracts with customers.

In thousands of U.S. dollars (\$)

	June 30, 2022	December 31, 2021
Receivables, which are included in "Trade and other receivables"	\$ 8,090	\$ 5,913
Contract liabilities	\$ 7,274	\$ 8,157

There were no impairment losses recognized related to any receivables arising from the Company's contracts with customers for the three and six months ended June 30, 2022 and 2021.

For the three and six months ended June 30, 2022 and June 30, 2021, the Company did not recognize any material bad-debt expense. There were no material contract assets recorded on the condensed consolidated balance sheet as of June 30, 2022 and December 31, 2021. The Company does not generally accept returns of its concentrate products and no material reserve for returns of concentrate products was established as of June 30, 2022 or December 31, 2021.

The contract liabilities primarily relate to upfront payments and consideration received from customers that are received in advance of the customer assuming control of the related products

Transaction price allocated to remaining performance obligations

For the three and six months ended June 30, 2022, revenue recognized from performance obligations related to prior periods was not material.

Revenue expected to be recognized in any future year related to remaining performance obligations, excluding revenue pertaining to contracts that have an original expected duration of one year or less, contracts where revenue is recognized as invoiced, and contracts with variable consideration related to undelivered performance obligations, totaled \$7.3 million as of June 30, 2022. The amount relates primarily to upfront payments and consideration received from customers in advance of the customer assuming control of the related products. The Company applies the practical expedient in paragraph 606-10-50-14 and does not disclose information about remaining performance obligations having original expected durations of one year or less. The Baxter Agreement includes minimum commitments of product sales over the duration of the agreement. Unfulfilled minimum commitments related to the Baxter Agreement are product sales of \$4.3 million as of June 30, 2022, which is amortized ratably through expiration of the Baxter Agreement on October 2, 2024.

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5. Investments - Available-for-Sale

As of June 30, 2022, all investment available-for-sale securities have been liquidated.

Investments available-for-sale consisted of the following as of December 31, 2021 (table in thousands):

	December 31, 2021				Fair Value
	Amortized Cost	Unrealized Gain	Unrealized Loss	Accrued Interest	
Available-for-Sale Securities					
Bonds	\$ 9,143	\$ 1	\$ —	\$ 14	\$ 9,158

The fair value of investments available-for-sale are determined using quoted market prices from daily exchange-traded markets based on the closing price as of the balance sheet date and are classified as a Level 1 measurement under ASC 820 *Fair Value Measurements*.

As of December 31, 2021, the amortized cost and estimated fair value of our available-for-sale securities were due within one year.

6. Inventory

Components of inventory, net of reserves, as of June 30, 2022 and December 31, 2021 are as follows (table in thousands):

	June 30, 2022	December 31, 2021
Raw Materials	\$ 4,377	\$ 3,434
Work in Process	285	201
Finished Goods	1,990	1,964
Total	\$ 6,652	\$ 5,599

As of June 30, 2022, the Company classified \$1.5 million of inventory as non-current, all of which was related to TRIFERIC® or the active pharmaceutical ingredient and raw materials for TRIFERIC®. As of June 30, 2022, the total TRIFERIC® inventory net of reserve was \$1.5 million.

The \$1.5 million net value of TRIFERIC® inventory consisted of \$0.3 million of TRIFERIC® (dialysate) finished goods with expiration dates ranging from July 2022 to December 2023, \$0.4 million of TRIFERIC® API with an estimated useful life extending through 2023, and \$0.9 million of raw materials for TRIFERIC® with an estimated useful life of 25 years.

7. Property and Equipment

As of June 30, 2022 and December 31, 2021, the Company's property and equipment consisted of the following (table in thousands):

	June 30, 2022	December 31, 2021
Leasehold Improvements	\$ 1,250	\$ 1,204
Machinery and Equipment	5,874	5,864
Information Technology & Office Equipment	1,845	1,845
Laboratory Equipment	660	676
	9,629	9,589
Accumulated Depreciation	(7,340)	(7,103)
Property and Equipment, net	\$ 2,289	\$ 2,486

Depreciation expense for three months ended June 30, 2022 and 2021 was \$0.1 million and \$0.2 million, respectively. Depreciation expense for six months end June 30, 2022 and 2021 was \$0.3 million and \$0.4 million, respectively.

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8. Accrued Liabilities

Accrued liabilities as of June 30, 2022 and December 31, 2021 consisted of the following (table in thousands):

	June 30, 2022	December 31, 2021
Accrued Research & Development Expense	\$ 110	\$ 366
Accrued Compensation and Benefits	2,439	1,791
Accrued Unvouchered Receipts	385	796
Accrued Workers Compensation	172	382
Other Accrued Liabilities	1,554	1,755
Total Accrued Liabilities	<u>\$ 4,660</u>	<u>\$ 5,090</u>

9. Deferred Revenue

In October 2014, the Company entered into the Baxter Agreement, which has a term of 10 years and received an upfront fee of \$20 million. The upfront fee was recorded as deferred revenue and is being recognized based on the proportion of product shipments to Baxter in each period, compared with total expected sales volume over the term of the Distribution Agreement. The Company recognized revenue of approximately \$0.5 million and \$1.0 million for each of the three and six months ended June 30, 2022 and 2021, respectively. Deferred revenue related to the Baxter Agreement totaled \$4.3 million as of June 30, 2022 and \$5.2 million as of December 31, 2021.

In 2016, the Company entered into a distribution agreement with Wanbang (the "Wanbang Agreement") and received an upfront fee of \$4.0 million. The upfront fee was recorded as deferred revenue and is being recognized as revenue based on the agreement term. The Company recognized revenue of approximately \$0.1 million during each of the three and six months ended June 30, 2022 and 2021. Deferred revenue related to the Wanbang Agreement totaled \$2.4 million as of June 30, 2022 and \$2.5 million as of December 31, 2021.

In January 2020, the Company entered into license and supply agreements with Sun Pharma (the "Sun Pharma Agreements"), for the rights to commercialize TRIFERIC[®] (dialysate) (ferric pyrophosphate citrate) in India. In consideration for the license, the Company received an upfront fee of \$0.1 million. The upfront fee was recorded as deferred revenue and is being recognized as revenue based on the agreement term. The Company recognized revenue of approximately \$2,500 and \$5,000 for each of the three and six months ended June 30, 2022 and 2021, respectively. Deferred revenue related to the Sun Pharma Agreement totaled \$75,000 and \$80,000 as of June 30, 2022 and December 31, 2021, respectively.

In September 2020, the Company entered into a license and supply agreements with Jeil Pharma (the "Jeil Pharma Agreements"), for the rights to commercialize TRIFERIC[®] (dialysate) (ferric pyrophosphate citrate) in South Korea. In consideration for the license, the Company received an upfront fee of \$0.2 million. In May 2022, Jeil Pharma obtained regulatory approval in South Korea and paid the Company \$0.2 million in consideration of reaching the milestone. The upfront fee and milestone payments were recorded as deferred revenue and are being recognized as revenue based on the agreement term. The Company recognized revenue of \$2,500 and \$7,800 for the three and six months ended June 30, 2022, respectively, and \$2,500 and \$5,000 for the three and six months ended June 30, 2021, respectively. Deferred revenue related to the Jeil Pharma Agreement totaled approximately \$0.4 million and \$0.2 million as of June 30, 2022 and December 31, 2021 respectively.

In June 2021, the Company entered into license and supply agreements with Drogosan Pharma (the "Drogosan Agreements"), for the rights to commercialize TRIFERIC[®] (dialysate) and TRIFERIC[®] AVNU in Turkey. In consideration for the license, the Company received an upfront fee of \$0.15 million. The upfront fee was recorded as deferred revenue and will be recognized as revenue based on the agreement term. The Company recognized revenue of \$3,750 and \$7,500 for the three and six months ended June 30, 2022 and 2021, respectively. Deferred revenue related to the Drogosan Agreements totaled approximately \$0.14 million as of each of June 30, 2022 and December 31, 2021.

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10. Stockholders' Equity

Reverse Stock Split

On May 9, 2022, the stockholders of the Company authorized our Board of Directors to effect a reverse stock split of all outstanding shares of common stock. The Board of Directors subsequently approved the implementation of a reverse stock split as a ratio of one-for-eleven shares, which became effective on May 13, 2022. The Company's outstanding stock options were also adjusted to reflect the one-for-eleven reverse stock split of the Company's common stock. Outstanding stock options were proportionately reduced and the respective exercise prices, if applicable, were proportionately increased.

Preferred Stock

On April 6, 2022, the Company and DaVita entered into the SPA, which provided for the issuance by the Company of up to \$15 million of preferred stock to DaVita. On April 6, 2022, the Company issued 7,500 shares of Series X Preferred Stock for gross proceeds of \$7.5 million. On June 2, 2022, the Company met the conditions for the Second Tranche through a Registered Direct and Private Placement Offering by raising \$15 million in additional capital. As a result, on June 16, 2022 the Company issued an additional 7,500 shares of the Series X Preferred Stock to DaVita for gross proceeds of \$7.5 million.

The Series X Preferred Stock was issued for a price of \$1,000 per share (the "Face Amount"), subject to accretion at a rate of 1% per annum, compounded annually. If the Company's common stock trades above \$22.00 for a period of 30 calendar days, the accretion will thereafter cease.

The Series X Convertible Preferred Stock is convertible to common stock at rate equal to the Face Amount, divided by a conversion price of \$11.00 per share (subject to adjustment for future stock splits, reverse stock splits and similar recapitalization events). As a result, each share of Series X Preferred Stock will initially convert into approximately 91 shares of common stock. DaVita's right to convert to common stock is subject to a beneficial ownership limitation, which is initially set at 9.9% of the outstanding common stock, which limitation may be reset (not to exceed 19.9%) at DaVita's option and upon providing prior written notice to the Company. In addition, any debt financing is limited by the terms of our Securities Purchase Agreement with DaVita. Specifically, until DaVita owns less than 50% of its investment, the Company may only incur additional debt in the form of a purchase money loan, a working capital line of up to \$5 million or to refinance existing debt, unless DaVita consents.

Additionally, the Series X Preferred Stock has a deemed liquidation event and redemption clause which could be triggered if the sale of all or substantially all of the Company's assets relating to the Company's dialysis concentrates business line. Since the Series X Preferred Stock may be redeemed if certain assets are sold at the option of the holder, but is not mandatorily redeemable, the preferred stock has been classified as permanent equity and initially recognized at fair value of \$15 million (the proceeds on the date of issuance) less issuance costs of \$0.1 million, resulting in an initial value of \$14.9 million. The Company will assess at each reporting period whether conditions have changed to now meet the mandatorily redemptive definition which could trigger liability classification.

As of June 30, 2022 and December 31, 2021, there were 2,000,000 shares of preferred stock, \$0.0001 par value per share, authorized and 15,000 and nil shares of preferred stock issued and outstanding, respectively.

Common Stock

As of June 30, 2022 and December 31, 2021, there were 170,000,000 shares of common stock, \$0.0001 par value per share, authorized and 9,407,296 and 8,544,225 shares issued and outstanding, respectively.

Controlled Equity Offering

On April 8, 2022, the Company entered into the Sales Agreement with Cantor Fitzgerald & Co. as Agent, pursuant to which the Company may offer and sell from time to time up to \$12,200,000 of shares of Company's common stock through the Agent. The offering and sale of such shares has been registered under the Securities Act of 1933, as amended, pursuant to the Company's Registration Statement on Form S-3 (File No. 333-259923) (the "Registration Statement"), which was originally filed with the SEC on September 30, 2021 and declared effective by the SEC on October 8, 2021, the base prospectus contained within the Registration Statement, and a prospectus supplement that was filed with the SEC on April 8, 2022.

In May 2022, the Company sold 7,500 shares of its common stock pursuant to the Sales Agreement for gross proceeds of \$15,135, at a weighted average selling price of approximately \$2.02. The Company paid \$378 in commissions and offering fees related to the sale of shares of common stock.

Under the RD Purchase Agreement and the PIPE Purchase Agreement discussed below, the Company has agreed not to make any sales under any at-the-market offering facility, including pursuant to the Sales Agreement, until at least January 1, 2023 (or until such later time when the Company is permitted to make additional sales under Instruction I.B.6 to Form S-3).

Registered Direct Offering

On May 30, 2022, the Company entered into the RD Purchase Agreement with the Purchaser named therein, pursuant to which the Company agreed to issue and sell, in a registered direct offering (the "Offering"), 844,613 shares of its common stock at price of \$1.39 per share, and pre-funded warrants to purchase up to an aggregate of 7,788,480 shares of common stock (the "Pre-Funded Warrants" and the shares of common stock underlying the Pre-Funded Warrants, the "Warrant Shares"). The purchase price of each Pre-Funded Warrant is equal to the price at which a share of common stock was sold to the public in the Offering, minus \$0.0001, and the exercise price of each Pre-Funded Warrant is \$0.0001 per share.

A holder (together with its affiliates) may not exercise any portion of the Pre-Funded Warrants to the extent the holder would own more than 9.99% of the Company's outstanding common stock immediately after exercise, as such percentage ownership is determined in accordance with the terms

of the Pre-Funded Warrant. The RD Purchase Agreement contains customary representations and warranties and agreements of the Company and the Purchaser and customary indemnification rights and obligations of the parties.

Private Placement

Also on May 30, 2022, concurrently with the Offering, the Company entered into the PIPE Purchase Agreement relating to the offering and sale (the “Private Placement”) of warrants to purchase up to a total of 9,900,990 shares of common stock and pre-funded warrants to purchase up to a total of 1,267,897 shares of common stock (the “PIPE Warrants”). Each warrant was sold at a price of \$0.125 per underlying warrant share and is exercisable at an exercise price of \$1.39 per share. The purchase price of each Pre-Funded Warrant was equal to the price at which a share of common stock was sold to the public in the Offering, minus \$0.0001, and the exercise price of each prefunded warrant is \$0.0001 per share.

In connection with the Private Placement, the Company entered into a Registration Rights Agreement with the Purchaser, dated as of June 2, 2022 (the “RRA”). Pursuant to the RRA, the Company was required to prepare and file a registration statement with the SEC no later than July 1, 2022, and to use its reasonable best efforts to have the registration statement declared effective as promptly as possible, subject to certain specified penalties if timely effectiveness is not achieved. The Company filed a registration statement on June 22, 2022 which became effective on July 5, 2022.

The Offering and the Private Placement closed on June 2, 2022. The net proceeds to the Company from the Offering and the Private Placement were approximately \$14.9 million, after deducting fees and expenses. Subject to certain ownership limitations, the PIPE Warrants are exercisable upon issuance.

The Company has accounted for the common stock related to the Offering and Private Placement as equity on the accompanying consolidated balance sheets as of June 30, 2022. The amount allocated to common stock was \$2.0 million. This allocation is equal to the total proceeds of \$15.0 million less the amount allocated to Warrants of \$12.9 million and is also net of the direct and incremental costs associated with the Offering and Private Placement of \$0.1 million. The Black-Scholes pricing model was used to calculate the value of Warrants relating to the Offering and Private Placement.

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11. Stock-Based Compensation

The Company recognized total stock-based compensation expense during the three and six months ended June 30, 2022 and 2021 as follows (table in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Service-based awards:				
Restricted stock units	\$ 26	\$ 78	\$ 37	\$ 182
Stock option awards	72	344	272	735
	98	422	309	917
Performance-based awards:				
Restricted stock awards	—	—	(391)	(390)
Stock option awards	—	11	—	(330)
	—	11	(391)	(720)
Total	\$ 98	\$ 433	\$ (82)	\$ 197

Performance Based Restricted Stock

A summary of the Company's restricted stock awards during the six months ended June 30, 2022 is as follows:

	Number of Shares	Weighted Average Grant-Date Fair Value
Unvested at January 1, 2022	7,118	\$ 62.70
Forfeited	(6,227)	\$ 62.70
Unvested at June 30, 2022	891	\$ 62.70

A summary of the Company's restricted stock awards during the six months ended June 30, 2021 is as follows:

	Number of Shares	Weighted Average Grant-Date Fair Value
Unvested at January 1, 2021	13,345	\$ 62.70
Forfeited	(6,227)	\$ 62.70
Unvested at June 30, 2021	7,118	\$ 62.70

The fair value of restricted stock awards are measured based on their fair value on the date of grant and amortized over the vesting period of 20 months. As of June 30, 2022, unvested restricted stock awards of 891 were related to performance-based awards. The forfeited performance-based restricted stock awards of 6,227 was due to the resignation of the Company's Chief Development Officer on March 25, 2022. These forfeited awards reduced stock-based compensation expense by \$0.4 million. As of June 30, 2021, unvested restricted stock awards of 7,118 were related to performance-based awards. The forfeited performance-based restricted stock awards of 6,227 was due to the termination of the Company's former Chief Science Officer on January 19, 2021. These forfeited awards reduced stock-based compensation expense by \$0.4 million.

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Service-Based Restricted Stock Units

A summary of the Company's service-based restricted stock units during the six months ended June 30, 2022 is as follows:

	Number of Shares	Weighted Average Grant-Date Fair Value
Unvested at January 1, 2022	29,289	\$ 12.87
Granted	125,000	1.47
Vested	(23,515)	11.33
Forfeited	(5,774)	19.00
Unvested at June 30, 2022	125,000	\$ 1.47

A summary of the Company's service-based restricted stock units during the six months ended June 30, 2021 is as follows:

	Number of Shares	Weighted Average Grant-Date Fair Value
Unvested at January 1, 2021	24,136	\$ 28.60
Granted	28,186	9.90
Vested	(1,042)	52.91
Forfeited	(20,134)	26.18
Unvested at June 30, 2021	31,146	\$ 12.87

The fair value of service based restricted stock units are measured based on their fair value on the date of grant and amortized over the vesting period. The vesting periods range from 1 to 3 years. Stock-based compensation expense of \$25,554 and \$37,417 was recognized for the three and six months ended June 30, 2022, respectively. Stock-based compensation expense of \$0.1 million and \$0.2 million was recognized for the three and six months ended June 30, 2021, respectively. As of June 30, 2022, the unrecognized stock-based compensation expense was \$0.1 million, which is expected to be recognized over an estimated weighted average remaining term of less than 1 year.

Service-Based Stock Options

The fair value of the service-based stock options granted for the six months ended June 30, 2022 were based on the following assumptions:

	June 30, 2022
Exercise price	\$4.12
Expected stock price volatility	76.2%
Risk-free interest rate	1.98%
Term (years)	6.5

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A summary of the Company's service-based stock option activity for the six months ended June 30, 2022 is as follows:

	Shares Underlying Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding at January 1, 2022	528,591	\$ 32.01	7.5	\$ —
Granted	909	4.07	9.5	—
Forfeited	(24,488)	15.00	—	—
Expired	(81,695)	83.32	—	—
Outstanding at June 30, 2022	<u>423,317</u>	<u>\$ 23.03</u>	<u>7.8</u>	<u>\$ —</u>
Exercisable at June 30, 2022	<u>227,412</u>	<u>\$ 31.19</u>	<u>7.2</u>	<u>\$ —</u>

A summary of the Company's service-based stock option activity for the six months ended June 30, 2021 is as follows:

	Shares Underlying Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding at January 1, 2021	519,814	\$ 50.05	6.6	\$ —
Granted	138,378	10.56	6.0	—
Forfeited	(25,251)	27.72	—	—
Expired	(115,141)	80.85	—	—
Outstanding at June 30, 2021	<u>517,800</u>	<u>\$ 33.77</u>	<u>7.8</u>	<u>\$ 5,000</u>
Exercisable at June 30, 2021	<u>217,040</u>	<u>\$ 57.75</u>	<u>5.8</u>	<u>\$ —</u>

The aggregate intrinsic value in the table above is calculated as the difference between the closing price of the Company's common stock and the exercise price of the stock options that had strike prices below the closing price.

During the six months ended June 30, 2022, the Company granted stock options to purchase up to 909 shares of common stock to certain employees. During the six months ended June 30, 2022, 24,488 shares were forfeited and 81,695 shares expired. Forfeitures are recorded in the period of occurrence; compensation expense is adjusted accordingly.

Stock-based compensation expense recognized for service-based stock options was \$0.1 million and \$0.3 million for the three and six months ended June 30, 2022, respectively. Stock-based compensation expense recognized for service-based stock options was \$0.3 million and \$0.7 million for the three and six months ended June 30, 2021, respectively. As of June 30, 2022, total stock-based compensation expense related to unvested options not yet recognized totaled approximately \$0.7 million, which is expected to be recognized over an estimated weighted average remaining term of 3.3 years.

12. Licensing Agreements

Product License Agreements

The Company is a party to a Licensing Agreement between the Company and Charak, LLC ("Charak") dated January 7, 2002 (the "2002 Agreement") that grants the Company exclusive worldwide rights to certain patents and information related to our TRIFERIC[®] product. On October 7, 2018, the Company entered into a Master Services and IP Agreement (the "Charak MSA") with Charak and Dr. Ajay Gupta, a former Officer of the Company. Pursuant to the MSA, the parties entered into three additional agreements described below related to the license of certain soluble ferric pyrophosphate ("SFP") intellectual property owned by Charak. As of June 30, 2022, the Company has accrued \$77,900 relating to certain IP reimbursement expenses and certain sublicense royalty fees and is included within accrued liabilities on the condensed consolidated balance sheet.

Pursuant to the Charak MSA, the aforementioned parties entered into an Amendment, dated as of October 7, 2018 (the "Charak Amendment"), to the 2002 Agreement, under which Charak granted the Company an exclusive, worldwide, non-transferable license to commercialize SFP for the treatment of patients with renal failure. The Charak Amendment amends the royalty payments due to Charak under the 2002 Agreement such that the Company is liable to pay Charak royalties on net sales by the Company of products developed under the license, which includes the Company's TRIFERIC[®] product, at a specified rate until December 31, 2021 and thereafter at a reduced rate from January 1, 2022 until February 1, 2034. Additionally, the Company shall pay Charak a percentage of any sublicense income during the term of the agreement, which amount shall not be less than a minimum specified percentage of net sales of the licensed products by the sublicensee in jurisdictions where there exists a valid claim, on a country-by-country basis, and be no less than a lower rate of the net sales of the licensed products by the sublicensee in jurisdictions where there exists no valid claim, on a country-by-country basis.

Also pursuant to the Charak MSA, the Company and Charak entered into a Commercialization and Technology License Agreement I.V. TRIFERIC[®], dated as of October 7, 2018 (the "IV Agreement"), under which Charak granted the Company an exclusive, sublicensable, royalty-bearing license to SFP for the purpose of commercializing certain intravenous-delivered products incorporating SFP for the treatment of iron disorders worldwide for a term that expires on the later of February 1, 2034 or upon the expiration or termination of a valid claim of a licensed patent. The Company is liable to pay Charak royalties on net sales by the Company of products developed under the license at a specified rate until December 31, 2021. From January 1, 2022 until February 1, 2034, the Company is liable to pay Charak a base royalty at a reduced rate on net sales and an additional royalty on net sales while there exists a valid claim of a licensed patent, on a country-by-country basis. The Company shall also pay to Charak a percentage of any sublicense income received during the term of the IV Agreement, which amount shall not be less than a minimum specified percentage of net sales of the licensed products by the sublicensee in jurisdictions where there exists a valid claim, on a country-by-country basis, and not be less than a lower rate of the net sales of the licensed products by the sublicensee in jurisdictions where there exists no valid claim, on a country-by-country basis.

Also pursuant to the Charak MSA, the Company and Charak entered into a Technology License Agreement TPN TRIFERIC[®], dated as of October 7, 2018 (the "TPN Agreement"), pursuant to which Charak granted the Company an exclusive, sublicensable, royalty-bearing license to SFP for the purpose of commercializing worldwide certain TPN products incorporating SFP. The license grant under the TPN Agreement continues for a term that expires on the later of February 1, 2034 or upon the expiration or termination of a valid claim of a licensed patent. During the term of the TPN Agreement, the Company is liable to pay Charak a base royalty on net sales and an additional royalty on net sales while there exists a valid claim of a licensed patent, on a country-by-country basis. The Company shall also pay to Charak a percentage of any sublicense income received during the term of the TPN Agreement, which amount shall not be less than a minimum royalty on net sales of the licensed products by the sublicensee in jurisdictions where there exists a valid claim, on a country-by-country basis, and not be less than a lower rate of the net sales of the licensed products by the sublicensee in jurisdictions where there exists no valid claim, on a country-by-country basis.

The potential milestone payments are not yet considered probable, and no milestone payments have been accrued at June 30, 2022.

ROCKWELL MEDICAL, INC. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements
(Unaudited)

13. Leases

Rockwell leases its production facilities and administrative offices as well as certain equipment used in its operations including leases on transportation equipment used in the delivery of its products. The lease terms range from monthly to six years. Rockwell occupies a 51,000 square foot facility and a 17,500 square foot facility in Wixom, Michigan under a lease expiring in August 2024. Rockwell also occupies two other manufacturing facilities, a 51,000 square foot facility in Grapevine, Texas under a lease expiring in December 2025, and a 57,000 square foot facility in Greer, South Carolina under a lease expiring February 2023. In addition, Rockwell occupied 4,100 square feet of office space in Hackensack, New Jersey under a lease expiring on October 31, 2024. This lease was subleased on December 15, 2021 with an expiration date of October 31, 2024.

At June 30, 2022, the Company had operating and finance lease liabilities of \$6.9 million and right-of-use assets of \$6.7 million, which are included in the consolidated balance sheet.

At December 31, 2021, the Company had operating lease liabilities of \$7.9 million and right-of-use assets of \$7.7 million, which are included in the consolidated balance sheet.

The following summarizes quantitative information about the Company's operating leases (table in thousands):

	Three Months Ended June 30, 2022	Three Months Ended June 30, 2021	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021
Operating leases				
Operating lease cost	\$ 431	\$ 432	\$ 880	\$ 851
Variable lease cost	92	90	187	192
Operating lease expense	523	522	1,067	1,043
Finance leases				
Amortization of right-of-use assets	141	67	282	112
Interest on lease obligations	45	20	92	33
Finance lease expense	186	87	374	145
Short-term lease rent expense	4	4	8	8
Total rent expense	\$ 713	\$ 613	\$ 1,449	\$ 1,196
Other information				
Operating cash flows from operating leases	\$ 447	\$ 428	\$ 911	\$ 853
Operating cash flows from finance leases	\$ 45	\$ 21	\$ 92	\$ 34
Financing cash flows from finance leases	\$ 119	\$ 56	\$ 237	\$ 93
Right of use assets exchanged for operating lease liabilities	\$ —	\$ 1,476	\$ —	\$ 3,371
Right of use assets exchanged for finance lease liabilities	\$ —	\$ 316	\$ —	\$ 777
Weighted-average remaining lease term – operating leases	3.2	3.5	3.2	3.5
Weighted-average remaining lease term – finance leases	4.9	5.5	4.9	5.5
Weighted-average discount rate – operating leases	6.3 %	6.2 %	6.3 %	6.2 %
Weighted-average discount rate – finance leases	6.4 %	5.5 %	6.4 %	5.5 %

Future minimum rental payments under operating lease agreements are as follows (in thousands):

	Operating	Finance
Year ending December 31, 2022 (remaining)	\$ 861	\$ 331
Year ending December 31, 2023	1,456	669
Year ending December 31, 2024	1,114	672
Year ending December 31, 2025	637	676
Year ending December 31, 2026	260	666
Remaining future payments	120	310
Total	\$ 4,448	\$ 3,324
Less present value discount	(420)	(470)
Operating and finance lease liabilities	\$ 4,028	\$ 2,854

ROCKWELL MEDICAL, INC. AND SUBSIDIARIES
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14. Loan and Security Agreement

On March 16, 2020, the Company and Rockwell Transportation, Inc., as Borrowers, entered into a Loan and Security Agreement (the "Loan Agreement") with Innovatus Life Sciences Lending Fund I, LP ("Innovatus"), as collateral agent and the lenders party thereto, pursuant to which Innovatus, as a lender, agreed to make certain term loans to the Company in the aggregate principal amount of up to \$35.0 million (the "Term Loans"). Funding of the first \$22.5 million tranche was completed on March 16, 2020. The Company is no longer eligible to draw on a second tranche of \$5.0 million or a third tranche of \$7.5 million, which were tied to the achievement of certain milestones by a specific date. Net draw down proceeds were \$21.2 million with closing costs of \$1.3 million.

In connection with each funding of the Term Loans, the Company is required to issue to Innovatus a warrant (the "Warrants") to purchase a number of shares of the Company's common stock equal to 3.5% of the principal amount of the relevant Term Loan funded divided by the exercise price, which will be based on the lower of (i) the volume weighted average closing price of the Company's stock for the 5-trading day period ending on the last trading day immediately preceding the execution of the Loan Agreement or (ii) the closing price on the last trading day immediately preceding the execution of the Loan Agreement (or for the second and third tranches only at the lower of (i) \$18.15 per share or (ii) the volume weighted average closing price of the Company's stock for the 5-trading day period ending on the last trading day immediately preceding the relevant Term Loan funding). The Warrants may be exercised on a cashless basis and are immediately exercisable through the seventh anniversary of the applicable funding date. The number of shares of common stock for which each Warrant is exercisable and the associated exercise price are subject to certain proportional adjustments as set forth in such Warrant. In connection with the first tranche of the Term Loans, the Company issued a Warrant to Innovatus, exercisable for an aggregate of 43,388 shares of the Company's common stock at an exercise price of \$18.15 per share. The Company evaluated the warrant under ASC 470, Debt, and recognized an additional debt discount of approximately \$0.5 million based on the relative fair value of the base instruments and warrants. The Company calculated the fair value of the warrant using the Black-Scholes model.

The Company is entitled to make interest-only payments for thirty months, or up to thirty-six months if certain conditions are met. The Term Loans will mature on March 16, 2025, and will bear interest at the greater of (i) Prime Rate (as defined in the Loan Agreement) and (ii) 4.75%, plus 4.00% with an initial interest rate of 8.75% per annum and an effective interest rate of 10.9%. The Company has the option, under certain circumstances, to add 1.00% of such interest rate amount to the then outstanding principal balance in lieu of paying such amount in cash. For the three months ended June 30, 2022 and 2021, interest expense amounted to \$0.4 million and \$0.6 million, respectively. For the six months ended June 30, 2022 and 2021, interest expense amounted to \$0.8 million and \$1.2 million, respectively.

The Loan Agreement is secured by all assets of the Company and Rockwell Transportation, Inc. Proceeds are used for working capital purposes. The Loan Agreement contains customary representations and warranties and covenants, subject to customary carve outs, and includes financial covenants related to liquidity and trailing twelve months sales of TRIFERIC[®], with the latter beginning with the period ending December 31, 2020. The Company cannot assure you that we can maintain compliance with the covenants under our Loan Agreement, which may result in an event of default. The Company's ability to comply with these covenants may be adversely affected by events beyond its control. For example, the Loan Agreement contains certain financial covenants relating to sales and, as a result of the ongoing COVID-19 pandemic and its effect on the Company's sales activities, among other factors, the Company may not be able to satisfy such covenants in the future. If the Company is unable to comply with the covenants under the Loan Agreement, it would pursue all available cure options in order to regain compliance. However, the Company may not be able to mutually agree with Innovatus on appropriate remedies to cure a future breach of a covenant, which could give rise to an event of default. If the Company is unable to avoid an event of default, any required repayments could have an adverse effect on its liquidity.

In September 2021, the Company entered into an amendment to the Loan Agreement in which the Company, in exchange for Innovatus lowering the sales covenants, agreed to (i) prepay an aggregate principal amount of \$7,500,000 in ten installments commencing on December 1, 2021; (ii) pay an additional prepayment premium of 5% on prepaid amounts if the Company elects to prepay all outstanding Term Loans on or before September 24, 2023 and (iii) maintain minimum liquidity of no less than \$5,000,000 if the aggregate principal amount of Term Loans is greater than \$15,000,000 pursuant to the liquidity covenant in the Loan Agreement.

On March 31, 2022, the Collateral Agent and Lenders consented to the delivery to Collateral Agent and Lenders of its annual audited financial statements for the fiscal year 2021 by April 15, 2022 as opposed to within 90 days of December 31, 2021, as required pursuant to Loan Agreement.

As of June 30, 2022, the Company was in compliance with all covenants under the Loan Agreement.

As of June 30, 2022, the outstanding balance of the Term Loan was \$15.5 million, net of unamortized issuance costs and discount of \$1.0 million.

The following table reflects the schedule of principal payments on the Term Loan as of June 30, 2022 (in thousands):

	Principal Payments	
2022	\$	2,500
2023		6,000
2024		6,000
2025		2,000
	\$	16,500

ROCKWELL MEDICAL, INC. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements
(Unaudited)

15. Insurance Financing Note Payable

On June 2, 2022, the Company entered into a short-term note payable for \$1.5 million, bearing interest at 5.40% per annum to finance various insurance policies. Principal and interest payments related to this note began on July 3, 2022 and were paid on a straight-line amortization over 9 months with the final payment due on March 3, 2023. As of June 30, 2022, the Company's insurance note payable balance was \$1.5 million.

16. Subsequent Events

On July 14, 2022, 952,897 Pre-Funded Warrants to purchase common stock pursuant the SPA entered into on May 30, 2022 were exercised. The exercise price of each Pre-Funded Warrant is \$0.0001 per share and resulted in gross proceeds of \$95.29 (See Note 10 for more detail on the SPA).

On July 14, 2022, the Company filed a Registration Statement on Form S-3 under the Securities Act of 1933 to register the shares of common stock underlying the shares of Series X Preferred Stock issued to DaVita on April 6, 2022 and June 16, 2022. The Form S-3 was declared effective by the SEC on July 22, 2022 (See Note 10 for more detail).

On August 10, 2022, 315,000 Pre-Funded Warrants to purchase common stock pursuant the SPA entered into on May 30, 2022 were exercised. The exercise price of each Pre-Funded Warrant is \$0.0001 per share and resulted in gross proceeds of \$31.50 (See Note 10 for more detail on the SPA).

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

The following discussion and analysis should be read in conjunction with our condensed consolidated financial statements and related notes in "Item 1. Condensed Consolidated Financial Statements". References in this report to "Rockwell," the "Company," "we," "our" and "us" are references to Rockwell Medical, Inc. and its subsidiaries.

Forward-Looking Statements

We make forward-looking statements in this report and may make such statements in future filings with the Securities and Exchange Commission, or SEC. We may also make forward-looking statements in our press releases or other public or shareholder communications. Our forward-looking statements are subject to risks and uncertainties and include information about our current expectations and possible or assumed future results of our operations. When we use words such as "may," "might," "will," "should," "believe," "expect," "anticipate," "estimate," "continue," "could," "plan," "potential," "predict," "forecast," "project," "intend," or similar expressions, or make statements regarding our intent, belief, or current expectations, we are making forward-looking statements. Our forward looking statements also include, without limitation, statements about our liquidity and capital resources; our ability to continue as a going concern; our ability to develop Ferric Pyrophosphate Citrate ("FPC") for other indications; our ability to successfully execute on our business strategy and development of new indications; our ability to raise additional capital; our ability to renegotiate certain terms of our supply contracts; our ability to successfully implement certain cost containment and cost-cutting measures and statements regarding our anticipated future financial condition, operating results, cash flows and business plans.

While we believe our forward-looking statements are reasonable, you should not place undue reliance on any such forward-looking statements, which are based on information available to us on the date of this report or, if made elsewhere, as of the date made. Because these forward-looking statements are based on estimates and assumptions that are subject to significant business, economic and competitive uncertainties, many of which are beyond our control or are subject to change, actual results could be materially different. Factors that might cause such a difference include, without limitation, the risks and uncertainties discussed in this report, "Item 1A — Risk Factors" in our Form 10-K for the year ended December 31, 2021 and from time to time in our other reports filed with the SEC, including in this Form 10-Q.

Other factors not currently anticipated may also materially and adversely affect our results of operations, cash flow and financial position. There can be no assurance future results will meet expectations. Forward-looking statements speak only as of the date of this report and we expressly disclaim any intent to update or alter any statements whether as a result of new information, future events or otherwise, except as may be required by applicable law.

Overview

Rockwell Medical is a commercial healthcare company focused on providing life-sustaining products for patients suffering from blood disorders and diseases associated with the kidney. Rockwell is a revenue-generating business and the second largest supplier of acid and bicarbonate concentrates for dialysis patients in the United States. Hemodialysis is the most common form of end-stage renal disease treatment and is usually performed at a freestanding outpatient dialysis center, at a hospital-based outpatient center, or at the patient's home.

We manufacture our hemodialysis concentrates under cGMP regulations at our three facilities in Michigan, Texas, and South Carolina totaling approximately 175,000 square feet, from which we deliver these products to dialysis clinics throughout the United States with our own delivery fleet as well as third parties. We also manufacture mixers that are used by clinics in our Iowa facility. Rockwell has developed a core expertise in manufacturing and delivering hemodialysis concentrates, and has built a longstanding reputation for reliability, quality, and excellent customer service.

Rockwell commercializes Triferic in the United States, an FDA-approved treatment indicated for the replacement of iron to maintain hemoglobin in adult patients with hemodialysis-dependent chronic kidney disease. Rockwell also has a number of partnerships with companies seeking to develop and commercialize Triferic outside the United States. Rockwell is working closely with these partners to progress these programs.

We have an emerging portfolio of drug development candidates we are pursuing. Rockwell is developing a next-generation, proprietary parenteral iron technology platform, Ferric Pyrophosphate Citrate ("FPC"). We believe our FPC platform has several advantages over other parenteral iron therapies by immediately providing bioavailable iron for critical

body processes once it is administered. Rockwell plans to move product candidates derived from this platform into the clinic to treat iron-deficiency anemia in the home infusion setting and for acute heart failure.

Together, with our dedicated employees and deep expertise in manufacturing and logistics and pharmaceutical development and commercialization, We believe Rockwell is well-positioned to realize sustainable business growth and support our mission to provide life-sustaining products for patients suffering from blood disorders and diseases associated with the kidney.

Strategy Overview and Portfolio Evolution

Rockwell's strategy is to accelerate the Company's growth by creating and developing pharmaceutical products based on our FPC technology for disease states where patients can benefit the most from an effective treatment for iron deficiency or iron deficiency anemia, while concurrently refining our concentrates dialysis business to drive incremental growth and efficiencies. We plan to leverage and build on the foundation provided by our current dialysis business serving kidney dialysis centers by developing a pipeline of additional potential drug therapies in multiple disease states outside of nephrology.

Concentrates Business: Rockwell is the second largest supplier of life-sustaining hemodialysis concentrate products to dialysis clinics in the United States. Our concentrate products are used to sustain patient lives by removing toxins and balancing electrolytes in a dialysis patient's bloodstream. A key element of our dialysis business strategy going forward is to improve the strength of our concentrates business. We believe that we can achieve this

by creating efficiencies, enhancing our manufacturing and transportation operations, and fully recouping manufacturing and shipping expenses to drive profitability.

To date, our concentrates business has operated at a loss. This loss has accelerated due to inflation, which has increased our manufacturing and operating costs. We undertook discussions with our largest customers to renegotiate our existing supply contracts to improve the profitability of this business line. On April 6, 2022, we amended our agreement with our long-time partner, DaVita, Inc. ("DaVita"), a leading provider of kidney care, to enable us to stabilize our concentrates business. The amended agreement provides a stronger financial arrangement which encompasses pricing, cost share, cost cutting, and joint efforts to improve supply chain, all of which is intended to drive Rockwell's concentrates business to operate profitably in the future. In addition to the amended agreement, DaVita invested \$15 million in preferred stock in two equal tranches. The first tranche of \$7.5 million was funded on April 7, 2022. The second tranche of \$7.5 million was funded on June 16, 2022. We are reviewing our entire supply chain to identify opportunities for improvement, prioritizing initiatives that will have the largest impact on long-term efficiency, profitability, and growth.

TRIFERIC®: Our first two branded products from our FPC platform, TRIFERIC® (dialysate) and TRIFERIC® AVNU (intravenous, "IV"), are used to maintain hemoglobin in patients undergoing hemodialysis. We began commercializing TRIFERIC® and TRIFERIC® AVNU in the United States in the second half of 2019 and in early 2021, respectively. In April 2021, we received marketing approval for TRIFERIC® AVNU from Health Canada for the replacement of iron to maintain hemoglobin in adult patients with hemodialysis-dependent chronic kidney disease, which is the first international regulatory approval for our intravenous therapy. In 2021, due to restrictions from the Covid pandemic and following our assessment of our strategic priorities and development strategy, we scaled back our commercial organization and began seeking a commercial partner for the United States market. We are also seeking to partner with established local and regional pharmaceutical companies for regulatory approval and commercialization in markets outside of the United States.

Our strategy for growth includes the expansion of TRIFERIC® sales outside the United States by licensing it to key partners for development and/or commercialization. Partnering in these regions allows us to better leverage the development, regulatory, commercial presence and expertise of business partners to increase sales of our products throughout the world. To date, we have established partnerships in China, India, Korea, Turkey, Peru and Chile. We continue to pursue international licensing opportunities in other countries and regions.

FPC Platform and Home Infusion: Our strategy going forward is to go beyond our foundational business in dialysis by leveraging the pre-clinical and clinical data from the development of TRIFERIC® in new therapeutic settings such as home infusion. We believe the home infusion setting represents a natural pathway to expand our FPC platform as many of the patients suffer from chronic diseases associated with the development of iron deficiency and anemia.

The number of patients served by home infusion therapy grew from approximately 800,000 in 2010 to over 3,000,000 in 2019 and is projected to accelerate in the wake of COVID-19. Many patient groups requiring home infusion therapies suffer from diseases that are associated with an incidence of iron deficiency and anemia. For example, it is estimated 40% to 55% of

all home parenteral nutrition patients are iron deficient at any time. Based on pre-clinical data and clinical data in other therapeutic settings, we believe FPC may have distinct advantages over currently available iron replacement therapy options in the home infusion setting.

In late 2021, we filed an Investigational New Drug ("IND") application with the United States Food and Drug Administration ("FDA") for the treatment of iron deficiency anemia in patients, who are receiving medications in the home infusion setting. Based on feedback received from the FDA, and subject to having sufficient working capital resources, we have made plans to launch a Phase II clinical trial in the first half of 2023 to confirm the dose and duration of FPC treatment. We would expect to have top-line data from the trial approximately 12 to 18 months following commencement of the trial. In the interim, we continue to assess our strategic priorities and rationalizing our development strategy based on risk profiles of each opportunity.

Pipeline Development: In our research and development pipeline, Rockwell is exploring FPC's impact on the treatment of hospitalized acute heart failure patients, which affects more than one million people in the United States annually. Clinical improvement in heart failure has already been demonstrated in an outpatient [chronic] setting with large macromolecular forms of intravenous iron. We believe FPC may improve cardiac energetics during hospitalization by delivering rapidly bioavailable iron to the heart. This effect could help patients recover faster potentially resulting in shorter hospital stays and fewer 30-day re-admissions. If realized, these outcomes could translate into a meaningful reduction in healthcare costs and human suffering.

Reverse Stock Split

On May 9, 2022, the stockholders of the Company authorized our Board of Directors to effect a reverse stock split of all outstanding shares of common stock, warrants and options. The Board of Directors subsequently approved the implementation of a reverse stock split as a ratio of one-for-eleven shares, which became effective on May 13, 2022. The Company's outstanding stock options were also adjusted to reflect the one-for-eleven reverse stock split of the Company's common stock. Outstanding stock options were proportionately reduced and the respective exercise prices, if applicable, were proportionately increased. The reverse stock split resulted in an adjustment to the Series X convertible preferred stock conversion prices to reflect a proportional decrease in the number of shares of common stock to be issued upon conversion. All share and per share data in these condensed consolidated financial statements and related notes hereto have been retroactively adjusted to the account for the effect of the reverse stock split for the three- and six-month periods ended June 30, 2022 and 2021, respectively, and the balance sheet at June 30, 2022 and December 31, 2021.

Results of Operations for the Three Months Ended June 30, 2022 and 2021

The following table summarizes our operating results for the periods presented below (dollars in thousands):

	For the Three Months Ended June 30,				
	2022	% of Revenue	2021	% of Revenue	% Change
Net Sales	\$ 18,682		\$ 15,137		23.4 %
Cost of Sales	16,937	90.7 %	15,399	101.7 %	10.0
Gross (Loss) Profit	1,745	9.3	(262)	(1.7)	(766.0)
Research and Product Development	926	5.0	2,416	16.0	(61.7)
Selling and Marketing	526	2.8	1,468	9.7	(64.2)
General and Administrative	4,775	25.6	3,677	24.3	29.9
Operating Loss	\$ (4,482)	(24.0)%	\$ (7,823)	(51.7)%	(42.7)%

Net Sales

During the three months ended June 30, 2022, our net sales were \$18.7 million compared to net sales of \$15.1 million during the three months ended June 30, 2021. The increase of \$3.5 million was primarily due to the restructuring of our supply contract with DaVita and increased pricing to other customers.

Gross Profit (Loss)

Cost of sales during the three months ended June 30, 2022 was \$16.9 million, resulting in gross profit of \$1.7 million during the three months ended June 30, 2022, compared to cost of sales of \$15.4 million and a gross loss of \$0.3 million during the three months ended June 30, 2021. Gross profit increased by \$2.0 million primarily due to the restructuring of our supply contract with DaVita, a slight reduction of transportation costs due to efficiency initiatives being implemented and increased pricing to other customers. As a result, the Company expects an improvement in margins for the remainder of 2022.

Research and Product Development Expense

Research and product development expenses were \$0.9 million and \$2.4 million for the three months ended June 30, 2022 and 2021, respectively. Research and product development expenses decreased by \$1.5 million due to the resignation of our Chief Development Officer and shifting our project timelines.

Selling and Marketing Expense

Selling and marketing expenses were \$0.5 million during the three months ended June 30, 2022, compared with \$1.5 million during the three months ended June 30, 2021. The decrease of \$0.9 million is due to a decrease in marketing spend for our TRIFERIC[®] products and previous headcount reduction.

General and Administrative Expense

General and administrative expenses were \$4.8 million during the three months ended June 30, 2022, compared with \$3.7 million during the three months ended June 30, 2021. The increase of \$1.1 million is due primarily to a one-time charge for the severance agreement for our former Chief Executive Officer and the accrual of estimated employee performance compensation.

Other Income (Expense)

Other income for the three months ended June 30, 2022 was negligible. Other income for the three months ended June 30, 2021 was \$7,000, consisting primarily of interest income. Other expense for the three months ended June 30, 2022 was \$0.5 million of interest expense related to our debt facility (see Note 14 to the condensed consolidated financial statements included elsewhere in this Form 10-Q for more information on our debt facility). Other expense for the three months ended June 30, 2021 was \$0.6 million of interest expense related to our debt facility.

Results of Operations for the Six Months Ended June 30, 2022 and 2021

The following table summarizes our operating results for the periods presented below (dollars in thousands):

	For the Six Months Ended June 30,				
	2022	% of Revenue	2021	% of Revenue	% Change
Net Sales	\$ 34,806		\$ 30,611		13.7 %
Cost of Sales	33,846	97.2 %	30,471	99.5 %	11.1
Gross Profit	960	2.8	140	0.5	585.7
Research and Product Development	2,494	7.2	4,224	13.8	(41.0)
Selling and Marketing	981	2.8	3,319	10.8	(70.4)
General and Administrative	8,592	24.7	7,602	24.8	13.0
Operating Loss	\$ (11,107)	(31.9)%	\$ (15,005)	(49.0)%	(26.0)%

Net Sales

During the six months ended June 30, 2022, our net sales were \$34.8 million compared to net sales of \$30.6 million during the six months ended June 30, 2021. The increase of \$4.2 million was primarily due to the restructuring of our supply contract with DaVita and increased pricing to other customers.

Gross Profit

Cost of sales during the six months ended June 30, 2022 was \$33.8 million, resulting in gross profit of \$1.0 million during the six months ended June 30, 2022, compared to cost of sales of a \$30.5 million and a gross profit of \$0.1 million during the six months ended June 30, 2021. Gross profit increased by \$0.8 million primarily due to the restructuring of our supply contract with DaVita, a slight reduction of transportation costs due to efficiency initiatives being implemented and increased pricing to other customers.

Research and Product Development Expense

Research and product development expenses were \$2.5 million for the six months ended June 30, 2022, compared with \$4.2 million during the six months ended June 30, 2021. This decrease of \$1.7 million is primarily due to the resignation of our Chief Development Officer and shifting our project timelines.

Selling and Marketing Expense

Selling and marketing expenses were \$1.0 million during the six months ended June 30, 2022, compared with \$3.3 million during the six months ended June 30, 2021. The decrease of \$2.3 million is primarily due to a decrease in marketing spend for our TRIFERIC[®] products and previous headcount reductions.

General and Administrative Expense

General and administrative expenses were \$8.6 million during the six months ended June 30, 2022, compared with \$7.6 million during the six months ended June 30, 2021. The increase of \$1.0 million is due primarily to a one-time charge related to the severance agreement for our former Chief Executive Officer and the accrual of estimated employee performance compensation.

Other Income (Expense)

Other income for the six months ended June 30, 2022 was \$4,000, consisting primarily of interest income. Other income for the six months ended June 30, 2021 was \$18,000, consisting primarily of interest income. Other expense for the six months ended June 30, 2022 was \$1.0 million of interest expense related to our debt facility (see Note 14 for more information on our debt facility). Other expense for the six months ended June 30, 2021 was \$1.2 million of interest expense related to our debt facility.

Liquidity and Capital Resources

As of June 30, 2022, we had approximately \$30.8 million of cash and cash equivalents, and working capital of \$28.7 million. Net cash used in operating activities for the six months ended June 30, 2022 was approximately \$15.7 million.

On April 6, 2022, the Company and DaVita entered into an amendment (the "Amendment") to the Products Purchase Agreement, dated July 1, 2019, under which the Company supplies DaVita with certain dialysis concentrates. Under the Amendment, the Company and DaVita agreed to certain price increases, effective May 1, 2022, as well as the pass-through of certain inflationary costs, determined on a quarterly basis. The Amendment also requires the Company to implement certain cost containment and cost-cutting measures. The Amendment contains certain covenants with respect to the Company's ongoing operations, including a minimum cash covenant of \$10 million, or we will be in default under the Products Purchase Agreement. An event of default could result in termination of that agreement.

On April 6, 2022, the Company and DaVita entered into a Securities Purchase Agreement (the "SPA"), pursuant to which the Company issued \$15 million of preferred stock to DaVita in two separate tranches. The Company initially issued 7,500 shares of a newly designated series of preferred stock, which is designated "Series X Convertible Preferred Stock" (the "Series X Preferred Stock") for gross proceeds of \$7.5 million. On June 15, 2022, the Company issued to DaVita an additional 7,500 shares of Series X Preferred Stock in a second closing (the "Second Tranche") for an additional \$7.5 million. The Second Tranche was conditioned upon the Company raising an additional \$15 million in capital within a certain timeline, which took place on June 2, 2022.

On April 8, 2022, the Company entered into a sales agreement (the "Sales Agreement") with Cantor Fitzgerald & Co. (the "Agent"), pursuant to which the Company may offer and sell from time to time up to \$12,200,000 of shares of Company's common stock through the Agent. The offering and sale of such shares has been registered under the Securities Act of 1933, as amended (the "Securities Act"), pursuant to the Company's Registration Statement on Form S-3 (File No. 333-259923) (the "Registration Statement"), which was originally filed with the Securities and Exchange Commission ("SEC") on September 30, 2021 and declared effective by the SEC on October 8, 2021, the base prospectus contained within the Registration Statement, and a prospectus supplement that was filed with the SEC on April 8, 2022. As of June 30, 2022, the Company sold 7,500 shares of its common stock pursuant to the Sales Agreement for gross proceeds of \$15,135, at a weighted average selling price of approximately \$2.02. The Company paid \$378 in commissions and offering fees. Approximately \$12.2 million remains available for sale under the ATM facility. Under the RD Purchase Agreement and the PIPE Purchase Agreement discussed below, the Company has agreed not to make any sales under any at-the-market offering facility, including pursuant to the Sales Agreement, until at least January 1, 2023 (or until such later time when the Company is permitted to make additional sales under Instruction I.B.6 to Form S-3).

On May 30, 2022, the Company entered into a Securities Purchase Agreement (the "RD Purchase Agreement") with the purchaser named therein (the "Purchaser"), pursuant to which the Company agreed to issue and sell, in a registered direct offering (the "Offering"), 844,613 shares of its common stock at price of \$1.39 per share, and prefunded warrants to purchase up to an aggregate of 7,788,480 shares of common stock (the "Pre-Funded Warrants" and the shares of common stock underlying the Pre-Funded Warrants, the "Warrant Shares"). The purchase price of each Pre-Funded Warrant was equal to the price at which a share of common stock was sold to the public in the Offering, minus \$0.0001, and the exercise price of each Pre-Funded Warrant is \$0.0001 per share.

Also on May 30, 2022, concurrently with the Offering, the Company entered into a Securities Purchase Agreement with the Purchaser (the "PIPE Purchase Agreement") relating to the offering and sale (the "Private Placement") of warrants to purchase up to a total of 9,900,990 shares of common stock and pre-funded warrants to purchase up to a total of 1,267,897 shares of common stock (the "PIPE Warrants"). Each warrant was sold at a price of \$0.125 per underlying warrant share and is exercisable at an exercise price of \$1.39 per share. The purchase price of each Pre-Funded Warrant was equal to the price at which a share of common stock was sold to the public in the Offering, minus \$0.0001, and the exercise price of each prefunded warrant is \$0.0001 per share. The Offering and the Private Placement closed on June 2, 2022. The net proceeds to the Company from the Offering and the Private Placement were approximately \$14.9 million, after deducting fees and expenses.

The Offering and the Private Placement closed on June 2, 2022. The net proceeds to the Company from the Offering and the Private Placement were approximately \$14.9 million, after deducting fees and expenses.

Based on the currently available working capital, and capital raises described above, management believes the Company currently has sufficient funds to meet its operating requirements for at least the next twelve months from the date of the filing of this report.

The Company expects it will require additional capital to sustain its operations and make the investments it needs to execute its strategic plan in developing FPC for iron deficiency anemia in patients undergoing home infusion therapy and for progressing our pipeline development program of new indications for our FPC platform. If the Company attempts to obtain additional debt or equity financing, the Company cannot assume such financing will be available on favorable terms, if at all.

In addition, the Company is subject to certain covenants and cure provisions under our Loan Agreement with Innovatus. As of the date of this report, the Company is in compliance with all covenants (See Note 14 to the condensed consolidated financial statements included elsewhere in this Form 10-Q for more information on our debt facility).

The COVID-19 pandemic and resulting domestic and global disruptions, particularly in the supply chain and labor market, among other areas, have adversely affected our business and operations, including, but not limited to, our sales and marketing efforts and our research and development activities, our plant and transportation operations and the operations of third parties upon whom we rely. The Company's international business development activities may also continue to be negatively impacted by COVID-19.

The COVID-19 pandemic and the resulting global disruptions and recent inflationary pressures have caused significant volatility in financial and credit markets. Rockwell has utilized a range of financing methods to fund its operations in the past; however, current conditions in the financial and credit markets may limit the availability of funding, refinancing or increase the cost of funding. Due to the rapidly evolving nature of the global situation, it is not possible to predict the extent to which these conditions could adversely affect the Company's liquidity and capital resources in the future.

General

The actual amount of cash we will need to execute our business strategy is subject to many factors, including, but not limited to, the expenses and revenue associated with the commercial operations in the United States and internationally (with partners); the timing and magnitude of cash received from drug product sales; the timing and expenditures associated with the development programs including our FPC technology for home infusion and potentially acute heart failure; and the costs associated with our manufacturing and transportation operations related to our concentrate business.

We may elect to raise capital in the future through one or more of the following: (i) equity and debt raises through the equity and capital markets, though there can be no assurance we will be able to secure additional capital or funding on acceptable terms, or if at all; and (ii) strategic transactions, including potential alliances and collaborations focused on markets outside the United States, as well as potential combinations (including by merger or acquisition) or other corporate transactions.

We believe our ability to fund our activities in the long term will be highly dependent upon 1) our ability to execute on the development of the FPC platform for new therapies, 2) our ability to restructure our other significant commercial contract within our concentrate business, and 3) our ability to find a commercial partner to commercialize and increase adaptation of TRIFERIC[®] (dialysate) and TRIFERIC[®] AVNU. All of these strategies are subject to significant risks and uncertainties such that there can be no assurance we will be successful in achieving approval of FPC in a new therapeutic area, we will be successful in restructuring our commercial agreements in our concentrate business or we will be able to find a commercial partner and have sustained commercial success with TRIFERIC[®] (dialysate) and TRIFERIC[®] AVNU. If our planned clinical program is delayed or fails, if our other significant commercial contract in the concentrate business cannot be restructured in a way that is beneficial to Rockwell or if our ability to find a commercial partner for TRIFERIC[®] (dialysate) and/or TRIFERIC[®] AVNU fails, we may be forced to implement cost-saving measures that may potentially have a negative impact on our activities and potentially the results of our research and development programs. If we are unable to raise the required capital, we may be forced to curtail all of our activities and, ultimately, cease operations. Even if we are able to raise sufficient capital, such financings may only be available on unattractive terms, or result in significant dilution of stockholders' interests and, in such event, the market price of our common stock may decline.

Cash Used in Operating Activities

Net cash used in operating activities was \$15.7 million for the six months ended June 30, 2022 compared to net cash used in operating activities of \$17.4 million for the six months ended June 30, 2021. The decrease in cash used from operating

activities during the current period was primarily due to an increase in net income, offset by changes in current balance sheet accounts in the ordinary course of business of approximately \$2.0 million, including a decrease of accounts payable of \$1.6 million, an increase in net account receivable of \$1.0 million and a decrease in other liabilities of \$0.8 million.

Cash Provided by Investing Activities

Net cash provided by investing activities was \$9.1 million during the six months ended June 30, 2022 compared to net cash used in investing activities of \$1.1 million for the six months ended June 30, 2021. The net cash provided by investing activities during the six months ended June 30, 2022 was primarily due to sales and purchase of available-for-sale investments during the quarter. All investments available-for-sale have been liquidated as of June 30, 2022.

Cash Provided by (Used in) Financing Activities

Net cash provided by financing activities was \$24.1 million during the six months ended June 30, 2022 compared to the net cash provided by financing activities of nil for the six months ended June 30, 2021. The net cash provided during the six months ended June 30, 2022 was primarily due to multiple equity raises (See Note 10), offset by payments on the Company's debt and short term note payable.

Contractual Obligations and Other Commitments

See Note 12 to the condensed consolidated financial statements included elsewhere in this Form 10-Q for additional disclosures. There have been no other material changes from the Contractual Obligations and Other Commitments disclosed in Note 14 to the consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2021.

Critical Accounting Policies and Significant Judgments and Estimates

Our critical accounting policies and significant estimates are detailed in our Annual Report on Form 10-K for the year ended December 31, 2021. Our critical accounting policies and significant estimates have not changed from those previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2021.

Recently issued and adopted accounting pronouncements:

We have evaluated all recently issued accounting pronouncements and believe such pronouncements do not have a material effect our financial statements. See Note 3 to the condensed consolidated financial statements included elsewhere in this Form 10-Q.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Per §229.305 of Regulation S-K, the Company, designated a Smaller Reporting Company as defined in §229.10(f)(1) of Regulation S-K, is not required to provide the disclosure required by this Item.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures designed to ensure material information required to be disclosed in our reports we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and 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 financial disclosure. In designing and evaluating the disclosure controls and procedures, we recognized a control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance the objectives of the control system are met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected. Management was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Under the supervision of and with the participation of our management, including the Company's Chief Executive Officer and Chief Financial Officer, we evaluated the effectiveness of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of June 30, 2022. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded our disclosure controls and procedures were effective as of June 30, 2022.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting in connection with the evaluation required by Rule 13a-15(d) of the Exchange Act that occurred during the period covered by this Quarterly Report on Form 10-Q that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

We may be involved in certain routine legal proceedings from time to time before various courts and governmental agencies. We cannot predict the final disposition of such proceedings. We regularly review legal matters and record provisions for claims considered probable of loss. The resolution of these pending proceedings is not expected to have a material effect on our operations or consolidated financial statements in the period in which they are resolved.

Item 1A. Risk Factors

Our business is subject to various risks, including those described in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2021. There have been no material changes to the risk factors set forth in our Annual Report on Form 10-K for the year ended December 31, 2021 under "Item 1A - Risk Factors" except as noted below.

We rely on third party suppliers for raw materials and packaging components of our drug products. We may not be able to obtain the raw materials and proper components we need, or the cost of the materials or components may be higher than expected, any of which could impair our production or commercialization of drug products and have a material adverse effect on our business, results of operations and financial position.

We may not be able to obtain the raw materials or packaging components we need, or the price of such materials or components may rise significantly, for a variety of reasons, including but not limited to:

- a business interruption, including a force majeure, cyber-attack, labor strike at a supplier, a COVID-related halt or slowdown of supply of raw materials or production of components;
- global supply chain delays or disruptions;
- regulatory requirements or action by regulatory agencies or others against a supplier, including delays in receiving necessary approvals;
- failure of a supplier to comply with cGMP standards, which could result in quality or product failures, adulteration, contamination and/or recall;
- adverse financial or other strategic developments at or affecting a supplier;
- termination or disagreement over the terms and conditions of the supply contract by a supplier or our inability to comply with the minimums in such an agreement;
- unexpected demand for or shortage of raw materials or packaging components; and
- unexpected increases in our product demand.

Some of the suppliers for our raw materials or packaging components are single-source suppliers. If those suppliers were unable to supply us for any reason, including the reasons mentioned above, we could experience cost increases or supply interruptions. For example, we have had disputes with our API supplier for Triferic. In January 2022, we received an invoice for a penalty payment because we failed to meet certain minimum order requirements under our agreement with them. Any dispute that may arise could result in the termination of the supply agreement or loss of API that is stored at our supplier. We also experienced repeated batch failures as a result of quality issues at our other Triferic manufacturer and our packaging manufacturer has notified us that they will no longer supply packaging due to low volumes and our compliance requirements. Finding an alternative source can be expensive and take a substantial amount of time, especially when regulatory approval is required to qualify the supplier. If we are unable to obtain our raw materials and packaging components and are not able to establish alternative supply sources, or if the prices for such items increase substantially, our CMOs may not be able to produce the desired quantities of our drug products and our expected gross profit margins may be materially adversely affected.

Our drug and concentrate businesses are highly regulated, resulting in additional expense and risk of noncompliance that can materially and adversely affect our business, results of operations, financial position and cash flows.

Our businesses are highly regulated. The testing, manufacture, sale and delivery of the products we manufacture directly or through third party CMOs are subject to extensive regulation by the FDA and by other federal, state and foreign authorities, including, with respect to our transportation operations, the U.S. Department of Transportation. Before drug product candidates or medical devices, such as our concentrate products, can be commercially marketed in the United States, the FDA must give either premarket approval or 510(k) clearance. After a product is approved, regulatory authorities may impose significant restrictions on a product's indicated uses or marketing or requirements for potentially costly post-marketing studies. Our drug products are subject to ongoing regulatory requirements for labeling, packaging, storage, advertising, promotion, sampling, record-keeping and reporting of safety and other post-market information. In addition, manufacturers and their facilities are required to comply with extensive FDA requirements, including ensuring that quality control and manufacturing procedures conform to current cGMP and applicable state laws. As such, we and our CMOs are subject to continual review and periodic inspections to assess compliance with cGMP and state laws. For example, the FDA recently conducted a routine GMP inspection of one of our manufacturing facilities and issued Form FDA-483 report with four observations, for which the inspector classified Voluntary Action Indicated. The Company expects to submit a voluntary corrective action plan by August 24, 2022. While none of the findings were serious, management time and effort will be necessary for the correction and the FDA may not be satisfied with our response. Accordingly, we and our partners must continue to expend time, money and effort in all areas to achieve and maintain regulatory compliance. We are also required to report certain adverse reactions and production problems, if any, to applicable regulatory authorities and to comply with requirements concerning advertising and promotion for our drug products or product candidates.

If non-compliant inventory is sold or if a regulatory agency determines that we are not compliant with any applicable regulatory requirements, we may be subject to warnings from, or enforcement action by, state and federal government authorities, which may include penalties, fines, injunctions, recall or seizure of products, suspension of production, denial of future regulatory approvals, withdrawal or suspension of existing regulatory approvals, operating

restrictions, injunctions and criminal prosecution. If regulatory sanctions are applied, the value of our Company and our operating results could be materially and adversely affected. For example, such actions could cause our customers to doubt the safety or efficacy of our products, which could adversely impact our business. Even a voluntary Class III recall, which is a recall of products for a defect that is unlikely to result in adverse health consequences, can have an adverse impact on the Company due to the costs of the recall or the reactions of customers. We recently conducted a Class III recall in our concentrates business due to the degradation of secondary seals on some of our bottles of concentrates, which consumed management time and effort. Our business could also be adversely affected by delays in obtaining necessary regulatory approvals and any restrictions placed by the FDA on our intended marketing or the use of our drug products.

Our failure to comply with applicable regulations could also result in product liability litigation against us. In addition, our failure to comply with applicable regulations with respect to our concentrate products could constitute a breach by us of the Distribution Agreement, providing Baxter with various remedies that would be material and adverse to us. Moreover, changes in applicable regulatory requirements could significantly increase the costs of our operations, which, if such higher costs result in price increases that exceed the thresholds specified in the Distribution Agreement, could give Baxter the right to terminate the Distribution Agreement.

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

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

On August 12, 2022, the Board of Directors (the “Board”) of the Company completed a process to reclassify the membership of the Board’s three director classes in order to achieve a more equal apportionment of membership among the three director classes in accordance with the Company’s Certificate of Incorporation, as amended. Accordingly, effective August 12, 2022, John G. Cooper, a member of the Board, resigned from his position as a Class II Director (with a term expiring at the Company’s 2023 Annual Meeting of Stockholders). The Board accepted Mr. Cooper’s resignation and immediately reappointed him as a Class I Director with a term expiring at the Company’s 2025 Annual Meeting of Stockholders. Mr. Cooper will be nominated for election as Class I Director with a term expiring at the Company’s 2025 Annual Meeting of Stockholders. The resignation and reappointment of Mr. Cooper was effected for the purpose of achieving a more equal apportionment of membership among the Board’s three classes of directors, and for all other purposes, Mr. Cooper’s service on the Board is deemed to have continued uninterrupted.

Mr. Cooper continues to be appointed to the Compensation Committee, Audit Committee and Science and Technology Committee of the Board and there were no changes to any of Mr. Cooper’s compensation arrangements with or any compensation due to Mr. Cooper as a result of his resignation as a Class II Director and appointment as a Class I Director.

Item 6. Exhibits

The exhibits filed or furnished as part of this Quarterly Report on Form 10-Q are set forth on the Exhibit Index, which Exhibit Index is incorporated herein by reference.

EXHIBIT INDEX

Exhibit No.	Description
3.1	Certificate of Amendment to Certificate of Incorporation of Rockwell Medical, Inc. related to the Reverse Stock Split, dated May 12, 2022 (Company's Form 8-K filed May 13, 2022).
3.2	Certificate of Designation of Preferences, Rights and Limitations of Series X Convertible Preferred Stock (Company's Form 8-K filed April 8, 2022).
4.1	Form of Pre-Funded Warrant (Exhibit 4.1 to the Company's Form 8-K filed on June 2, 2022).
4.2	Form of PIPE Warrant (Exhibit 4.2 to the Company's Form 8-K filed on June 2, 2022).
4.3	Form of PIPE Pre-Funded Warrant (Exhibit 4.3 to the Company's Form 8-K filed on June 2, 2022).
10.1*	Securities Purchase Agreement, dated April 6, 2022, by and between the Company and DaVita, Inc. (Exhibit 10.1 to the Company's Form 10-Q filed on May 16, 2022).
10.2*#	Amendment One to Products Purchase Agreement, dated April 6, 2022, by and between the Company and DaVita, Inc. (Exhibit 10.2 to the Company's Form 10-Q filed on May 16, 2022).
10.3	Sales Agreement, dated April 8, 2022, between Rockwell Medical, Inc. and Cantor Fitzgerald & Co. (Exhibit 1.1 to the Company's Form 8-K filed on April 8, 2022).
10.4	RD Securities Purchase Agreement, dated May 30, 2022, by and between the Company and the Purchaser signatory therein (Exhibit 10.1 to the Company's Form 8-K filed on June 2, 2022).
10.5	PIPE Securities Purchase Agreement, dated May 30, 2022, by and between the Company and the Purchaser signatory therein (Exhibit 10.2 to the Company's Form 8-K filed on June 2, 2022).
10.6	Registration Rights Agreement, dated June 2, 2022, by and between the Company and the Holder signatory thereto (Exhibit 10.3 to the Company's Form 8-K filed on June 2, 2022).
10.7*+	Employment Agreement, dated June 21, 2022, between Rockwell Medical, Inc. and Mark Strobeck.
10.8*+	Rockwell Medical, Inc. Amended and Restated 2018 Long Term Incentive Plan.
31.1*	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934
31.2*	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934
32.1**	Certification pursuant to 18 U.S.C. Section 1350 and Rule 13a-14(b) of the Securities Exchange Act of 1934
101.INS*	XBRL Instance Document
101.SCH*	XBRL Taxonomy Extension Schema
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase
101.DEF*	XBRL Taxonomy Extension Definition Database
101.LAB*	XBRL Taxonomy Extension Label Linkbase
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase
104*	The cover page from the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2022, formatted in Inline XBRL (included as Exhibit 101)
*	Filed herewith
**	Furnished herewith and not deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act
+	Indicates management contract or compensatory plan.
#	Certain confidential portions of this exhibit were omitted by means of marking such portions with asterisks because the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.

SIGNATURES

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

ROCKWELL MEDICAL, INC.
(Registrant)

Date: August 15, 2022 /s/ Mark Strobeck

Mark Strobeck, Ph.D.
Chief Executive Officer (Principal Executive Officer)

Date: August 15, 2022 /s/ Russell Skibsted

Russell Skibsted
Chief Financial Officer (Principal Financial Officer)

Employment Agreement

This Employment Agreement (the “*Agreement*”) is made as of June 21, 2022 (the “*Effective Date*”), by and between Rockwell Medical, Inc., a Delaware corporation (the “*Company*”), and Mark Strobeck, Ph.D. (“*Executive*”), subject to the terms and conditions defined in this Agreement.

Whereas, the Company and Executive desire that Executive be employed by the Company to act as the Company’s President and Chief Executive Officer, subject to the terms and conditions set forth in this Agreement. Executive’s employment shall also be subject to such policies and procedures as the Company may from time to time implement and that are provided to the Executive;

Now, Therefore, in consideration of the covenants contained herein, and for other valuable consideration, the Company and Executive hereby agree as follows:

1. Certain Definitions. Certain definitions used herein shall have the meanings set forth on Exhibit A attached hereto.
2. Executive’s Duties and Obligations.

(a) Duties; Start Date. Executive shall serve as the Company’s President and Chief Executive Officer effective on July 1, 2022, or such other mutually agreeable date (such date being referred to herein as the “*Commencement Date*”). Executive shall report to the Board of Directors (“*Board*”) of the Company. Executive shall have those duties and responsibilities customarily associated with the position of CEO of a public-traded company of the size and nature of the Company, and such other additional duties and responsibilities consistent with Executive’s position as may, from time to time, be assigned to Executive by the Board. Executive shall continue to be nominated to serve on the Board of the Company so long as Executive continues to be employed by the Company.

(b) At-Will Employment. Executive’s employment shall be on an at-will basis, meaning that either party may terminate this employment arrangement at any time and without cause. The term of Executive’s employment under this Agreement shall be from the Commencement Date through the applicable date of termination (the “*Term*”). On the date of termination of employment, Executive acknowledges that he shall immediately be deemed to have resigned all employment and related job duties and responsibilities with the Company, including, without limitation, any Board position and any and all positions on any committees or boards of the Company or any affiliated company. Executive agrees to sign all reasonable documentation evidencing the foregoing as may be presented to Executive for signature by the Company.

(c) Confidential Information and Inventions Matters. In consideration of the covenants contained herein, Executive has executed and agrees to be bound by the Company’s form of Employee Confidentiality, Assignment of Inventions, Non-Interference and Non-Competition Agreement (the “*Confidentiality Agreement*”), in the form attached to this Agreement as Exhibit B. Executive shall comply in all material respects at all times with the terms and conditions of the Confidentiality Agreement and all other reasonable policies of the Company governing its confidential and proprietary information. In the event that Executive breaches any provisions of this Agreement or the Confidentiality Agreement, then, in addition to any other rights which the Company may have, the Company shall be entitled, without the posting of a bond or other security, to seek injunctive relief to enforce the restrictions contained therein. In the event that an actual proceeding is brought in equity to enforce the provisions of

this Agreement or the Confidentiality Agreement, Executive shall not assert as a defense that there is an adequate remedy at law, nor shall the Company be prevented from seeking any other remedies which may be available.

3. Devotion of Time to Company's Business.

(d) Full-Time Efforts. During Executive's employment with the Company, Executive shall devote substantially all of Executive's business time, attention and efforts to the proper performance of Executive's duties and obligations hereunder.

(e) No Other Employment. During Executive's employment with the Company, Executive shall not, except as otherwise provided herein, directly or indirectly, render any services of a commercial or professional nature to any other person or organization, whether for compensation or otherwise, without the prior written consent of the Board; *provided, however*, that it shall not be a violation or breach of this Agreement for Executive to (i) accept speaking or presentation engagements in exchange for honoraria; (ii) serve on boards of charitable organizations or participate in charitable, educational, religious or civic activities; (iii) attend to his and his family's personal affairs; or (iv) own no more than three percent (3%) of the outstanding equity securities of a corporation whose stock is listed on a national stock exchange, so long as such activities are not adverse to the Company's interests and do not materially interfere with the performance of Executive's duties hereunder.

4. Compensation and Benefits.

(f) Base Compensation. During the Term, the Company shall pay to Executive base annual compensation ("*Base Salary*") of \$550,000 (\$45,833.33 monthly), payable in accordance with the Company's regular payroll practices and less all required withholdings benefits as hereinafter set forth in this Section 4. Executive's Base Salary shall be reviewed annually and may be increased based on an assessment of Executive's performance, the performance of the Company, inflation, the then prevailing salary scales for comparable positions and other relevant factors; provided, however, that any increase in Base Salary shall be solely within the discretion of the Compensation Committee of the Company's Board. Executive's Base Salary may not be subject to reduction from the level set forth above, unless pursuant to a salary reduction program of general application to employment contract executives of the Company, provided that, unless agreed to in writing by Executive, the percentage reduction of Executive's Base Salary shall not be greater than the percentage reduction applied to any other employment contract executive of the Company.

(g) Annual Bonus. During the Term and commencing in 2022, Executive shall be eligible for year-end bonuses, which shall be paid in cash (any such bonus an "*Annual Bonus*"), in a target amount equal to 60% of Executive's Base Salary, as then in effect (the "*Target Bonus*"), as may be awarded pursuant to any annual executive bonus plan and related corporate goals approved solely at the discretion of the Compensation Committee of the Board. Any such Annual Bonus shall contain such rights and features as are typically afforded to other contract executives of the Company. To be eligible to receive an Annual Bonus, the Executive must be employed by the Company on the date such bonuses are paid. Executive's Annual Bonus shall be pro-rated for 2022, in accordance with Executive's Commencement Date.

(h) Long-Term Incentive Grants. As of the Commencement Date, the Executive will be eligible to participate in the Company's 2018 Long Term Incentive Plan (the "*Plan*"). Such awards will be subject in all respects to the terms and conditions of the Plan and the forms of award agreement adopted by the Board for use thereunder.

(i) Initial Option Grant. On the Commencement Date, Executive shall be awarded an option to purchase up to 400,000 shares of common stock outside of the Company's stockholder-approved equity incentive plans, as permitted under applicable Nasdaq rules, as a material inducement to Executive's commencement of employment (the "*Initial Options*"). The Initial Options will be subject to the terms and conditions of the applicable award agreement and will have an exercise price equal to the closing price of the Company's common stock on the Commencement Date and will vest and become exercisable as follows: 25% of the Initial Options will vest on each of the first four anniversaries of Executive's Commencement Date subject to Executive's continuous employment through each such vesting date.

(ii) Annual Equity Grants. During the Term, Executive shall be eligible to receive annual long-term incentive grants consistent with similar practices for the Company's senior executives, which may be paid in either cash or equity, or both (any such grants a "*Long-Term Incentive Grant*"), as may be awarded solely at the discretion of the Compensation Committee of the Board; provided that the Compensation Committee shall be under no obligation whatsoever to grant such discretionary Long-Term Incentive Grants. Any Long-Term Incentive Grants issued to Executive shall be governed by the Company's then-applicable long-term incentive plan(s) and any long-term incentive grant agreement(s) under the then applicable long-term incentive plan(s) under which they are issued.

(i) Benefits. During the Term, Executive shall be entitled to participate in all employee benefit plans, programs and arrangements made available generally to the Company's senior executives or to its employees on substantially the same basis that such benefits are provided to such senior executives; provided, however, that nothing in this Agreement shall be construed to require the Company to establish or maintain any particular plans, programs or arrangements.

(j) Vacations. During the Term, Executive shall be entitled to 20 days paid-time off ("*PTO*") days, to be earned ratably throughout the year starting on the Commencement Date. PTO days may be only carried from one year to the next in accordance with the Company PTO policy.

(k) Reimbursement of Business Expenses. Executive is authorized to incur reasonable expenses in carrying out Executive's duties and responsibilities under this Agreement and the Company shall reimburse Executive for all reasonable expenses, in accordance with and subject to the applicable policies and procedures of the Company.

5. Termination of Employment.

(l) Termination by the Company for Cause or Termination by Executive without Good Reason, Death or Disability.

(i) In the event of a termination of Executive's employment by the Company for Cause, a termination by Executive without Good Reason, or in the event this Agreement terminates by reason of the death or Disability of Executive, Executive shall be entitled to any unpaid compensation accrued through the last day of Executive's employment and payment of any other amounts owing to Executive but not yet paid, less any amounts owed by Executive to the Company (the "*Accrued Amounts*"). Executive shall not be entitled to receive any other compensation or benefits from the Company whatsoever (except as provided below and as and to the extent the continuation of certain benefits is required by law).

(iii) In the case of a termination due to death or Disability, notwithstanding any provision to the contrary in any stock option, restricted stock or other equity award agreement between the Company and Executive, (x) all shares underlying Executive's time-based outstanding equity awards, including all options that are time-based awards (as opposed to performance-based) to acquire Company stock held by Executive shall accelerate and become fully vested upon the Date of Termination and all such exercisable time-based options shall thereupon remain fully exercisable until the earlier of (i) one (1) year from date of termination due to death or Disability or (ii) the expiration of their stated terms.

(m) Termination by the Company without Cause or by Executive for Good Reason. If (x) Executive's employment is terminated by the Company other than for Cause, death or Disability (i.e., without Cause) or (y) Executive terminates employment with Good Reason, then Executive will receive the Accrued Amounts and, on the condition that the Executive signs a separation agreement containing a release of claims in the form attached as Exhibit C hereto (subject to any changes required by applicable law), which such release becomes final, binding and irrevocable within 28 days after the Date of Termination (or such longer period of time as required by applicable law), the Executive shall also be entitled to receive the following from the Company:

(i) An amount equal to the Executive's annualized Base Salary then in effect (determined without regard to any reduction in such Base Salary constituting Good Reason), payable in equal installments in accordance with the Company's regular payroll schedule, from the Date of Termination to the date that is 12 months after the Date of Termination (the "*Severance Period*"); provided, however, that each installment payable before the release becomes final, binding and irrevocable shall not be paid to the Executive until such release becomes final, binding and irrevocable (at which time all such amounts that would have been paid but for the delay described in this clause (i) shall be paid); provided further, however, that if the time period for the release to be executed and become irrevocable spans two calendar years, the installment payments due once the release becomes final, binding and irrevocable shall be paid no earlier than January 1 of the later calendar year;

(i) A pro-rated bonus for the year of termination, based on achievement of actual performance for the full performance period and pro-rated based on the portion of the performance period Executive was employed prior to termination (determined without regard to any reduction in Base Salary constituting Good Reason), payable in a lump sum after the end of the full performance period based on the Compensation Committee's and Board of Directors' approval of the actual performance of the Company's pre-defined performance goals;

(ii) During the Severance Period, if Executive elects to continue Company medical benefits through the Consolidated Omnibus Budget Reconciliation Act of 1985 ("*COBRA*"), the Company shall reimburse the Executive for the out-of-pocket cost of continuing medical benefits, on the same terms and conditions as such benefits are provided to active employees of the Company, for up to 12 months. Company's obligation under this Section 5(b)(iii) shall terminate to the extent that substantially similar coverage is provided by a subsequent employer;

(iii) Subject to the release becoming final, binding and irrevocable, notwithstanding any provision to the contrary in any stock option or restricted stock or other equity award agreement between the Company and the Executive, the Initial Options shall continue to vest over the Severance Period and all vested stock options to acquire Company stock and all other similar vested equity awards held by the Executive as of the Date of Termination, including the Initial Options that continue to vest over the Severance Period, shall continue to be exercisable for a period of one year from the Date of Termination, or, if earlier, until the ultimate expiration date of such awards; and

(iv) Notwithstanding the foregoing, if Executive engages in a material breach of any provision of this Agreement or the Confidentiality Agreement during the Severance Period (or the period applicable to such obligation, if shorter or longer), and such breach is not cured within five business days after receipt from the Company of notice thereof, then the Company's continuing obligations under this Section 5(b) shall cease as of the date of the breach and the Executive shall be entitled to no further payments or benefits hereunder.

(a) Termination in connection with a Change of Control. In the event of a Change of Control, if Executive's employment is terminated by the Company other than for Cause or by Executive for Good Reason during the Effective Period, then Executive shall be entitled to receive the following from the Company:

(v) The Accrued Amounts;

(vi) Within 10 days after the Date of Termination, a lump sum cash payment in an amount equal to the sum of (A) 1.5 times Executive's annual Base Salary then in effect, plus (B) 100% of Executive's Target Bonus (in each case, determined without regard to any reduction in such Base Salary constituting Good Reason); *provided, however*, that if Executive's employment is terminated prior to the consummation of a Change of Control but under circumstances that would cause the Change of Control Date to precede the date that the Change of Control is consummated, such amount will be paid in equal installments in accordance with the Company's regular payroll schedule over the Benefit Period (defined below), subject to all remaining installments being paid in a lump sum on the date on which the Change of Control is consummated;

(vii) If Executive elects to continue Company medical benefits under COBRA, for a period of 24 months following the Date of Termination (the "*Benefit Period*"), the Company shall reimburse the Executive for the out-of-pocket cost of continuing medical benefits for such period on the same terms and conditions as such benefits are provided to active employees of the Company. Company's obligation under this Section 5(c)(iii) shall terminate to the extent that substantially similar coverage is provided by a subsequent employer or the Executive is no longer eligible for COBRA;

(viii) Notwithstanding any provision to the contrary in any stock option, restricted stock or other equity award agreement between the Company and Executive, all shares underlying Executive's time-based outstanding equity awards, including all options that are time-based awards (as opposed to performance-based) to acquire Company stock held by Executive, shall accelerate and become fully vested upon the Date of Termination and all restrictions thereon shall be lifted and all such exercisable time-based stock options shall continue to be exercisable for the remainder of their stated terms; and

(ix) Notwithstanding the foregoing, if Executive engages in a material breach of any provision of this Agreement or Executive's Confidentiality Agreement during the Severance Period, and such breach is not cured within five business days after receipt from the Company of notice thereof, then the Company's continuing obligations under this Section 5(c) shall cease as of the date of the breach and the Executive shall be entitled to no further payments or benefits hereunder.

6. Notice of Termination.

(n) Any termination of Executive's employment by the Company for Cause, or by Executive for Good Reason shall be communicated by a Notice of Termination to the other party hereto given in accordance with Section 10. For purposes of this Agreement, "*Notice of Termination*" means a written notice which: (i) is given at least 10 days prior to the Date of Termination (at least 30 days in the case of Notice of Termination given by Executive for Good Reason, following the notice and cure period set forth below in the definition of Good Reason); (ii) indicates the specific termination provision in this Agreement relied upon; (iii) to the extent applicable, sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of Executive's employment under the provision so indicated; and (iv) specifies the employment termination date.

(o) A termination of employment of Executive will not be deemed to be for Good Reason unless Executive gives the Notice of Termination provided for herein within 30 days after Executive has actual knowledge of the act or omission of the Company constituting such Good Reason and Executive gives the Company a 30-day cure period to rectify or correct the condition or event that constitutes Good Reason and Executive delivers final Notice of Termination within 30 days of the date that Company's failure to cure deadline has expired, which final Notice of Termination must specify a Date of Termination of no later than 30 days after the final Notice of Termination is provided.

7. Mitigation of Damages. Executive will not be required to mitigate damages or the amount of any payment or benefit provided for under this Agreement by seeking other employment or otherwise. Except as otherwise provided in Sections 5(b)(iii) and 5(c)(iii), the amount of any payment or benefit provided for under this Agreement will not be reduced by any compensation or benefits earned by Executive as the result of self-employment or employment by another employer or otherwise.

8. Excess Parachute Excise Tax.

(p) Anything in this Agreement to the contrary notwithstanding, in the event it shall be determined that any payment, award, benefit or distribution (including any acceleration) by the Company or any entity which effectuates a transaction described in Section 280G(b)(2)(A)(i) of the Code to or for the benefit of Executive (whether pursuant to the terms of this Agreement or otherwise, but determined without regard to any additional payments required under this Section 8) (a "*Payment*") would be subject to the excise tax imposed by Section 4999 of the Code or any interest or penalties are incurred with respect to such excise tax by Executive (such excise tax, together with any such interest and penalties, are hereinafter collectively referred to as the "*Excise Tax*"), the Company will automatically reduce such Payments to the extent, but only to the extent, necessary so that no portion of the remaining Payments will be subject to the Excise Tax, unless the amount of such Payments that the Executive would retain after payment of the Excise Tax and all applicable Federal, state and local income taxes without such reduction would exceed the amount of such Payments that the Executive would retain after payment of all applicable Federal, state and local taxes after applying such reduction. Unless otherwise elected by the Executive to the extent permitted under Code Section 409A, the

Company shall reduce or eliminate the Payments by first reducing or eliminating any cash severance benefits (with the payments to be made furthest in the future being reduced first), then by reducing or eliminating any accelerated vesting of stock options or similar awards, then by reducing or eliminating any accelerated vesting of restricted stock or similar awards, then by reducing or eliminating any other remaining Payments; provided, that no such reduction or elimination shall apply to any non-qualified deferred compensation amounts (within the meaning of Section 409A of the Code) to the extent such reduction or elimination would accelerate or defer the timing of such payment in manner that does not comply with Section 409A of the Code.

(q) All determinations required to be made under this Section 8, including the assumptions to be utilized in arriving at such determination, shall be made by the Company's independent auditors or such other certified public accounting firm reasonably acceptable to Executive as may be designated by the Company (the "*Accounting Firm*") which shall provide detailed supporting calculations both to the Company and Executive within 15 business days of the receipt of notice from Executive that there has been a Payment, or such earlier time as is requested by the Company. All fees and expenses of the Accounting Firm shall be borne solely by the Company. Any determination by the Accounting Firm shall be binding upon the Company and Executive.

9. Legal Fees. Each party shall be responsible for its own legal fees and expenses in connection with any claim or dispute relating to this Agreement.

10. Notices. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given if delivered by hand, upon confirmation of a facsimile or email transmission or upon receipt when mailed within the continental United States by first class certified mail, return receipt requested, postage prepaid, addressed as follows:

if to the Company:

Rockwell Medical, Inc.
30142 S. Wixom Rd.
Wixom, MI 48393
Attn: General Counsel

if to Executive:

The address on file with the records of the Company

Addresses may be changed by written notice sent to the other party at the last recorded address of that party.

11. Withholding. The Company shall be entitled to withhold from payments due hereunder any required federal, state or local withholding or other taxes.

12. Entire Agreement. This Agreement, together with Exhibit A and the Confidentiality Agreement, contains the entire agreement between the parties with respect to the subject matter hereof and supersedes all other prior agreements, written or oral, with respect thereto.

13. Arbitration.

(r) If the parties are unable to resolve any dispute or claim relating directly or indirectly to this Agreement or any dispute or claim between Executive and the Company or its officers, directors, agents, or employees (a “*Dispute*”), then either party may require the matter to be settled by final and binding arbitration by sending written notice of such election to the other party clearly marked ‘Arbitration Demand.’ Such Dispute shall be arbitrated in accordance with the terms and conditions of this Section 13. Notwithstanding the foregoing, either party may apply to a court of competent jurisdiction for a temporary restraining order, a preliminary injunction, or other equitable relief to preserve the status quo or prevent irreparable harm.

(s) The Dispute shall be resolved by a single arbitrator in an arbitration administered by the American Arbitration Association in accordance with its Employment Arbitration Rules and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The decision of the arbitrator shall be final and binding on the parties, and specific performance giving effect to the decision of the arbitrator may be ordered by any court of competent jurisdiction.

(t) Nothing contained herein shall operate to prevent either party from asserting counterclaim(s) in any arbitration commenced in accordance with this Agreement, and any such party need not comply with the procedural provisions of this Section 13 in order to assert such counterclaim(s).

(u) The arbitration shall be filed with the office of the American Arbitration Association (“AAA”) located in New York, New York or such other AAA office as the parties may agree upon (without any obligation to so agree). The arbitration shall be conducted pursuant to the Employment Arbitration Rules of AAA as in effect at the time of the arbitration hearing, such arbitration to be completed in a 60-day period. In addition, the following rules and procedures shall apply to the arbitration:

(i) The arbitrator shall have the sole authority to decide whether or not any Dispute between the parties is arbitrable and whether the party presenting the issues to be arbitrated has satisfied the conditions precedent to such party’s right to commence arbitration as required by this Section 13.

(ii) The decision of the arbitrator, which shall be in writing and state the findings, the facts and conclusions of law upon which the decision is based, shall be final and binding upon the parties, who shall forthwith comply after receipt thereof. Judgment upon the award rendered by the arbitrator may be entered by any competent court. Each party submits itself to the jurisdiction of any such court, but only for the entry and enforcement to judgment with respect to the decision of the arbitrator hereunder.

(iii) The arbitrator shall have the power to grant all legal and equitable remedies (including, without limitation, specific performance) and award compensatory and punitive damages if authorized by applicable law.

(iv) The parties shall bear their own costs in preparing for and participating in the resolution of any Dispute pursuant to this Section 13, and the costs of the arbitrator(s) shall be equally divided between the parties.

(v) Except as provided in the last sentence of Section 13(a), the provisions of this Section 13 shall be a complete defense to any suit, action or proceeding instituted in any federal, state or local court or before any administrative tribunal with respect to any Dispute arising in connection with this Agreement. Any party commencing a lawsuit in violation of this Section 13 shall pay the costs of the other party, including, without limitation, reasonable attorney's fees and defense costs.

14. Miscellaneous.

(a) Governing Law. This Agreement shall be interpreted, construed, governed and enforced according to the laws of the State of Delaware without regard to the application of choice-of-law rules.

(b) Amendments. No amendment or modification of the terms or conditions of this Agreement shall be valid unless in writing and signed by the parties hereto.

(c) Severability. If one or more provisions of this Agreement are held to be invalid or unenforceable under applicable law, such provisions shall be construed, if possible, so as to be enforceable under applicable law, or such provisions shall be excluded from this Agreement and the balance of the Agreement shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms.

(d) Binding Effect. This Agreement shall be binding upon and inure to the benefit of the beneficiaries, heirs and representatives of Executive (including the Beneficiary) and the successors and assigns of the Company. The Company shall require any successor (whether direct or indirect, by purchase, merger, reorganization, consolidation, acquisition of property or stock, liquidation, or otherwise) to all or substantially all of its assets, by agreement in form and substance satisfactory to Executive, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform this Agreement if no such succession had taken place. Regardless of whether such agreement is executed, this Agreement shall be binding upon any successor of the Company in accordance with the operation of law and such successor shall be deemed the Company for purposes of this Agreement.

(e) Successors and Assigns. Except as provided in Section 14(d) in the case of the Company, or to the Beneficiary in the case of the death of Executive, this Agreement is not assignable by any party and no payment to be made hereunder shall be subject to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or other charge.

(f) Remedies Cumulative; No Waiver. No remedy conferred upon either party by this Agreement is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to any other remedy given hereunder or now or hereafter existing at law or in equity. No delay or omission by either party in exercising any right, remedy or power hereunder or existing at law or in equity shall be construed as a waiver thereof, and any such right, remedy or power may be exercised by such party from time to time and as often as may be deemed expedient or necessary by such party in such party's sole discretion.

(g) Survivorship. Notwithstanding anything in this Agreement to the contrary, all terms and provisions of this Agreement that by their nature extend beyond the termination of the Term shall survive such termination.

(h) Counterparts. This Agreement may be executed in two or more counterparts, each of which shall constitute an original, but all of which, when taken together, shall constitute one document. Signatures to this Agreement may be delivered by any electronic means.

15. Section 409A of the Code. The intent of the parties is that payments and benefits under this Agreement comply with, or be exempt from, Section 409A of the Code and, accordingly, to the maximum extent permitted, this Agreement shall be construed and interpreted in accordance with such intent. Executive's termination of employment (or words to similar effect) shall not be deemed to have occurred for purposes of this Agreement unless such termination of employment constitutes a "separation from service" within the meaning of Code Section 409A and the regulations and other guidance promulgated thereunder.

(a) Notwithstanding any provision to the contrary in this Agreement, if Executive is deemed on the date of Executive's termination to be a "specified employee" within the meaning of that term under Code Section 409A(a)(2)(B) and using the identification methodology selected by the Company from time to time, or if none, the default methodology set forth in Code Section 409A, then with regard to any payment or the providing of any benefit that constitutes "non-qualified deferred compensation" pursuant to Code Section 409A and the regulations issued thereunder and not exempt from Code Section 409A as a short-term deferral or otherwise that is payable due to Executive's separation from service, to the extent required to be delayed in compliance with Code Section 409A(a)(2)(B), such payment or benefit shall not be made or provided to Executive prior to the earlier of (i) the expiration of the six (6) month period measured from the date of Executive's separation from service, and (ii) the date of Executive's death. On the first day of the seventh month following the date of Executive's separation from service or, if earlier, on the date of Executive's death, all payments delayed pursuant to this Section 15(a) shall be paid or reimbursed to Executive in a lump sum, and any remaining payments and benefits due to Executive under this Agreement shall be paid or provided in accordance with the normal payment dates specified for them herein.

(b) To the extent any reimbursement of costs and expenses provided for under this Agreement constitutes taxable income to Executive for Federal income tax purposes, such reimbursements shall be made no later than December 31 of the calendar year next following the calendar year in which the expenses to be reimbursed are incurred. With regard to any provision herein that provides for reimbursement of expenses or in-kind benefits, except as permitted by Code Section 409A, (i) the right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit, (ii) the amount of expenses eligible for reimbursement, or in-kind benefits, provided during any taxable year shall not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year. Any tax gross-ups provided for under this Agreement shall in no event be paid to Executive later than the December 31 of the calendar year following the calendar year in which the taxes subject to gross-up are incurred or paid by Executive.

(c) If any amount under this Agreement is to be paid in two or more installments, for purposes of Code Section 409A each installment shall be treated as a separate payment.

16. Indemnification. During Executive's employment, the Company shall maintain directors' and officers' liability insurance that is applicable to Executive. The Company shall indemnify Executive and hold Executive harmless from and against any claim, loss or cause of action arising from or out of Executive's performance prior to or after the Commencement Date (and within the scope of his employment) as an officer, director or employee of the Company or any of its subsidiaries or other affiliates or predecessors or in any other capacity, including any fiduciary capacity, in which Executive serves at the Company's request, in each case to the maximum extent permitted by applicable corporate law and, to the extent more favorable, to the

maximum extent permitted under the Company's Certificate of Incorporation and By-Laws. On the Commencement Date, the Company shall execute and deliver to Executive an Indemnification Agreement, in the form adopted by the Board, pursuant to which the Company agrees to indemnify Executive and advance defense costs and expenses. The rights under this Section 16 shall in all cases be on terms no less favorable to Executive than to other senior executives of the Company and shall survive the termination of employment until the expiration of the applicable statute of limitations.

17. Executive Acknowledgement. Executive hereby acknowledges that Executive has read and understands the provisions of this Agreement, that Executive has been given the opportunity for Executive's legal counsel to review this Agreement, that the provisions of this Agreement are reasonable and that Executive has received a copy of this Agreement.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Employment Agreement to be executed as of the Effective Date.

ROCKWELL MEDICAL, INC.

By: /s/ Robert S. Radie
Name: Robert S. Radie
Title: Chairman of the Board

EXECUTIVE

/s/ Mark Strobeck
Mark Strobeck, Ph.D.

EXHIBIT A

(a) “*Beneficiary*” means any individual, trust or other entity named by Executive to receive the payments and benefits payable hereunder in the event of the death of Executive. Executive may designate a Beneficiary to receive such payments and benefits by completing a form provided by the Company and delivering it to the General Counsel or Secretary of the Company. Executive may change his designated Beneficiary at any time (without the consent of any prior Beneficiary) by completing and delivering to the Company a new beneficiary designation form. If a Beneficiary has not been designated by Executive, or if no designated Beneficiary survives Executive, then the payment and benefits provided under this Agreement, if any, will be paid to Executive’s estate, which shall be deemed to be Executive’s Beneficiary.

(b) “*Cause*” means: (i) Executive’s material breach of this Agreement or any other material policy of the Company, in each instance only after a written demand to cure such breach is delivered to Executive setting forth in reasonable detail the circumstances of such breach and Executive fails to cure such breach (if it reasonably can be cured) within the thirty (30) day period following his receipt of such written notice; (ii) Executive’s continued willful neglect of Executive’s duties with the Company or willful failure to comply with an express lawful written directive relating to Executive’s duties (other than as a result of Executive’s incapacity due to physical or mental illness), after a written demand for substantial performance is delivered to Executive, which specifically identifies the manner in which the Company believes that Executive has neglected his duties or failed to comply with a lawful directive and Executive fails to comply with such written demand within the thirty (30) day period following its receipt; (iii) any material act of dishonesty, or any act of misappropriation, embezzlement, fraud or similar conduct involving the Company or any of its affiliates; (iv) the conviction of or the plea of nolo contendere or the equivalent by Executive of a felony or other crime involving moral turpitude; or (v) Executive’s engagement in illegal conduct or gross misconduct which is materially and demonstrably injurious to the Company. No act or failure to act by Executive shall be considered “willful” unless it is done or omitted to be done by Executive in bad faith and without reasonable belief that he was acting in the best interests of the Company.

(c) “*Change of Control*” means a “Change in Control” as defined in the Plan.

(d) “*Change of Control Date*” means any date after the date hereof on which a Change of Control occurs; provided, however, that if a Change of Control occurs and if Executive’s employment with the Company is terminated or an event constituting Good Reason (as defined below) occurs prior to the Change of Control, and if it is reasonably demonstrated by Executive that such termination or event: (i) was at the request of a third party who has taken steps reasonably calculated to effect the Change of Control, or (ii) otherwise arose in connection with or in anticipation of the Change of Control then, for all purposes of this Agreement, the Change of Control Date shall mean the date immediately prior to the date of such termination or event.

(e) “*Code*” means the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

(f) “*Date of Termination*” means the date specified in a Notice of Termination pursuant to Section 6 hereof, or Executive’s last date as an active employee of the Company before a termination of employment due to death, Disability or other reason, as the case may be.

(g) “*Disability*” means a mental or physical condition that renders Executive substantially incapable of performing his duties and obligations under this Agreement, after taking into account provisions for reasonable accommodation, as determined by a medical doctor (such doctor to be mutually determined in good faith by the parties) for three or more consecutive months or for a total of six months during any 12 consecutive months; provided, that during such period the Company shall give Executive at least 30 days’ written notice that it considers the time period for disability to be running.

(h) “*Effective Period*” means the period beginning on the Change of Control Date and ending 18 months after the date of the related Change of Control.

(i) “*Good Reason*” means, subject to the notice and cure provisions set forth in Section 6(b), and unless Executive has consented in writing thereto, the occurrence of any of the following: (i) the assignment to Executive of any duties materially inconsistent with Executive’s position under this Agreement, including any material change in status, title, authority, reporting, duties or responsibilities, or other action which results in a material diminution in Executive’s authorities, duties, responsibilities or reporting; (ii) a reduction in Executive’s Base Salary by the Company of more than 5%, unless such reduction is made proportionately in connection with broader salary reductions among all of the Company’s executive officers; (iii) the relocation of Executive’s principal work location of more than 30 miles; or (iv) the Company’s material breach of this Agreement or any other material written agreement between the Company and Executive.

EXHIBIT B

EMPLOYEE CONFIDENTIALITY, ASSIGNMENT OF INVENTIONS, NON-INTERFERENCE AND NON-COMPETITION AGREEMENT

The following is an agreement (“*Agreement*”) is made as of June 21, 2022 between Rockwell Medical, Inc., a Delaware corporation (the “*Company*”), and any successor in interest, and me, Mark Strobeck, Ph.D., and this Agreement is a material part of the consideration for my Employment Agreement with the Company:

1. Job Title and Responsibility. I understand that my job title with the Company will be President and Chief Executive Officer. My job duties and responsibilities will be those set forth in my Employment Agreement with the Company.

2. Consideration. I understand that the consideration to me for entering into this Agreement is my Employment Agreement with the Company, and I agree that this consideration is fully adequate to support this Agreement.

3. Proprietary Information. I acknowledge that the Company is engaged in a continuous program of research, development and production. I also acknowledge that the Company possesses or has rights to secret, private, confidential information and processes (including processes and information developed by me during my employment by the Company) which are valuable, special and unique assets of the Company and which have commercial value in the Company’s business (“*Proprietary Information*”). Proprietary Information includes, but is not limited to, information and details regarding the Company’s business, trade or business secrets, inventions, intellectual property, systems, policies, records, reports, manuals, documentation, models, data and data bases, products, processes, operating systems, manufacturing techniques, research and development techniques and processes, devices, methods, formulas, compositions, compounds, projects, developments, plans, research, financial data, personnel data, internal business information, strategic and staffing plans and practices, business, marketing, promotional or sales plans, practices or programs, training practices and programs, costs, rates and pricing structures and business methods, computer programs and software, customer and supplier identities, information and lists, confidential information regarding customers and suppliers, and contacts at or knowledge of Company suppliers and customers or of prospective or potential customers and suppliers of the Company. Excluded from the definition of Proprietary Information is information that is or becomes part of the public domain, other than through the breach of this Agreement by Executive. For this purpose, information known or available generally within the trade or industry of the Company or any affiliate shall be deemed to be known or available to the public and not to be Proprietary Information.

4. Obligation of Confidentiality. I understand and agree that my employment creates a relationship of confidence and trust between the Company and me with respect to (i) all Proprietary Information, and (ii) the confidential information of others with which the Company has a business relationship. At all times, both during my employment by the Company and after the termination of my employment (whether voluntary or involuntary), I will keep in confidence and trust all such information, and I will not use, reveal, communicate, or disclose any such Proprietary Information or confidential information to anyone or any entity, without the written consent of the Company, unless I am ordered to make disclosure by a court of competent jurisdiction. Notwithstanding any other provision in this Agreement or any other agreement, if I make a confidential disclosure of a Company trade secret to a government agency, government official or an attorney for the purpose of reporting or investigating a suspected violation of law, or in a court filing under seal, I will not be held liable under this Agreement or any other

agreement, or under any federal or state trade secret law for such a disclosure. Moreover, nothing in this Agreement or any other agreement shall prevent me from making a confidential disclosure of any other Proprietary Information to a government official, to an attorney as necessary to obtain legal advice or in a court filing under seal or otherwise as required by law. By signing this Agreement, I agree to waive my right to recover individual relief based on any claims asserted in such a complaint or charge; provided, however, that nothing in this Agreement limits my right to receive an award for information I provide to any government agencies that are authorized to provide monetary or other awards to eligible individuals who come forward with information that leads to an agency enforcement action.

5. Ownership, Disclosure and Assignment of Proprietary Information and Inventions. In addition, I hereby agree as follows:

(a) Ownership and Assignment. All Proprietary Information is, and shall be, the sole and exclusive property of the Company and its successors and assigns, and the Company and its successors and assigns shall be the sole and exclusive owner of all Proprietary Information, including, but not limited to, trade secrets, inventions, patents, trademarks, copyrights, and all other rights in connection with such Proprietary Information. I agree that I have no rights in Proprietary Information. I hereby assign, and shall assign, to the Company and its successors and assigns any and all rights, title and interest I may have or acquire in Proprietary Information. Any copyrightable work prepared in whole or in part by me in the course of my employment shall be deemed "a work made for hire" under applicable copyright laws, and the Company and its successors and assigns shall own all of the rights in any copyright.

(b) Return of Materials and Property. All documents, records, apparatus, equipment, databases, data and information, whether stored in physical form or by electronic means, and all electronic, computer, intellectual, and physical property ("*Materials and Property*"), whether or not pertaining to Proprietary Information, furnished to me by the Company or produced by me or others in connection with employment, shall be and remain the sole and exclusive property of the Company. I shall return to the Company all Materials and Property as and when requested by the Company. Even if the Company does not so request, I shall return all Materials and Property upon termination of employment by me or by the Company for any reason, and I will not take with me any Materials and Property, or any reproduction thereof, upon such termination.

(c) Notification. During the term of my employment and for one (1) year thereafter, I will promptly disclose to the Company, or any persons designated by it, all improvements, inventions, intellectual property, works of authorship, formulas, ideas, processes, techniques, discoveries, developments, designs, devices, innovations, know-how and data, and creative works in which copyright and/or unregistered design rights will subsist in various media (collectively, "*Inventions*"), whether or not such Inventions are patentable, which I make or conceive, contribute to, reduce to practice, or learn, either alone or jointly with others, during the term of my employment.

(d) Ownership of Inventions. I agree and acknowledge that all Inventions which I make, conceive, develop, or reduce to practice (in whole or in part, either alone or jointly with others) at any time during my employment by the Company, and (i) which were created using the equipment, supplies, facilities or trade secret information of the Company; or (ii) which were developed during the hours for which I was compensated by the Company; or (iii) which relate, at the time of conception, creation, development or reduction to practice, to the business of the Company or to its actual or demonstrably anticipated research and development; or (iv) which result from any work performed by me for the Company, shall be the sole and exclusive property of the Company and its successors and assigns (and to the fullest extent permitted by law shall be deemed works made for hire), and the Company and its successors and assigns shall be the sole

and exclusive owner of all Inventions, patents, copyrights and all other rights in connection therewith. I hereby assign to the Company any and all rights I may have or acquire in such Inventions. I agree that any such Invention required to be disclosed under paragraph (c), above, within one (1) year after the termination of my employment shall be presumed to have been conceived or made during my employment with the Company and will be assigned to the Company unless and until I prove and establish to the contrary.

(e) Assistance and Cooperation. With respect to Inventions described in paragraph (d), above, I will assist the Company in every proper way (but at the Company's expense) to obtain, and from time to time enforce, patents, copyrights or other rights on these Inventions in any and all countries, and will execute all documents reasonably necessary or appropriate for this purpose. This obligation shall survive the termination of my employment. In the event that the Company is unable for any reason whatsoever to secure my signature to any document reasonably necessary or appropriate for any of the foregoing purposes (including renewals, extensions, continuations, divisions or continuations in part), I hereby irrevocably designate and appoint the Company, and its duly authorized officers and agents, as my agents and attorneys-in-fact to act for and in my behalf and instead of me, but only for the purpose of executing and filing any such document and doing all other lawfully permitted acts to accomplish the foregoing purposes with the same legal force and effect as if executed by me.

(f) Exempt Inventions. I understand that this Agreement does not require assignment of an Invention for which no equipment, supplies, facilities, resources, or trade secret information of the Company was used and which was developed entirely by me on my own time, unless the invention relates (i) directly to the business of the Company or (ii) to the Company's actual or demonstrably anticipated research or development. However, I will disclose to the Company any Inventions I claim are exempt, as required by paragraph (c) above, in order to permit the Company to determine such issues as may arise. Such disclosure shall be received in confidence by the Company.

6. Prior Inventions. As a matter of record, I attach hereto as Exhibit I a complete list of all inventions or improvements relevant to the subject matter of my employment by the Company which have been made or conceived or first reduced to practice by me, alone or jointly with others, prior to my employment with the Company, that I desire to remove from the operation of this Agreement, and I covenant that such list is complete. If no such list is attached to this Agreement, I represent that I have no such inventions and improvements at the time of my signing this Agreement.

7. Other Business Activities. So that the Company may be aware of the extent of any other demands upon my time and attention, I will disclose to the Company (such disclosure to be held in confidence by the Company) the nature and scope of any other business activity in which I am or become engaged during the term of my employment. During the term of my employment, I will not engage in any business activity or employment which is in competition with, or is related to, the Company's business or its actual or demonstrably anticipated research and development, or that will affect in any manner my ability to perform fully all of my duties and responsibilities for the Company.

8. Non-Interference and Non-Solicitation of Employees, Customers and Others.

(a) During my employment with the Company and for twelve (12) months after the termination of my employment (whether the termination is by me or the Company, the "*Restricted Period*"), I will not, and will not attempt to directly or indirectly do any one or more of the following: (i) induce, encourage or solicit any employee, consultant, or independent contractor of the Company to leave the Company for any reason, unless specifically requested to take such action in writing by the Company; or (ii) employ, retain, or engage any employee,

consultant, or independent contractor of the Company. For purposes of this Section 8(a), the terms “employee”, “consultant” and “independent contractor” shall include those who served in such capacities within six (6) months preceding the date of the termination of my employment; provided, that nothing herein shall prevent me from engaging in discussions regarding employment, or employing, any such employee, consultant or independent contractor if such discussions shall be held as a result of, or any employment shall be the result of, the response by any such person to a written employment advertisement placed in a publication of general circulation, general solicitation conducted by executive search firms, employment agencies or other general employment services, not directed specifically at any such employee, consultant or independent contractor.

(b) During the Restricted Period, I will not, and will not attempt to, directly or indirectly, solicit, divert, disrupt, interfere with or take away any Company customer, supplier, agent, vendor, distributor, representative, or other contracting party with the Company that had such a relationship with the Company during my employment with the Company to a business that is a Competitor of the Company. For purposes of this Agreement, the term “*Competitor*” shall include any company or other entity engaged in developing or commercializing any one or more of the following: (i) drug products, drug therapies and concentrates/dialysates that target end-stage renal disease and chronic kidney disease for the treatment of iron deficiency, secondary hyperparathyroidism and hemodialysis or (ii) any product or process developed and commercialized, or under development in whole or in part, by the Company during my employment.

(c) During the Restricted Period, I will not, and will not attempt to, directly or indirectly induce any customer, supplier, agent, vendor, distributor, representative, or other contracting party with the Company that had such a relationship with the Company during my employment with the Company, to reduce its patronage of the Company or to terminate any written or oral agreement or understanding, or any other business relationship with the Company.

9. Non-Competition During and After Employment. During the Restricted Period, I will not directly or indirectly, without the prior written consent of the Company, maintain a relationship with a Competitor including as an employee, employer, consultant, agent, lender, investor, principal, partner, stockholder, corporate officer, director, or in any other individual or representative capacity; provided that, nothing in this Agreement shall prohibit me from being a passive owner of not more than three percent (3%) of the outstanding equity of any entity that itself or through its affiliates in engaged in various businesses including a business that would be considered a Competitor as long as I have no involvement with the competitive business. I understand and agree that the restrictions in this paragraph are necessary and reasonable to protect the legitimate business interests of the Company.

10. Obligations to Former Employers. I represent that my execution of this Agreement, my employment with the Company, and my performance of my duties and proposed duties to the Company will not violate any obligations or agreements I have, or may have, with any former employer or any other third party, including any obligations and agreements requiring me not to compete or to keep confidential any proprietary or confidential information. I have not entered into, and I will not enter into, any agreement which conflicts with this Agreement or that would, if performed by me, cause me to breach this Agreement. I further represent that I have no knowledge of any pending or threatened litigation to which the Company may become a party by virtue of my association with the Company. I further agree to immediately inform the Company of any such pending or threatened litigation should it come to my attention during the course of my employment. I also represent that I have provided to the Company for its inspection before I signed this Agreement all confidentiality, non-compete, non-

solicitation, and all other employment-related agreements and obligations to which I am party to which I am bound.

11. Confidential Information of, and Agreements with, Former Employers. In the course of performing my duties to the Company, I will not utilize any trade secrets, proprietary or confidential information of or regarding any former employer or business affiliate in violation of any duty not to disclose or use such information, nor violate any written or oral, express or implied agreement with any former employer or other third party.

12. United States Government Obligations. I acknowledge that the Company from time to time may have agreements with other persons or with the United States Government, or agencies thereof, which impose obligations or restrictions on the Company regarding inventions made during the course of work under such agreements or regarding the confidential nature of such work. I agree to be bound by all such obligations and restrictions which are made known to me and to take all reasonable action to assist the Company in discharging the obligations of the Company under such agreements.

13. Remedies. I acknowledge that my failure to comply in all material respects with, or my material breach of, any of the terms and conditions of this Agreement shall irreparably harm the Company, and that money damages would not adequately compensate the Company for this harm. Accordingly, I acknowledge that in the event of a threatened or actual material breach by me of any provision of this Agreement, in addition to any other remedies the Company may have at law, the Company shall be entitled to seek equitable relief in the form of specific performance, temporary restraining order, temporary or permanent injunction or any other equitable remedy then available, without requiring the Company to post any bond. I agree that nothing herein contained shall be construed as prohibiting the Company from pursuing any other remedies available to it for such threatened or actual breach, including money damages, and I agree that the Company shall be entitled to recover from me any attorney's fees it incurs in enforcing the terms of this Agreement.

14. Not an Employment Agreement. I acknowledge and agree that this Agreement is not a contract of employment for any specific period of time.

15. Miscellaneous.

(a) Reformation and Severability. If any provision of this Agreement is held to be invalid or unenforceable under applicable law, such provision shall be reformed and/or construed, if possible, to be enforceable under applicable law; otherwise, such provision shall be excluded from this Agreement and the balance of the Agreement shall remain fully enforceable and valid in accordance with its terms.

(b) No Waiver. No delay or omission by the Company in exercising any right hereunder will operate as a waiver of that or any other right. A waiver or consent given by the Company on any one occasion is effective only in that instance and will not be construed as a bar to or waiver of any right on any other occasion.

(c) Reassignment. I expressly consent to be bound by the provisions of this Agreement for the benefit of the Company or any subsidiary or affiliate thereof to whose employment I may be transferred, without the necessity that this Agreement be reassigned at the time of such transfer.

(d) Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware (but not the law or principles of conflict of laws). The parties submit to the exclusive jurisdiction of the state or federal courts of Delaware for all disputes arising out of or relating to this Agreement, and hereby waive, and agree not to assert, in any action, suit, or proceeding between the parties arising out of or relating to this Agreement that the action, suit, or proceeding may not be brought or is not maintainable in such courts, that this Agreement may not be enforced by such courts, that the action, suit, or proceeding is brought in an inconvenient forum, that the venue of the action, suit, or proceeding is improper, or that the action, suit, or proceeding, if brought in Delaware state court, may be removed to federal courts.

(e) Effective Date. This Agreement shall be effective as of the date of my Employment Agreement with the Company, shall be binding upon me, my heirs, executors, assigns and administrators, and shall inure to the benefit of the Company and its successors and assigns.

(f) Entire Agreement. This Agreement, together with my Employment Agreement with the Company, contains the entire agreement of the parties relating to the subject matter herein, and may not be waived, changed, extended or discharged except by an agreement in writing signed by both parties.

(g) Acknowledgement. I acknowledge and agree that I have fully read and that I understand all of the terms and provisions of this Agreement, that I have had the opportunity to consult with an attorney and to discuss this Agreement with an attorney, that I have had any questions regarding the effect of this Agreement or the meaning of its terms answered to my satisfaction, and, intending to be legally bound hereby, I freely and voluntarily sign this Agreement.

ROCKWELL MEDICAL, INC.

By: _____
Name: Robert S. Radie
Title: Chairman of the Board

EXECUTIVE

Mark Strobeck, Ph.D.

EXHIBIT I

1. The following is a complete list of all inventions or improvements (“*Intellectual Property*”) relevant to my employment by Rockwell Medical, Inc. (the “*Company*”) that have been made or conceived or first reduced to practice by me, alone or jointly with others, prior to my employment by the Company that I desire to remove from the operation of the Employee Confidentiality, Assignment of Inventions, Non-Interference and Non-Competition Agreement between me and the Company (the “*Employee Agreement*”).

No Intellectual Property.

Any and all Intellectual Property regarding:

Additional sheets attached.

2. I propose to bring to my employment the following materials and documents of a former employer or materials and documents created by me and/or others during any previous employment (“*Materials*”):

No Materials.

Materials:

Additional sheets attached.

3. I acknowledge and agree that the Materials set forth above are being provided by me in accordance with the representations set forth in Section 6 of the Employee Agreement between me and the Company.

Signature

Mark Strobeck, Ph.D.

EXHIBIT C

SEPARATION AND RELEASE AGREEMENT

This Separation and Release Agreement (the “Agreement”) is made between Rockwell Medical, Inc., a Delaware corporation (the “Company”), and [_____] (“Executive”, and together with the Company, the “Parties,” and each a “Party”). Capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Employment Agreement, dated as of [_____] , 2022, by and between the Company and Executive (the “Employment Agreement”).

1. Executive’s employment ended, effective [, 20] (the “Separation Date”). Effective as of the Separation Date, Executive automatically resigned from any appointed or elected positions with any Released Party (as defined below), and Executive will cooperate with the Company to effectuate such resignations. The Company has provided Executive his accrued base salary through the Separation Date, and Executive is not owed any additional amount from any Released Party except as set forth herein.

2. Provided this Agreement has become effective, that Executive’s representations set forth herein are accurate, and that Executive continues to abide by his obligations to the Company, the Company will provide Executive with the severance amounts and benefits set forth in Section 5(b) of the Employment Agreement (collectively, the “Severance Benefits”) in accordance with the terms of the Employment Agreement.

3. Executive, on behalf of himself, his heirs, successors, assigns, and any individual or entity that could assert a claim through him or on his behalf relating to Executive’s employment or termination of employment with the Company, fully and forever releases, acquits and discharges the “Released Parties” (defined as the Company, all of its past and present affiliates, parent companies, subsidiaries, investors, predecessors, successors, assigns, and related companies and entities, and all of their past and present shareholders, members, managers, partners, directors, officers, supervisors, trustees, employees, attorneys, persons and agents and all other persons and entities acting in connection with any of them) from and for all manner of claims, allegations, suits, charges, administrative actions, litigation and/or causes of action of any type, based upon any fact or set of facts, known or unknown, existing from the beginning of time through the date this Agreement is signed by him (the “Released Claim(s)”). Without limitation and for illustration purposes only, the Released Claims include claims for or relating to: monetary damages and relief and/or recovery of every type; wrongful discharge; breach of express or implied contract, including regarding the Employment Agreement; any severance policy or plan; any incentive equity plan, policy or agreement; attorneys’ fees and costs; retaliation, discrimination and/or harassment related to any protected characteristic or activity; Title VII of the Civil Rights Act, the Age Discrimination in Employment (“ADEA”), the Older Workers Benefit Protection Act, the Americans with Disabilities Act, and the Employee Retirement Income Security Act; and all other federal, state, common or local statutes, ordinances and laws. Notwithstanding the foregoing, Executive is not prohibited from making or asserting: (i) Executive’s rights under this Agreement and any claims arising from the breach of this Agreement, the Employment Agreement or any equity award agreement by the Company, including any claim for breach of Company’s obligation to make the payments described in Section 2 above; (ii) Executive’s rights, if any, to indemnity pursuant to the Company’s articles, bylaws, or any indemnification agreement between the Company and Executive and/or to the protections of any director’ and officers’ liability policies of the Company and (iii) if Executive owns an equity interest in the Company, his rights as an equity owner.

4. The Parties intend that the general release by Executive will be construed as broadly as possible. Executive agrees not to commence or pursue any legal action regarding any Released Claims, provided that this Agreement does not limit his right, where applicable, to file or participate in an investigative proceeding of any federal, state or local governmental agency. To the extent permitted by law, Executive agrees that if such an administrative claim is made, he shall not be entitled to recovery of individual monetary relief or other individual remedies, provided that nothing in this Agreement limits his right to participate in the Securities and Exchange Commission's ("SEC") whistleblower program and receive a whistleblower's award thereunder. The Parties further acknowledge that the Company and its affiliates are not releasing any claims against Executive or any other individual, and all rights as to such claims are reserved.

5. Executive represents and warrants that: (a) he has returned all Company property, information and files in his possession, without retaining copies of same; (b) he has complied with the Employee Confidentiality, Assignment of Inventions, Non-Interference and Non-Competition Agreement between Executive and the Company dated as of [_____] , 2022 (the "Restrictive Covenant Agreement"); and (c) he has not assigned any Released Claims.

6. Executive will cooperate with the Company in providing information with respect to all reports required to be filed by the Company with the SEC as they relate to required information with respect to him. Executive acknowledges and agrees that the Company may be required to file a copy of this Agreement with the SEC.

7. Executive acknowledges that he remains bound by, and will comply in all material respects with, his post-employment obligations to the Company, including but not limited to those set forth in the Employment Agreement and the Restrictive Covenant Agreement.

8. Executive acknowledges and agrees that, pursuant to the requirements of Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Section 954"), certain payments received by Executive may be subject to "clawback" in the event the Company is required to prepare an accounting restatement of its applicable financial statements due to the Company's material noncompliance with applicable financial reporting requirements. Executive agrees to promptly return to the Company the amount of any compensation paid to him that is required to be forfeited in accordance with Section 954.

9. Executive acknowledges that the Company's promises set forth throughout this Agreement would not be provided unless Executive executed this Agreement and are each separate and adequate consideration for this Agreement, including Executive's release of claims.

10. To the fullest extent permitted by law, and except as to statements made in legal, administrative or arbitral proceedings in disputes between Executive and the Company and truthful testimony, Executive agrees that he will not make public statements that defame, disparage or otherwise publicly speak of the Company or its present or former officers or members of the Board and/or its products or services in a false or misleading manner, including but not limited to through any media, social media, Facebook, Twitter or similar mechanism.

11. To the fullest extent permitted by law and at the sole expense of the Company, Executive agrees to reasonably cooperate with the Released Parties in any internal investigation, any administrative, regulatory or judicial proceeding or any dispute with a third party that he had knowledge of while employed by or providing services to the Company. Executive's cooperation may include being available to the Company upon reasonable notice and subject to Executive's personal and professional commitments, for interviews and factual investigations,

appearing at the Company's request to give testimony without requiring service of a subpoena or other legal process, and turning over to the Company all relevant documents which are or may come into Executive's possession. If Executive is served with a subpoena or is required by court order or otherwise to testify or produce documents in any type of proceeding involving the Company or its affiliates, he must advise the Company within ten (10) days of same and reasonably cooperate with the Company in objecting to such request and/or seeking confidentiality protections.

12. This Agreement does not constitute an admission by the Company that any action it took with respect to Executive was wrongful, unlawful or in violation of any local, state, or federal act, statute, or constitution, or susceptible of inflicting any damages or injury on Executive, and the Company specifically denies any such wrongdoing or violation.

13. In addition to any other legal and/or equitable remedies, if Executive materially breaches any material provision of this Agreement, the Employment Agreement, the Restrictive Covenant Agreement, or any other contractual or legal obligation Executive owes to the Company, then the Company may cease paying and/or providing the Severance Benefits and Executive will be required to repay and/or forfeit any Severance Benefits received through the date of such breach or discovery of the inaccuracy of his representations, provided that Executive may retain \$1,000 of such payments. The exercise of such remedies will not affect the validity of the release and other obligations of Executive as set forth in this Agreement or otherwise, nor will it limit the other legal and/or equitable remedies otherwise available to any Released Party.

14. This Agreement and the rights and obligations of the parties hereunder will be governed by, and construed and enforced in accordance with, the laws of the state of Delaware, excluding any such laws that direct the application of the laws of any other jurisdiction. The Released Parties are intended third party beneficiaries of Executive's obligations under this Agreement.

15. This Agreement will be enforceable to the fullest extent permitted by law. If any provision is held to be unenforceable, then such provision will be construed or revised in a manner so as to permit its enforceability to the fullest extent permitted by applicable law. If such provision cannot be reformed in that manner, such provision will be deemed to be severed from this Agreement, but every other provision of this Agreement will remain in full force and effect.

16. This Agreement may not be amended, modified, waived or terminated except in a writing signed by Executive and the Company's signatory to this Agreement or his successor. Further, the waiver by a party of a breach of any provision of this Agreement by the other will not operate or be construed as a waiver of any subsequent breach of the same or other provision of this Agreement.

17. Except as otherwise provided herein, this Agreement will be binding upon and inure to the benefit of the parties' respective successors, permitted assigns and transferees, personal representatives, heirs and estates, as the case may be; provided, however, that Executive's rights and obligations under this Agreement may not be assigned without the prior written consent of the Company.

18. Executive has had 21 calendar days to review and sign this Agreement and is advised to consult with an attorney of his choice before signing this Agreement, which includes a release of potential claims under the ADEA. Executive understands that he may use as much of this 21-day period as he wishes prior to signing. Changes to the Agreement, whether material or immaterial, will not restart the review period. Executive may expressly and voluntarily waive any part or all of the 21-day review period by signing and returning this Agreement prior to the

expiration of the review period. Executive has the right to revoke his release of any and all ADEA claims by informing the Company of such revocation within seven calendar days following his execution of this Agreement (the "Revocation Period"); for the avoidance of doubt, no claims other than those arising under ADEA may be revoked during the Revocation Period. Any such revocation must be in writing and delivered to the Company in care of its signatory to this Agreement or his successor. This Agreement will become effective upon execution by Executive with respect to all claims other than those arising under ADEA, and will only become effective with respect to the release of ADEA claims if the Revocation Period has expired without any revocation having been delivered in writing to the Company within the Revocation Period. In the event that Executive revokes this Agreement with respect to ADEA claims, the Company shall make a single payment of \$1,000, at which point Executive will be entitled to no further payments or severance benefits hereunder or under the Employment Agreement. Upon the expiration of the Revocation Period without the revocation of the ADEA claims, this Agreement shall be deemed to have become "final, binding and irrevocable," as set forth in Section 5(b) of the Employment Agreement.

19. This Agreement reflects the entire agreement of the parties relative to the subject matter hereof, and supersedes all prior, contemporaneous, oral or written understandings, agreements, statements, representations or promises regarding the subject matter hereof, provided that this Agreement does not supersede or modify the Employment Agreement, the Restrictive Covenant Agreement and those agreements pertaining to Executive's equity holdings.

20. This Agreement may be signed in counterparts, and when this Agreement has been signed by all parties, each counterpart shall constitute an original, notwithstanding that fewer than all of the parties' signatures appear on any one counterpart. An electronic signature transmitted by facsimile or other electronic means shall be deemed to be an original.

[Signature Page Follows]

The parties hereto confirm their agreement by the signatures shown below.

Rockwell Medical, Inc.

By: _____

Name:

Title:

Mark Strobeck, Ph.D.

ROCKWELL MEDICAL, INC.
AMENDED AND RESTATED 2018 LONG TERM INCENTIVE PLAN

I. GENERAL PROVISIONS

1.1 **Establishment.** On April 13, 2018, the Board initially adopted the Rockwell Medical, Inc. 2018 Long Term Incentive Plan, subject to the approval of shareholders at the Corporation's 2018 annual meeting of shareholders. The plan was first amended and restated effective May 18, 2020, further amended and restated effective November 10, 2021 and further amended and restated effective May 9, 2022.

1.2 **Purpose.** The purpose of the Plan is to (a) promote the best interests of the Corporation and its shareholders by encouraging Employees, Directors and Consultants of the Corporation and its Subsidiaries to acquire an ownership interest in the Corporation by granting stock-based Awards, thus aligning their economic interests with those of the Corporation's shareholders, and (b) enhance the ability of the Corporation and its Subsidiaries to attract, motivate and retain qualified Employees, Directors and Consultants.

1.3 **Plan Duration.** The Plan, as currently amended and restated, became effective on May 9, 2022 and shall continue in effect until its termination by the Board; provided, however, that no new Awards may be granted on or after April 13, 2028.

1.4 **Definitions and Interpretations.** Whenever the words "include," "includes" or "including" are used, they shall be understood to be followed by the words "without limitation." Article and Section references in the Plan shall be to Articles and Sections of the Plan unless otherwise noted. As used in this Plan, the following terms have the meaning described below:

(a) **"Agreement"** means the written document that sets forth the terms of a Participant's Award.

(b) **"Award"** means any form of Option, Stock Appreciation Right, Restricted Stock Award, Restricted Stock Unit Award, Performance Award, Incentive Award or other award granted under the Plan.

(c) **"Board"** means the Board of Directors of the Corporation.

(d) **"Cause"** means (i) if a Participant is a party to a written employment agreement with the Corporation or a Subsidiary, "Cause" as defined in such agreement, as in effect from time to time, and (ii) in all other cases, (A) a Participant's continued failure to substantially perform Participant's duties to the Corporation or its Subsidiaries (other than as a result of Disability) for a period of 10 days following written notice by the Corporation to Participant of such failure, (B) dishonesty in the performance of Participant's duties, (C) Participant's conviction of, or plea of nolo contendere to, a crime constituting (x) a felony under the laws of the United States or any state thereof, or (y) a misdemeanor involving a crime of embezzlement, theft, dishonesty, or moral turpitude, (D) Participant's willful malfeasance or willful misconduct in connection with Participant's duties to the Corporation or any Subsidiary, or any act or omission which is injurious to the financial condition or business reputation of the Corporation or its Subsidiaries, or (E) Participant's breach of any non-compete, confidentiality or intellectual property obligations to the Corporation or its Subsidiaries.

(e) **"Change in Control"** means the occurrence of any of the following events:

(i) If the Corporation consolidates with or merges into any other corporation or other entity that is not controlled by or under common control with the Corporation, and the Corporation is not the continuing or surviving entity of such consolidation or merger;

(ii) If the Corporation permits any other corporation or other entity that is not controlled by or under common control with the Corporation to consolidate with or merge into the Corporation and the Corporation is the continuing or surviving entity but, in connection with such consolidation or merger the shareholders of the Corporation immediately prior to such transaction cease to own at least 50% of the combined voting power of the outstanding voting securities of the Corporation immediately following the transaction or the Common Stock is changed into or exchanged for stock or other securities of any other corporation or other entity or cash or any other assets;

(iii) If the Corporation dissolves or liquidates;

(iv) If the Corporation effects a share exchange, capital reorganization or reclassification transaction in such a way that (A) holders of Common Stock shall be entitled to receive stock, securities, cash or other assets with respect to or in exchange for the Common Stock, and (B) (x) neither the Common Stock nor the consideration received in such transaction is a class of equity securities registered under Section 12 of the Exchange Act following such transaction or (y) a majority of members on the Board are replaced in connection with such transaction;

(v) If any one person, or more than one person acting as a group (as determined in accordance with Sections 13(d) and 14(d) of the Exchange Act), acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or persons) ownership of Common Stock possessing thirty-five percent (35%) or more of the total outstanding voting power of the Common Stock;

(vi) If a majority of members on the Board are replaced during any 12-month period by Directors whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election (provided that for purposes of this paragraph, the term Corporation refers solely to the "relevant" corporation, as defined in Code Section 409A and regulations thereunder, for which no other corporation is a majority shareholder); or

(vii) If there is a change in the ownership of a substantial portion of the Corporation's assets, which shall occur on the date that any one person, or more than one person acting as a group (as determined in accordance with Sections 13(d) and 14(d) of the Exchange Act) acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or persons) assets from the Corporation that have a total gross fair market value equal to or more than forty percent (40%) of the total gross fair market value of all of the assets of the Corporation immediately prior to such acquisition or acquisitions, as determined by the Board. For this purpose, gross fair market value means the value of the assets of the Corporation, or the value of the assets being disposed of, determined by the Board without regard to any liabilities associated with such assets.

As used in this paragraph, the term "person" shall include individuals and entities.

Notwithstanding the foregoing, for purposes of an Award (A) that is considered deferred compensation subject to the provisions of Code Section 409A, or (B) with respect to which the Corporation permits a deferral election, the definition of "Change in Control" shall be deemed amended to conform to the requirements of Code Section 409A to the extent necessary for such Awards and deferral elections to comply with Code Section 409A.

(f) "**Change in Control Price**" shall mean the per share price paid or deemed paid for the outstanding Common Stock in the Change in Control transaction, as determined by the Board.

(g) "**Change in Control Termination**" means a termination of an Employee Participant's employment by the Corporation without "Cause" or, if the Employee is a party to a written employment agreement with the Corporation, by Employee for "good reason" (as defined in such agreement as in effect from time to time), which termination occurs after the execution of an agreement to which the Corporation is a party pursuant to which a Change in Control has occurred or will occur (upon consummation of the transactions contemplated by such agreement) but, if a Change in Control has occurred pursuant thereto, not more than two years after such Change in Control, and if a Change in Control has not yet occurred pursuant thereto, while such agreement remains executory.

(h) "**Code**" means the Internal Revenue Code of 1986, as amended.

(i) "**Committee**" means the Compensation Committee of the Board, or any other committee or sub-committee of the Board, designated by the Board from time to time, comprised solely of two or more Directors who are "non-employee directors," as defined in Rule 16b-3 of the Exchange Act and "independent directors" for purposes of the rules and regulations of the Stock Exchange. However, the fact that a Committee member shall fail to qualify under any of these requirements shall not invalidate any Award made by the Committee if the Award is otherwise validly made under the Plan. The members of the Committee shall be appointed by, and may be changed at any time and from time to time, at the discretion of the Board.

(j) "**Common Stock**" means shares of the Corporation's authorized common stock.

- (k) "**Consultant**" means a consultant or advisor (other than as an Employee or Director) to the Corporation or a Subsidiary; provided that such person is an individual who (1) renders bona fide services that are not in connection with the offer and sale of the Corporation's securities in a capital-raising transaction, and (2) does not promote or maintain a market for the Corporation's securities.
- (l) "**Corporation**" means Rockwell Medical, Inc., a Delaware corporation.
- (m) "**Director**" means an individual, other than an Employee, who has been elected or appointed to serve as a member of the Board.
- (n) "**Disability**" means total and permanent disability, as defined in Code Section 22(e); provided, however, that for purposes of a Code Section 409A distribution event, "disability" shall be defined under Code Section 409A and regulations thereunder.
- (o) "**Employee**" means an individual who has an "employment relationship" with the Corporation or a Subsidiary, as defined in Treasury Regulation 1.421-1(h), and the term "employment" means employment with the Corporation or a Subsidiary.
- (p) "**Exchange Act**" means the Securities Exchange Act of 1934, as amended from time to time, and any successor thereto.
- (q) "**Fair Market Value**" means for purposes of determining the value of Common Stock on the Grant Date, the closing price per share of the Common Stock on the Stock Exchange on the Grant Date. In the event that there are no Common Stock transactions reported on the Stock Exchange on such date, the Fair Market Value shall be determined as of the immediately preceding date on which there were Common Stock transactions reported on the Stock Exchange. Unless otherwise specified in the Plan, "Fair Market Value" for purposes of determining the value of Common Stock on the date of exercise or Vesting means the closing price per share of the Common Stock on the Stock Exchange on the last date preceding the date of exercise or Vesting on which there were Common Stock transactions reported on the Stock Exchange. If the Common Stock is not listed on a Stock Exchange on the relevant date, the Fair Market Value shall be determined by the Board in good faith and in accordance with Code Section 409A and regulations thereunder.
- (r) "**Grant Date**" means the date on which the Board grants an Award, or such later effective grant date as shall be designated by the Board or as set forth in a Participant's Agreement.
- (s) "**Incentive Award**" means an Award that is granted in accordance with Article VI.
- (t) "**Incentive Stock Option**" means an Option granted pursuant to Article II that is intended to meet the requirements of Code Section 422.
- (u) "**Nonqualified Stock Option**" means an Option granted pursuant to Article II that is not an Incentive Stock Option.
- (v) "**Officer**" means a person who is an officer of the Corporation within the meaning of Section 16 of the Exchange Act.
- (w) "**Option**" means either an Incentive Stock Option or a Nonqualified Stock Option.
- (x) "**Participant**" means an Employee, Director or Consultant who is designated by the Board to participate in the Plan or otherwise receives an Award; provided, however, that our Chief Executive Officer and our Directors, all as of April 13, 2018, shall not be considered a Participant under the Plan and shall not be eligible to receive any awards under the Plan (except for the contingent option awards granted under the Plan to Directors on March 19, 2018) until immediately after our 2019 annual meeting of shareholders.
- (y) "**Performance Award**" means any Award of Performance Shares or Performance Units granted pursuant to Article V.
- (z) "**Performance Goals**" means the measures of performance of the Corporation and its Subsidiaries selected by the Board to determine a Participant's entitlement to a Performance Award under the Plan.
- (aa) "**Performance Share**" means any grant pursuant to Article V and Section 5.2(b)(i).
- (bb) "**Performance Unit**" means any grant pursuant to Article V and Section 5.2(b)(ii).

(cc) "**Plan**" means the Amended and Restated Rockwell Medical, Inc. 2018 Long Term Incentive Plan, the terms of which are set forth herein, and any amendments thereto.

(dd) "**Restriction Period**" means the period of time during which a Participant's Restricted Stock or Restricted Stock Unit is subject to a risk of forfeiture and/or and is nontransferable.

(ee) "**Restricted Stock**" means Common Stock granted pursuant to Article IV that is subject to a Restriction Period.

(ff) "**Restricted Stock Unit**" means a right granted pursuant to Article IV to receive Restricted Stock, Common Stock or cash.

(gg) "**Securities Act**" means the Securities Act of 1933, as amended from time to time, and any successor thereto.

(hh) "**Stock Appreciation Right**" means the right to receive a cash or Common Stock payment from the Corporation, in accordance with Article III of the Plan.

(ii) "**Stock Exchange**" means the principal national securities exchange on which the Common Stock is listed for trading, or, if the Common Stock is not listed for trading on a national securities exchange, such other recognized trading market upon which the largest number of shares of Common Stock has been traded in the aggregate during the last 20 days before the applicable date.

(jj) "**Subsidiary**" means a corporation or other entity defined in Code Section 424(f).

(kk) "**Substitute Awards**" shall mean Awards granted or shares issued by the Corporation in assumption of, or in substitution or exchange for, Awards previously granted, or the right or obligation to make future Awards, by a company acquired by the Corporation or any Subsidiary or with which the Corporation or any Subsidiary combines.

(ll) "**Vested**" or "**Vesting**" means the extent to which an Award granted or issued hereunder has become exercisable or upon termination or lapse of any applicable Restriction Period in accordance with the Plan and the terms of any respective Agreement pursuant to which such Award was granted or issued, or has become payable in whole or in part due to the satisfaction of Performance Goal(s) set forth in the respective Agreement pursuant to which such Award was granted or issued.

1.5 Administration.

(a) The Plan and all Agreements thereunder shall be administered by the Board. The Board may delegate administration of the Plan to a Committee or Committees, as provided in Section 1.5(c).

(b) The Board shall, in its discretion, interpret the Plan and all Agreements thereunder, prescribe, amend, and rescind rules and regulations relating to the Plan and all Agreements thereunder, and make all other determinations necessary or advisable for its/their administration. The decision of the Board (or a duly authorized Committee, subcommittee or Officer exercising powers delegated by the Board under this Section 1.5) on any question concerning the interpretation of the Plan and all Agreements thereunder or its/their administration with respect to any Award granted under the Plan shall be final and binding upon all Participants. No member of the Board (or a duly authorized Committee, subcommittee or Officer exercising powers delegated by the Board under this Section 1.5) shall be liable for any action or determination made in good faith with respect to the Plan or any Award hereunder. In addition to any other powers set forth in the Plan and subject to Code Section 409A and the provisions of the Plan, the Board shall have the full and final power and authority, in its discretion to:

(i) Subject to Section 11.6, amend, modify, or cancel any Award, or to waive any restrictions or conditions applicable to any shares of Common Stock acquired pursuant thereto;

(ii) Authorize, in conjunction with any applicable deferred compensation plan of the Corporation, that the receipt of cash or Common Stock subject to any Award under this Plan may be deferred under the terms and conditions of such deferred compensation plan;

(iii) Determine the terms and conditions of Awards granted to Participants and whether such terms and conditions have been satisfied; and

(iv) Establish such other Awards, besides those specifically enumerated in the Plan, which the Board determines are consistent with the Plan's purposes.

(c) The Board may delegate some or all of the administration of the Plan to a Committee or Committees. If administration of the Plan is delegated to a Committee, the Committee will have, in connection with the administration of the Plan, the powers theretofore possessed by the Board that have been delegated to the Committee, including the power to delegate to a subcommittee of the Committee any of the administrative powers the Committee is authorized to exercise (and references in this Plan to the Board will thereafter be to the Committee or subcommittee). Any delegation of administrative powers will be reflected in resolutions, not inconsistent with the provisions of the Plan, adopted from time to time by the Board or Committee (as applicable). The Committee may, at any time, abolish the subcommittee and/or revert in the Committee any powers delegated to any subcommittee. Unless otherwise provided by the Board, delegation of authority by the Board to a Committee, or to an Officer or employee pursuant to Section 1.5(d), does not limit the authority of the Board, which may continue to exercise any authority so delegated and may concurrently administer the Plan with the Committee and may, at any time, revert in the Board some or all of the powers previously delegated. The Board has delegated administration of the Plan to the Compensation Committee, who will serve for such period of time as the Board may specify and whom the Board may remove at any time.

(d) The Board may delegate to one (1) or more Officers the authority to do one or both of the following, to the maximum extent permitted by applicable law: (i) designate Employees who are not Officers to be recipients of Awards and the terms of such Awards; and (ii) determine the number of shares of Common Stock to be subject to such Awards granted to such Employees; provided, however, that the Board resolutions regarding such delegation will specify the total number of shares of Common Stock that may be subject to the Awards granted by such Officer and that such Officer may not grant an Award to himself or herself. Any such Awards will be granted on a form that is substantially the same as the form of Agreement approved by the Committee or the Board for use in connection with such Awards, unless otherwise provided for in the resolutions approving the delegation authority.

(e) Notwithstanding any other provision of this Plan to the contrary, neither the Board, the Committee nor any Officer shall have the authority or the discretion to accelerate the Vesting of any Award, except in the case of a Participant's death or Disability.

1.6 Participants. Participants in the Plan shall be such Employees, Directors and Consultants of the Corporation and its Subsidiaries as the Board in its discretion may select from time to time; provided, however, that our Chief Executive Officer and our Directors, all as of April 13, 2018, shall not be considered a Participant under the Plan and shall not be eligible to receive any awards under the Plan (except for the contingent option awards granted under the Plan to Directors on March 19, 2018) until immediately after our 2019 annual meeting of shareholders. The Board may grant Awards to an individual upon the condition that the individual become an Employee, Director or Consultant of the Corporation or of a Subsidiary, provided that the Grant Date of the Award shall be deemed to be the date that the individual legally becomes an Employee, Director or Consultant, as applicable.

1.7 Stock Reserve.

(a) The Corporation has reserved 1,018,181 shares of the Corporation's Common Stock for issuance pursuant to stock-based Awards. Up to 627,272 of the reserved shares may be granted as Incentive Stock Options under the Plan. All amounts in this Section 1.7 shall be adjusted, as applicable, in accordance with Section 10.1. Subject to the other provisions in this Section 1.7, the aggregate number of shares of Common Stock reserved under this Section 1.7(a) shall be depleted by the maximum number of shares of Common Stock, if any, that may be payable under an Award as determined on the Grant Date; provided that the aggregate number of shares of Common Stock shall be depleted by one share for each share subject to an Option or Stock Appreciation Right (that will be settled in shares), and shall be depleted by 1.32 shares of Common Stock for each share subject to an Award that will be settled in shares of Common Stock other than an Option or Stock Appreciation Right. For purposes of determining the aggregate number of shares of Common Stock reserved for issuance under this Plan, any fractional share shall be rounded to the next highest full share.

(b) The shares of Common Stock subject to any portion of an Award that is forfeited, cancelled, or expires or otherwise terminates without issuance of such shares, or is settled for cash or otherwise does not result in the issuance of all or a portion of the shares subject to such Award shall, to the extent of such forfeiture, cancellation, expiration, termination, cash settlement or non-issuance, be recredited to the Plan's reserve (according to the same ratio as such shares reduced the Plan's reserve according to Section 1.7(a)) and shall again be available for issuance pursuant to Awards under the Plan.

(c) For the avoidance of doubt, the following shares of Common Stock, however, may not again be made available for issuance as Awards under the Plan: (i) the full number of shares not issued or delivered as a result of the net settlement of an outstanding Option, Stock Appreciation Right or Restricted Stock Unit, regardless of the number of shares actually used to make such settlement; (ii) shares used to pay the exercise price or for settlement of any Award; (iii) shares used to satisfy withholding taxes related to the Vesting, exercise or settlement of any Award; and (iv) shares repurchased on the open market by the Corporation with the proceeds of the Option exercise price.

(d) Substitute Awards shall not reduce the shares reserved for issuance under the Plan or authorized for grant to a Participant in any fiscal year. Additionally, in the event that a company acquired by the Corporation or any Subsidiary or with which the Corporation or any Subsidiary combines has shares available under a pre-existing plan approved by shareholders of such acquired company and not adopted in contemplation of such acquisition or combination, the shares available for grant pursuant to the terms of such pre-existing plan (as adjusted, to the extent appropriate, using the exchange ratio or other adjustment or valuation ratio or formula used in such acquisition or combination to determine the consideration payable to the holders of common stock of the acquired company) may be used for Awards under the Plan and shall not reduce the shares authorized for issuance under the Plan; provided that Awards using such available shares shall not be made after the date awards or grants could no longer have been made under the terms of the pre-existing plan, absent the acquisition or combination, and shall only be made to individuals who were not Employees, Directors of the Corporation or its Subsidiaries prior to such acquisition or combination.

1.8 Repricing. Except as provided in Section 10.1, without the affirmative vote of holders of a majority of the shares of Common Stock cast in person or by proxy at a meeting of the shareholders of the Corporation at which a quorum representing a majority of all outstanding shares is present or represented by proxy, neither the Board nor the Committee shall approve a program providing for (a) the cancellation of outstanding Options and/or Stock Appreciation Rights and the grant in substitution therefor of any new Options and/or Stock Appreciation Rights under the Plan having a lower exercise price than the Fair Market Value of the underlying Common Stock on the original Grant Date, (b) the amendment of outstanding Options and/or Stock Appreciation Rights to reduce the exercise price thereof below the Fair Market Value of the underlying Common Stock on the original Grant Date, or (c) the exchange of outstanding Options or Stock Appreciation Rights for cash or other Awards if the exercise price per share of such Options or Stock Appreciation Rights is greater than the Fair Market Value per share as of the date of exchange. This Section shall not be construed to apply to "issuing or assuming a stock option in a transaction to which section 424(a) applies," within the meaning of Code Section 424.

1.9 Backdating. Neither the Board nor the Committee may grant an Option or a Stock Appreciation Right with a Grant Date that is effective prior to the date the Board or Committee takes action to approve such Award.

II. STOCK OPTIONS

2.1 **Grant of Options.** The Board, at any time and from time to time, subject to the terms and conditions of the Plan, may grant Options to such Participants and for such number of shares of Common Stock as it shall designate, and shall determine the general terms and conditions, which shall be set forth in a Participant's Agreement. Any Participant may hold more than one Option under the Plan and any other plan of the Corporation or Subsidiary. No Option granted hereunder may be exercised after the tenth anniversary of the Grant Date. The Board may designate any Option granted as either an Incentive Stock Option or a Nonqualified Stock Option, or the Board may designate a portion of an Option as an Incentive Stock Option or a Nonqualified Stock Option.

2.2 **Incentive Stock Options.** Any Option intended to constitute an Incentive Stock Option shall comply with the requirements of this Section 2.2. An Incentive Stock Option may only be granted to an Employee. No Incentive Stock Option shall be granted with an exercise price below the Fair Market Value of Common Stock on the Grant Date nor with an exercise term that extends beyond ten years from the Grant Date. An Incentive Stock Option shall not be granted to any Participant who owns (within the meaning of Code Section 424(d)) stock of the Corporation or any Subsidiary possessing more than 10% of the total combined voting power of all classes of stock of the Corporation or a Subsidiary unless, at the Grant Date, the exercise price for the Option is at least 110% of the Fair Market Value of the shares subject to the Option and the Option, at the Grant Date and by its terms, is not exercisable more than five years after the Grant Date. The aggregate Fair Market Value of the underlying Common Stock (determined at the Grant Date) as to which Incentive Stock Options granted under the Plan (including a plan of a Subsidiary) may first be exercised by a Participant in any one calendar year shall not exceed \$100,000. To the extent that an Option intended to constitute an Incentive Stock Option shall violate the foregoing \$100,000 limitation (or any other limitation set forth in Code Section 422), the portion of the Option that exceeds the \$100,000 limitation (or violates any other Code Section 422 limitation) shall be deemed to constitute a Nonqualified Stock Option.

2.3 **Exercise Price.** The Board shall determine the per share exercise price for each Option granted under the Plan. No Option may be granted with an exercise price below 100% of the Fair Market Value of Common Stock on the Grant Date.

2.4 **Payment for Option Shares.**

(a) The exercise price for shares of Common Stock to be acquired upon exercise of an Option granted hereunder shall be paid in full in cash or by personal check, bank draft or money order at the time of exercise; provided, however, that if the Corporation so approves at the time the Option is exercised and to the extent provided in the applicable Agreement, payment may be made by (i) tendering shares of Common Stock to the Corporation, which are withheld from the Option being exercised in a "net exercise" transaction, or are freely owned and held by the Participant independent of any restrictions or hypothecations; (ii) delivery to the Corporation of a properly executed exercise notice, acceptable to the Corporation, together with irrevocable instructions to the Participant's broker to deliver to the Corporation sufficient cash to pay the exercise price and any applicable income and employment withholding taxes, in accordance with a written agreement between the Corporation and the brokerage firm; (iii) delivery of other consideration approved by the Board having a Fair Market Value on the exercise date equal to the total exercise price; (iv) other means determined by the Board; or (v) any combination of the foregoing.

(b) "Net exercise," as such term is used in the Plan, shall mean an exercise of an Option pursuant to which, upon delivery to the Corporation of written notice of exercise, the consideration received in payment for the exercise of the Option shall be the cancellation of a portion of the Option and the Corporation shall become obligated to issue the "net number" of shares of Common Stock determined according to the following formula:

$$\frac{((A \times B) - (A \times C))}{B}$$

B

For purposes of the foregoing formula:

A = the total number of shares with respect to which such Option is then being exercised (which, for the avoidance of doubt, shall include both the number of shares to be issued to the exercising Participant and the number of shares subject to the portion of the Option to be cancelled in payment of the exercise price).

B = the Stock Exchange closing price for the Common Stock on the last date on which there were Common Stock transactions preceding the date of the Corporation's receipt of the exercise notice.

C= the exercise price in effect at the time of such exercise.

If the foregoing formula would yield a number of shares to be issued that is not a whole number, any such fraction shall be rounded down and disregarded. The shares underlying the exercised portion of the Option that are not issued pursuant to the foregoing formula, along with the corresponding portion of the Option, shall be considered cancelled and no longer subject to exercise.

(c) Notwithstanding the foregoing, an Option may not be exercised by delivery to or withholding by the Corporation of shares of Common Stock to the extent that such delivery or withholding (i) would constitute a violation of the provisions of any law or regulation (including the Sarbanes-Oxley Act of 2002), (ii) if there is a substantial likelihood that the use of such form of payment would result in adverse accounting treatment to the Corporation under generally accepted accounting principles, or (iii) is not approved by the Corporation and reflected in the applicable Agreement. Until a Participant has been issued a certificate or certificates for the shares of Common Stock so purchased (or the book entry representing such shares has been made and such shares have been deposited with the appropriate registered book-entry custodian), he or she shall possess no rights as a record holder with respect to any such shares.

III. STOCK APPRECIATION RIGHTS

3.1 **Grant of Stock Appreciation Rights.** Stock Appreciation Rights may be granted, held and exercised in such form and upon such general terms and conditions as determined by the Board. A Stock Appreciation Right may be granted to a Participant with respect to such number of shares of Common Stock of the Corporation as the Board may determine. No Stock Appreciation Right shall be granted with an exercise term that extends beyond ten years from the Grant Date.

3.2 **Base Price.** The Board shall determine the per share base price for each Stock Appreciation Right granted under the Plan; provided, however, that the base price of a Stock Appreciation Right shall not be less than 100% of the Fair Market Value of the shares of Common Stock covered by the Stock Appreciation Right on the Grant Date.

3.3 **Exercise of Stock Appreciation Rights.** A Stock Appreciation Right shall be deemed exercised upon receipt by the Corporation of written notice of exercise from the Participant.

3.4 **Stock Appreciation Right Payment.** Upon exercise of a Stock Appreciation Right, a Participant shall be entitled to payment from the Corporation, in cash, shares, or partly in each (as determined by the Board in accordance with any applicable terms of the Participant's Agreement), of an amount equal to the difference between (a) the aggregate Fair Market Value on the exercise date for the specified number of shares of Common Stock being exercised, and (b) the aggregate base price for the specified number of shares of Common Stock being exercised.

IV. RESTRICTED STOCK AND RESTRICTED STOCK UNITS

4.1 **Grant of Restricted Stock and Restricted Stock Units.** Subject to the terms and conditions of the Plan, the Board, at any time and from time to time, may grant Awards of Restricted Stock and Restricted Stock Units under the Plan to such Participants and in such amounts as it shall determine.

4.2 **Terms of Awards.** Each Award of Restricted Stock or Restricted Stock Units shall be evidenced by an Agreement that shall specify the terms of the restrictions, including the Restriction Period, the number of shares of Common Stock or units subject to the Award, the exercise price for the shares of Restricted Stock, if any, the form of consideration that may be used to pay the exercise price of the Restricted Stock, including those specified in Section 2.4, and such other general terms and conditions, including whether the Restricted Stock is subject to achievement of Performance Goals, as the Board shall determine.

4.3 **Transferability.** Except as provided in this Article IV and Section 11.3 of the Plan, the shares of Common Stock subject to an Award of Restricted Stock or Restricted Stock Units granted hereunder may not be transferred, pledged, assigned, or otherwise alienated or hypothecated until the termination of the applicable Restriction Period or for such period of time as shall be established by the Board and specified in the applicable Agreement, or upon the earlier satisfaction of other conditions as specified by the Board in its sole discretion and as set forth in the applicable Agreement.

4.4 **Other Restrictions.** The Board shall impose such other restrictions on any shares of Common Stock subject to an Award of Restricted Stock or Restricted Stock Units under the Plan as it may deem advisable, including restrictions under applicable federal or state securities laws, and the issuance of a legended certificate of Common Stock representing such shares to give appropriate notice of such restrictions (or, if issued in book entry form, a notation with similar restrictive effect with respect to the book entry representing such shares) pursuant to Section 11.3(b).

4.5 **Voting Rights.** During the time Restricted Stock is subject to the Restriction Period, to the extent not prohibited by law, the Participant's Agreement shall require the Participant to appoint each of the Corporation's chief executive officer and/or corporate secretary as proxies, each with the power to appoint a substitute, authorizing each of them to represent and to vote the Participant's Restricted Stock in accordance with the Board's recommendations on all matters that are submitted to a shareholder vote (such appointment being irrevocable and coupled with an interest and extending until the expiration of the Restriction Period).

4.6 Settlement of Restricted Stock Unit Awards. If a Restricted Stock Unit Award is payable in Common Stock, the Corporation shall issue to a Participant on the date on which Restricted Stock Units subject to the Participant's Award Vest or on such other date determined by the Board, in its discretion, and set forth in the Agreement, one share of Common Stock and/or any other new, substituted or additional securities or other property pursuant to an adjustment described in Section 10.1 for each Restricted Stock Unit then becoming Vested or otherwise to be settled on such date, subject to the withholding of applicable taxes. Notwithstanding any other provision in this Plan to the contrary, any Restricted Stock Unit Award, whether settled in Common Stock, cash or other property, shall be paid no later than two and a half months after the later of the end of the fiscal or calendar year in which the Award Vests.

V. PERFORMANCE AWARDS

5.1 **Grant of Performance Awards.** The Board, in its discretion, may grant Performance Awards to Participants and may determine, on an individual or group basis, the Performance Goal(s) to be attained pursuant to each Performance Award.

5.2 Terms of Performance Awards.

(a) Performance Awards shall consist of rights to receive cash, Common Stock, other property or a combination thereof, if designated Performance Goal(s) are achieved. The terms of a Participant's Performance Award shall be set forth in a Participant's Agreement. Each Agreement shall specify the Performance Goal(s) applicable to a particular Participant or group of Participants, the period over which the targeted Performance Goal(s) are to be attained, the payment schedule if the Performance Goal(s) are attained, and any other terms as the Board shall determine and conditions applicable to an individual Performance Award.

(b) Performance Awards may be granted as Performance Shares or Performance Units, at the discretion of the Board. Performance Awards shall be paid no later than two and a half months after the later of the end of the fiscal or calendar year in which the Performance Award is no longer subject to a substantial risk of forfeiture.

(i) In the case of Performance Shares, a legended certificate of Common Stock shall be issued in the Participant's name, restricted from transfer prior to the satisfaction of the designated Performance Goal(s) and restrictions (or shares may be issued in book entry form with a notation having similar restrictive effect with respect to the book entry representing such shares), as determined by the Board and specified in the Participant's Agreement. Prior to satisfaction of the designated Performance Goal(s) and restrictions, to the extent not prohibited by law, the Participant's Agreement shall require the Participant to appoint each of the Corporation's chief executive officer and/or corporate secretary as proxies, each with the power to appoint a substitute, authorizing each of them to represent and to vote the Participant's Performance Shares in accordance with the Board's recommendations on all matters that are submitted to a shareholder vote (such appointment being irrevocable and coupled with an interest and extending until such time as the Performance Goal(s) and other restrictions on the Performance Shares have been satisfied).

(ii) In the case of Performance Units, the Participant shall receive an Agreement from the Board that specifies the Performance Goal(s) and restrictions that must be satisfied before the Corporation shall issue the payment, which may be cash, a designated number of shares of Common Stock, other property, or a combination thereof. In the event of a dividend or distribution paid in shares of Common Stock or any other event described in Article X, appropriate adjustments shall be made in the Participant's Performance Unit Award so that it represents the right to receive upon settlement any and all new, substituted or additional securities or other property (other than normal cash dividends) to which the Participant would be entitled by reason of the shares of Common Stock issuable upon settlement of the Performance Unit Award, and all such new, substituted or additional securities or other property shall be immediately subject to the same restrictions as are applicable to the Performance Unit Award.

VI. INCENTIVE AWARDS

6.1 Grant of Incentive Awards.

(a) The Board, at its discretion, may grant Incentive Awards to such Participants as it may designate from time to time. The terms of a Participant's Incentive Award shall be set forth in the Participant's Agreement and/or in any separate program(s) authorized by the Board. Each Agreement and/or separate program shall specify such other terms and conditions as the Board shall determine.

(b) The determination of Incentive Awards for a given year or years may be based upon the attainment of specified levels of Performance Goals related to the Corporation or Subsidiary performance as determined at the discretion of the Board.

(c) The Board shall (i) select those Participants who shall be eligible to receive an Incentive Award, (ii) determine the performance period, (iii) determine target levels (including minimum and maximum levels) of Performance Goals, and (iv) determine the level of Incentive Award to be paid to each selected Participant upon the achievement of each Performance Goal.

6.2 Payment of Incentive Awards.

(a) Incentive Awards shall be paid in cash, shares of Common Stock or other property, at the discretion of the Board. Payments shall be made no later than two and a half months after the later of the end of the fiscal or calendar year in which the Incentive Award is no longer subject to a substantial risk of forfeiture.

(b) The amount of an Incentive Award to be paid upon the attainment of each targeted Performance Goal shall equal a percentage of a Participant's base salary for the fiscal year, a fixed dollar amount, or pursuant to such other formula, as determined by the Board or as set forth in the Participant's Agreement.

VII. DIVIDENDS & NO DIVIDEND EQUIVALENTS

(a) A Participant shall not be entitled to receive any dividends or other distributions paid with respect to issued and outstanding Restricted Stock or Performance Shares until such time as the Restricted Stock or Performance Shares Vest.

(b) No Award may be granted under the Plan that provides for payment of "dividend equivalents" or any similar right to receive cash dividends or other distributions paid with respect to a share of Common Stock prior to the time such Award Vests, and no dividend equivalents or similar rights may ever be granted with respect to an Option, a Share Appreciation Right, or any Award other than a "full value" Award.

VIII. MINIMUM VESTING PERIOD

8.1 **General Rule.** Notwithstanding any provision of this Plan to the contrary, except as provided in Section 8.2, no portion of any Award granted to any Participant shall Vest prior to the twelve (12)-month anniversary of the Grant Date.

8.2 **Exceptions.** Notwithstanding Section 8.1:

(a) The Board may grant Awards to Participants other than a Director or a Board-appointed executive officer that are not subject to the twelve (12)-month minimum vesting period, *provided* that such Awards in the aggregate do not exceed five percent (5%) of the total number of shares reserved pursuant to Section 1.7(a).

(b) For purposes of Awards granted to Directors, "twelve (12)-months" may mean the period of time from one annual shareholders meeting to the next annual shareholders meeting, provided that such period of time is not less than fifty (50) weeks.

(c) The Board may accelerate the Vesting of any Award (i) in the event of a Participant's death or Disability in accordance with Section 1.5(c), or (ii) in accordance with Section 10.2.

IX. TERMINATION OF EMPLOYMENT OR SERVICES

9.1 **Options and Stock Appreciation Rights.** Unless otherwise provided in a Participant's Agreement and subject to Article VIII:

(a) If, prior to the date when an Option or Stock Appreciation Right first becomes Vested, a Participant's employment or services with the Corporation or a Subsidiary is terminated for any reason, the Participant's right to exercise the Option or Stock Appreciation Right shall terminate and all rights thereunder shall cease.

(b) If, on or after the date when an Option or Stock Appreciation Right first becomes Vested, a Participant's employment or services with the Corporation or a Subsidiary is terminated for any reason other than death or Disability, the Participant shall have the right, within the earlier of (i) the expiration of the Option or Stock Appreciation Right, and (ii) three (3) months after termination of employment or services, as applicable, to exercise the Option or Stock Appreciation Right to the extent that it was Vested and exercisable and unexercised on the date of the Participant's termination of employment or services, subject to any other limitation on the exercise of the Option or Stock Appreciation Right in effect on the date of exercise.

(c) If, on or after the date when an Option or Stock Appreciation Right first becomes Vested, a Participant's employment or services with the Corporation or a Subsidiary is terminated due to the Participant's death while the Option or Stock Appreciation Right is still exercisable, the person or persons to whom the Option or Stock Appreciation Right shall have been transferred by will or the laws of descent and distribution, shall have the right within the exercise period specified in the Participant's Agreement to exercise the Option or Stock Appreciation Right to the extent that it was exercisable and unexercised on the Participant's date of death, subject to any other limitation on exercise in effect on the date of exercise. The beneficial tax treatment of an Incentive Stock Option may be forfeited if the Option is exercised more than one year after a Participant's date of death.

(d) If, on or after the date when an Option or Stock Appreciation Right first becomes Vested, a Participant's employment or services with the Corporation or a Subsidiary is terminated due to the Participant's Disability, the Participant shall have the right, within the exercise period specified in the Participant's Agreement, to exercise the Option or Stock Appreciation Right to the extent that it was exercisable and unexercised on the date of the Participant's termination of employment or services due to Disability, subject to any other limitation on the exercise of the Option or Stock Appreciation Right in effect on the date of exercise. If the Participant dies after termination of employment or services, as applicable, while the Option or Stock Appreciation Right is still exercisable, the Option or Stock Appreciation Right shall be exercisable in accordance with the terms of Section 9.1(c).

(e) For the avoidance of doubt, the Board, at the time of a Participant's termination of employment or services, subject to Sections 2.1 and 3.1, Article VIII and Code Section 409A, may extend the term of a Vested Option or a Vested Stock Appreciation Right.

(f) Shares subject to Options and Stock Appreciation Rights that are not exercised in accordance with the provisions of (a) through (e) above shall expire and be forfeited by the Participant as of their expiration date.

9.2 Restricted Stock Awards, Restricted Stock Unit Awards, Performance Awards and Incentive Awards. With respect to any Restricted Stock Award, Restricted Stock Unit Award, Performance Award or Incentive Award, unless otherwise provided in a Participant's Agreement and subject to Article VIII:

(a) If a Participant's employment or services with the Corporation or a Subsidiary is terminated for any reason, any portion of such Award that is not yet Vested shall terminate and be forfeited by the Participant.

(b) If, with respect to a Restricted Stock Award or Restricted Stock Unit Award, the terminated Participant was required to pay a purchase price for any Restricted Stock subject to such Award, other than the performance of services, the Corporation shall have the option to repurchase any shares of Restricted Stock acquired by the Participant which are still subject to the Restriction Period for the purchase price paid by the Participant.

9.3 Other Provisions. The transfer of an Employee from one corporation to another among the Corporation and any of its Subsidiaries, or a leave of absence under the leave policy of the Corporation or any of its Subsidiaries, or applicable state or federal law, shall not be a termination of employment for purposes of the Plan, unless a provision to the contrary is expressly stated by the Board in the Employee's Agreement issued under the Plan. The Board may, subject to any additional conditions it may require, provide for continued Vesting of an Award in the event of a Participant's termination of employment or service due to death, Disability, qualifying retirement (as determined by the Board), or termination without Cause, or the Board may accelerate the Vesting of any Award in the event of a Participant's death or Disability in accordance with Section 1.5(c).

X. ADJUSTMENTS AND CHANGE IN CONTROL

10.1 **Adjustments.** In the event of a merger, statutory share exchange, reorganization, consolidation, recapitalization, dividend or distribution (whether in cash, shares or other property), stock split, reverse stock split, spin-off or similar transaction or other change in corporate structure affecting the Common Stock or the value thereof, such adjustments and other substitutions shall be made to the Plan and Awards as the Board, in its sole discretion, deems equitable or appropriate, including adjustments in the aggregate number, class and kind of securities that may be delivered under the Plan and, in the aggregate or to any one Participant, in the number, class, kind and option or exercise price of securities subject to outstanding Awards granted under the Plan (including, if the Board deems appropriate, the substitution of cash, similar options to purchase the shares of, or other awards denominated in the shares of, another company, or other property, as the Board may determine to be appropriate in its sole discretion). Any of the foregoing adjustments may provide for the elimination of any fractional share which might otherwise become subject to any Award.

10.2 Change in Control.

(a) Upon a Change in Control, if the successor or surviving corporation (or parent thereof) to the Corporation so agrees, then, without the consent of any Participant (or other person with rights in any Award), some or all outstanding Awards may be assumed, or replaced with the same type of award with similar terms and conditions, by the successor or surviving corporation (or parent thereof) in the Change in Control transaction. If applicable, each Award which is assumed by the successor or surviving corporation (or parent thereof) shall be appropriately adjusted, immediately after such Change in Control, to apply to the number and class of securities which would have been issuable to the Participant upon the consummation of such Change in Control had the Award been exercised, Vested or earned immediately prior to such Change in Control, and such other appropriate adjustments in the terms and conditions of the Award shall be made. Upon the Participant's Change in Control Termination following the Change in Control, all of the Participant's Awards that are in effect (including any replacement awards) as of the date of such termination shall be Vested in full or deemed earned in full (if applicable, based on the level of achievement of the Performance Goals that had been met on the date immediately prior to the date of the Change in Control Termination or (B) assuming that the Performance Goals had been met at target at the time of such Change in Control Termination, but prorated based on the elapsed portion of the performance period as of the date of the Change in Control Termination, whichever shall result in the greater amount) effective on the date of such Change in Control Termination.

(b) To the extent the purchaser, successor or surviving entity (or parent thereof) to the Corporation in the Change in Control transaction does not assume the Awards or issue replacement awards as provided in clause (i) (including, for the avoidance of doubt, by reason of Participant's Change in Control Termination that occurs prior to or concurrent with the Change in Control), then immediately prior to the date of the Change in Control or the date of the Participant's Change in Control Termination, whichever occurs first:

(i) Each Option or Stock Appreciation Right that is then held by a Participant who is employed by or in the service of the Corporation or a Subsidiary shall become immediately and fully Vested, and, unless otherwise determined by the Board, all Options and Stock Appreciation Rights shall be cancelled on the date of the Change in Control in exchange for a cash payment equal to the excess of the Change in Control Price of the shares of Common Stock covered by the Option or Stock Appreciation Right that is so cancelled over the exercise or grant price of such shares under the Award; *provided, however*, that all Options and Stock Appreciation Rights that have an exercise or grant price that is greater than the Change in Control Price shall be cancelled for no consideration;

(ii) Restricted Stock and Restricted Stock Units (that are not Performance Awards) that are not then Vested shall Vest;

(iii) All Performance Awards and all Incentive Awards that are earned but not yet paid shall be paid, and all Performance Awards and Incentive Awards for which the performance period has not expired shall be cancelled in exchange for a cash payment equal to the amount that would have been due under such Award(s), valued either (A) based on the level of achievement of the Performance Goals that had been met on the date immediately prior to the date of the Change in Control or (B) assuming that the Performance Goals had been met at target at the time of such Change in Control, but prorated based on the elapsed portion of the performance period as of the date of the Change in Control, whichever shall result in the greater amount.

For purposes of this clause (b), if the value of an Award is based on the Fair Market Value of a share of Common Stock, Fair Market Value shall be deemed to mean the Change in Control Price.

(c) The Board may, in its sole discretion and without the consent of any Participant, determine that, upon the occurrence of a Change in Control, each or any Vested Option or Vested Stock Appreciation Right outstanding immediately prior to the Change in Control shall be cancelled in exchange for a payment in (i) cash, (ii) Common Stock, (iii) common stock of a corporation or other business entity that is a party to the Change in Control, or (iv) other property which, in any such case, shall be in an amount having a Fair Market Value equal to the excess of the Change in Control Price over the exercise or grant price per share under such Option or Stock Appreciation Right (the "Spread"). In the event such determination is made by the Board, the Spread (reduced by applicable withholding taxes, if any) shall be paid to a Participant in respect of the Participant's cancelled Options and Stock Appreciation Rights on or as soon as practicable following the date of the Change in Control.

XI. MISCELLANEOUS

11.1 Partial Exercise/Fractional Shares. The Board may permit, and shall establish procedures for, the partial exercise of Options and Stock Appreciation Rights granted under the Plan. No fractional shares shall be issued in connection with the exercise of an Option or Stock Appreciation Right or payment of a Performance Award, Restricted Stock Award, Restricted Stock Unit Award, or Incentive Award; instead, the Fair Market Value of the fractional shares shall be paid in cash, or at the discretion of the Board, the number of shares shall be rounded down to the nearest whole number of shares and any fractional shares shall be disregarded.

11.2 Rights Prior to Issuance of Shares. No Participant shall have any rights as a shareholder with respect to shares covered by an Award until the issuance of a stock certificate for such shares or electronic transfer to the Participant (or book entry representing such shares has been made and such shares have been deposited with the appropriate registered book-entry custodian). No adjustment shall be made for dividends or other rights with respect to such shares for which the record date is prior to the date the certificate is issued or the shares are electronically delivered to the Participant's brokerage account (or book entry is made).

11.3 Non Assignability; Certificate Legend; Removal.

(a) Except as described below or as otherwise determined by the Board in a Participant's Agreement, no Award shall be transferable by a Participant except by will or the laws of descent and distribution, and an Option or Stock Appreciation Right shall be exercised only by a Participant during the lifetime of the Participant. Notwithstanding the foregoing, a Participant may assign or transfer an Award that is not an Incentive Stock Option with the consent of the Board (each transferee thereof, a "Permitted Assignee"); provided that such Permitted Assignee shall be bound by and subject to all of the terms and conditions of the Plan and any Agreement relating to the transferred Award and shall execute an agreement satisfactory to the Corporation evidencing such obligations; and provided further that such Participant shall remain bound by the terms and conditions of the Plan.

(b) Each certificate representing shares of Common Stock subject to an Award, to the extent a certificate is issued, shall bear the following legend:

The sale or other transfer of the shares of stock represented by this certificate, whether voluntary, involuntary or by operation of law, is subject to certain restrictions on transfer set forth in the Rockwell Medical, Inc. 2018 Long Term Incentive Plan ("Plan"), rules and administrative guidelines adopted pursuant to such Plan and an Agreement issued under such Plan. A copy of the Plan, such rules and such Agreement may be obtained from the Secretary of Rockwell Medical, Inc. If shares are issued in book entry form, a notation to the same restrictive effect as the legend above shall be placed on the transfer agent's books in connection with such shares.

(c) Subject to applicable federal and state securities laws, issued shares of Common Stock subject to an Award shall become freely transferable by the Participant after all applicable restrictions, limitations, performance requirements or other conditions have terminated, expired, lapsed or been satisfied. Once such issued shares of Common Stock are released from such restrictions, limitations, performance requirements or other conditions, the Participant shall be entitled to have the legend required by this Section 11.3 removed from the applicable Common Stock certificate (or notation removed from such book entry).

11.4 Securities Laws.

(a) Anything to the contrary herein notwithstanding, the Corporation's obligation to sell and deliver Common Stock pursuant to the exercise of an Option or Stock Appreciation Right or deliver Common Stock pursuant to a Restricted Stock Award, Restricted Stock Unit Award, Performance Award or Incentive Award is subject to such compliance with federal and state laws, rules and regulations applying to the authorization, issuance or sale of securities as the Corporation deems necessary or advisable. The Corporation shall not be required to sell and deliver or issue Common Stock unless and until it receives satisfactory assurance that the issuance or transfer of such shares shall not violate any of the provisions of the Securities Act or the Exchange Act, or the rules and regulations of the Securities and Exchange Commission promulgated thereunder or those of the Stock Exchange or any stock exchange on which the Common Stock may be listed, the provisions of any other applicable laws governing the sale of securities, or that there has been compliance with the provisions of such acts, rules, regulations and laws.

(b) The Board may impose such restrictions on any shares of Common Stock issued pursuant to the exercise of an Option or Stock Appreciation Right or the grant of Restricted Stock or Restricted Stock Units or the payment of a Performance Award or Incentive Award under the Plan as it may deem advisable, including restrictions (i) under applicable federal securities laws; (ii) under the requirements of the Stock Exchange; and (iii) under any blue sky or other applicable state securities laws.

11.5 Withholding Taxes.

(a) The Corporation shall have the right to withhold from a Participant's compensation or require a Participant to remit sufficient funds to satisfy applicable withholding for income and employment taxes upon the exercise of an Option or Stock Appreciation Right or the Vesting or payment of any Award, or disposition of shares of Common Stock acquired under any Award. Alternatively, if the Corporation so approves and to the extent provided in the Participant's Agreement, the Participant may, in order to fulfill the withholding obligation, tender shares of Common Stock or have shares of stock withheld from the exercise or Vested portion of the Award, provided the shares tendered or withheld have an aggregate Fair Market Value sufficient to satisfy in whole or in part the applicable withholding taxes. Other payment methods set forth in Section 2.4 may also be utilized to satisfy any applicable withholding requirements if the Corporation approves such form of payment and to the extent provided in the Participant's Agreement. The Corporation may not withhold more shares than are necessary to meet tax withholding obligations owed by Participant.

(b) Notwithstanding the foregoing, a Participant may not use shares of Common Stock to satisfy the withholding requirements to the extent that (i) there is a substantial likelihood that the use of such form of payment or the timing of such form of payment would subject the Participant to a substantial risk of liability under Section 16 of the Exchange Act; (ii) such withholding would constitute a violation of the provisions of any law or regulation (including the Sarbanes-Oxley Act of 2002); (iii) there is a substantial likelihood that the use of such form of payment would result in adverse accounting treatment to the Corporation under generally accepted accounting principles; or (iv) the Corporation does not approve such form of payment and does not provide such payment option in the Participant's Agreement.

11.6 Termination and Amendment.

(a) The Board may terminate the Plan, or the granting of Awards under the Plan, at any time.

(b) The Board may amend or modify the Plan at any time and from time to time, and may amend or modify the terms of an outstanding Agreement at any time and from time to time, but no amendment or modification, without the approval of the shareholders of the Corporation, shall (i) materially increase the benefits accruing to Participants under the Plan;

(ii) increase the amount of Common Stock for which Awards may be made under the Plan, except as permitted under Sections 1.7 and Section 10.1; or (iii) change the provisions relating to the eligibility of individuals to whom Awards may be made under the Plan. In addition, if the Corporation's Common Stock is listed on a Stock Exchange, the Board may not amend the Plan in a manner requiring approval of the shareholders of the Corporation under the rules of the Stock Exchange without obtaining the approval of the shareholders.

(c) No amendment, modification, or termination of the Plan or an outstanding Agreement shall in any manner materially and adversely affect any then outstanding Award under the Plan without the consent of the Participant holding such Award, except as set forth in any Agreement relating to the Award, as set forth in Sections 10.2 or 11.9, or to bring the Plan and/or an Award into compliance with the requirements of Code Section 409A or to qualify for an exemption under Code Section 409A.

11.7 Code Section 409A. It is intended that Awards granted under the Plan shall be exempt from or in compliance with Code Section 409A, and the provisions of the Plan and all Agreements are to be construed accordingly. The Board reserves the right to amend the terms of the Plan and the right to amend any outstanding Agreement if necessary either to exempt such Award from Code Section 409A or comply with the requirements of Code Section 409A, as applicable. However, unless otherwise specified herein or in a Participant's Agreement, in no event shall the Corporation or a Subsidiary be responsible for any tax or penalty under Code Section 409A owed by a Participant or beneficiary with regard to an Award payment. Notwithstanding anything in the Plan to the contrary, all or part of an Award payment to a Participant who is determined to constitute a "specified employee" (as defined in Code Section 409A and regulations thereunder) at the time of separation from service, shall be delayed (if then required) under Code Section 409A, and paid in an aggregated lump sum on the first business day following the date that is six months after the date of the Participant's separation from service, or the date of the Participant's death, if earlier; any remaining payments shall be paid on their regularly scheduled payment dates. For purposes of the Plan and any Agreement, the terms "separation from service" or "termination of employment" (or variations thereof) shall be synonymous with the meaning given to the term "separation from service" as defined in Code Section 409A and regulations thereunder.

11.8 Effect on Employment or Services. Neither the adoption of the Plan nor the granting of any Award pursuant to the Plan shall be deemed to create any right in any individual to be retained or continued in the employment or services of the Corporation or a Subsidiary.

11.9 Severability. If any one or more of the provisions (or any part thereof) of this Plan or of any Agreement issued hereunder, shall be held to be invalid, illegal or unenforceable in any respect, such provision shall be modified (without requiring the consent of any Participant) so as to make it valid, legal and enforceable, and the validity, legality and enforceability of the remaining provisions (or any part thereof) of the Plan or of any Agreement shall not in any way be affected or impaired thereby. The Board may, without the consent of any Participant, and in a manner determined necessary solely in the discretion of the Board, amend the Plan and any outstanding Agreement as the Corporation deems necessary to ensure the Plan and all Awards remain valid, legal or enforceable in all respects.

11.10 Beneficiary Designation. Except as otherwise designated in a Participant's Agreement, and subject to local laws and procedures, each Participant may file a written beneficiary designation with the Corporation stating who is to receive any benefit under the Plan or any Agreement to which the Participant is entitled in the event of such Participant's death before receipt of any or all of a Plan benefit. Each designation shall revoke all prior designations by the same Participant, be in a form prescribed by the Corporation, and become effective only when filed by the Participant in writing with the Corporation during the Participant's lifetime. If a Participant dies without an effective beneficiary designation for a beneficiary who is living at the time of the Participant's death, the Corporation shall pay any remaining unpaid benefits to the Participant's legal representative.

11.11 Unfunded Obligation. A Participant shall have the status of a general unsecured creditor of the Corporation. Any amounts payable to a Participant pursuant to the Plan or any Agreement shall be unfunded and unsecured obligations for all purposes. The Corporation shall not be required to segregate any monies from its general funds, or to create any trusts, or establish any special accounts with respect to such obligations. The Corporation shall retain at all times beneficial ownership of any investments, including trust investments, which the Corporation may make to fulfill its payment obligations hereunder. Any investments or the creation or maintenance of any trust or any Participant account shall not create or constitute a trust or fiduciary relationship between the Board, the Committee or the Corporation on the one hand, and any Participant on the other hand, or otherwise create any Vested or beneficial interest in any Participant or the Participant's creditors in any assets of the Corporation. A Participant shall have no claim against the Corporation for any changes in the value of any assets which may be invested or reinvested by the Corporation with respect to the Plan.

11.12 Approval of Plan. The Plan shall be subject to the approval of the holders of at least a majority of the votes cast on a proposal to approve the Plan at a duly held meeting of shareholders of the Corporation held within 12 months after adoption of the Plan by the Board. No Award granted under the Plan may be exercised or paid in whole or in part unless the Plan has been approved by the shareholders as provided herein. If not approved by shareholders within such 12-month period, the Plan and any Awards granted under the Plan shall be null and void, with no further force or effect.

11.13 Governing Law; Limitation on Actions. Except to the extent governed by applicable federal law, the validity, interpretation, construction and performance of the Plan and Agreements under the Plan, shall be governed by the laws of the State of Delaware, without regard to its conflict of law rules. Any legal action or proceeding with respect to this Plan, any Award or any Agreement (including, but not limited to, claims brought by any shareholders of the Corporation, any Participant, or any other person having an interest in the Plan, any Agreement, or any Award) must be brought within one year (365 days) after the day the complaining party first knew or should have known of the events giving rise to the complaint, and may only be brought and determined in a Delaware state or federal court.

DATE APPROVED BY BOARD OF DIRECTORS: March 10, 2022

DATE APPROVED BY STOCKHOLDERS: May 9, 2022

CERTIFICATION PURSUANT TO RULE 13a-14(a)

I, Russell Ellison, certify that:

1. have reviewed this quarterly report on Form 10-Q of Rockwell Medical, 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(s) 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) 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(s) 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:

August 15, 2022

/s/ Russell Ellison
Russell Ellison
Chief Executive Officer

**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 of Rockwell Medical, Inc. (the "Company") on Form 10-Q for the quarter ending June 30, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Periodic Report"), each of the undersigned, in the capacities and on the dates indicated below, hereby certifies pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that based on my knowledge:

1. the Periodic 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 Periodic Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 15, 2022 /s/ Russell Ellison

Russell Ellison
Chief Executive Officer

Date: August 15, 2022 /s/ Russell Skibsted

Russell Skibsted
Chief Financial Officer

CERTIFICATION PURSUANT TO RULE 13a-14(a)

I, Russell Skibsted, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Rockwell Medical, 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(s) 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(s) 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:

August 15, 2022

/s/ Russell Skibsted
Russell Skibsted
Chief Financial Officer