

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended June 30, 2011

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: 333-88480

OHR PHARMACEUTICAL, INC.  
(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

90-0577933

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

489 5<sup>th</sup> Avenue, 28<sup>th</sup> Floor  
New York, NY 10017  
(Address of principal executive offices)

(212) 682-8452  
(Registrant's telephone number, including area code)

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 and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted 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 and post such files).

Yes  No

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

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
Do not check if smaller reporting company			

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes  No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 39,702,580 shares of Common Stock outstanding as of August 15, 2011.

OHR PHARMACEUTICAL, INC.  
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**PART I FINANCIAL INFORMATION**

**Item 1. Financial Statements.**

The accompanying unaudited financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America and the rules of the Securities and Exchange Commission ("SEC"), and should be read in conjunction with the audited financial statements and notes thereto contained in the Company's Annual Report on Form 10-K filed with the SEC on January 13, 2011. In the opinion of management, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of financial position and the results of operations for the periods presented have been reflected herein. The results of operations for the periods presented are not necessarily indicative of the results to be expected for the full year.

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**OHR PHARMACEUTICAL, INC.**  
(A Development Stage Company)  
Balance Sheets

ASSETS

	<u>June 30, 2011</u>	<u>September 30, 2010</u>
<b>CURRENT ASSETS</b>		
Cash	\$ 878,538	\$ 422,414
Prepaid expenses	31,854	34,889
Grant receivable	—	65,122
Security deposits	—	85,025
<b>Total Current Assets</b>	<b>910,392</b>	<b>607,450</b>
<b>EQUIPMENT, net</b>	<b>20,416</b>	<b>24,168</b>
<b>OTHER ASSETS</b>		
Patent costs, net	721,681	780,407
<b>TOTAL ASSETS</b>	<b>\$ 1,652,489</b>	<b>\$ 1,412,025</b>
<u>LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)</u>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 325,055	\$ 332,772
Accrued salaries	—	5,453
Short-term notes payable	—	17,486
Convertible debentures	—	51,115
<b>Total Current Liabilities</b>	<b>325,055</b>	<b>406,826</b>
<b>LONG-TERM LIABILITIES</b>		
Stock warrant derivative liability	4,861,699	1,387,656
<b>Total Long-term Liabilities</b>	<b>4,861,699</b>	<b>1,387,656</b>
<b>TOTAL LIABILITIES</b>	<b>5,186,754</b>	<b>1,794,482</b>
<b>STOCKHOLDERS' EQUITY (DEFICIT)</b>		
Preferred stock, Series B; 15,000,000 shares authorized, at \$0.0001 par value, 5,583,336 and 5,583,336 shares issued and outstanding, respectively	558	558
Common stock; 180,000,000 shares authorized, at \$0.0001 par value, 39,702,580 and 35,452,580 shares issued and outstanding, respectively	3,970	3,545
Additional paid-in capital	22,178,436	21,587,433
Accumulated deficit	(21,628,748)	(21,628,748)
Deficit accumulated during the development stage	(4,088,481)	(345,245)
<b>Total Stockholders' Equity (Deficit)</b>	<b>(3,534,265)</b>	<b>(382,457)</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)</b>	<b>\$ 1,652,489</b>	<b>\$ 1,412,025</b>

The accompanying notes are an integral part of these financial statements.

**OHR PHARMACEUTICAL, INC.**  
(A Development Stage Company)  
Statements of Operations  
(Unaudited)

	For the Three Months Ended June 30,		For the Nine Months Ended June 30,		From Inception of the Development Stage on October 1, 2007 Through June 30,
	2011	2010	2011	2010	2011
REVENUES	\$ —	\$ —	\$ —	\$ —	\$ —
COST OF SALES	—	—	—	—	—
GROSS PROFIT	—	—	—	—	—
OPERATING EXPENSES					
General and administrative	228,387	340,096	517,362	613,544	2,853,927
Research and development	73,144	14,497	350,407	73,399	628,958
Total Operating Expenses	<u>301,531</u>	<u>354,593</u>	<u>867,769</u>	<u>686,943</u>	<u>3,482,885</u>
OPERATING LOSS	<u>(301,531)</u>	<u>(354,593)</u>	<u>(867,769)</u>	<u>(686,943)</u>	<u>(3,482,885)</u>
OTHER INCOME AND EXPENSE					
Interest expense	(84)	(2,495)	(2,433)	(19,288)	(49,723)
Gain/(Loss) on derivative liability	(2,835,983)	140,969	(2,945,196)	140,969	(1,464,610)
Gain on sale of assets	—	—	70,500	—	70,500
Other income and expense	50	39,514	1,662	68,101	159,824
Total Other Income and Expense	<u>(2,836,017)</u>	<u>177,988</u>	<u>(2,875,467)</u>	<u>189,782</u>	<u>(1,284,009)</u>
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	<u>(3,137,548)</u>	<u>(176,605)</u>	<u>(3,743,236)</u>	<u>(497,161)</u>	<u>(4,766,894)</u>
PROVISION FOR INCOME TAXES	—	—	—	—	—
LOSS BEFORE	<u>(3,137,548)</u>	<u>(176,605)</u>	<u>(3,743,236)</u>	<u>(497,161)</u>	<u>(4,766,894)</u>
DISCONTINUED OPERATIONS					
Income from discontinued operations (including gain on disposal of \$606)	—	—	—	—	678,413
Income tax benefit	—	—	—	—	—
GAIN ON DISCONTINUED OPERATIONS	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>678,413</u>
NET LOSS	<u>\$ (3,137,548)</u>	<u>\$ (176,605)</u>	<u>\$ (3,743,236)</u>	<u>\$ (497,161)</u>	<u>\$ (4,088,481)</u>
BASIC LOSS PER SHARE					
Continuing operations	\$ (0.08)	\$ (0.00)	\$ (0.10)	\$ (0.02)	
Discontinued operations	0.00	0.00	0.00	0.00	
	<u>\$ (0.08)</u>	<u>\$ (0.00)</u>	<u>\$ (0.10)</u>	<u>\$ (0.02)</u>	
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING:					
BASIC AND DILUTED	<u>39,702,580</u>	<u>35,379,778</u>	<u>38,317,672</u>	<u>31,742,119</u>	

The accompanying notes are an integral part of these financial statements.

**OHR PHARMACEUTICAL, INC.**  
(A Development Stage Company)  
Statements of Stockholders' Equity (Deficit)

	Series B Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Deficit	Deficit Accumulated During the Development Stage	Total Stockholders' Equity (Deficit)
	Shares	Amount	Shares	Amount				
Balance, September 30, 2009	5,583,336	\$ 558	25,247,006	\$ 2,525	\$ 23,077,972	\$ (21,628,748)	\$ (839,622)	\$ 612,685
Fair value of warrants granted	—	—	—	—	133,682	—	—	133,682
Fair value of employee stock options	—	—	—	—	219,541	—	—	219,541
Exercise of warrants for cash at \$0.18 per share	—	—	5,583,336	558	1,004,442	—	—	1,005,000
Replacement warrants	—	—	—	—	(2,868,242)	—	—	(2,868,242)
Exercise of cashless warrants	—	—	4,547,238	455	(455)	—	—	—
Conversion of convertible debenture at \$0.40 per share	—	—	25,000	2	9,998	—	—	10,000
Common stock issued for services at \$0.21 per share	—	—	50,000	5	10,495	—	—	10,500
Net income for the year ended September 30, 2010	—	—	—	—	—	—	494,377	494,377
Balance, September 30, 2010	5,583,336	558	35,452,580	3,545	21,587,433	(21,628,748)	(345,245)	(382,457)
Fair value of employee stock options (unaudited)	—	—	—	—	35,925	—	—	35,925
Common stock and warrants issued for cash (unaudited)	—	—	4,200,000	420	520,733	—	—	521,153
Common stock issued for services at \$0.20 per share (unaudited)	—	—	50,000	5	9,995	—	—	10,000
Warrants issued for services (unaudited)	—	—	—	—	24,350	—	—	24,350
Net loss for the nine months ended June 30, 2011 (unaudited)	—	—	—	—	—	—	(3,743,236)	(3,743,236)
Balance, June 30, 2011 (unaudited)	5,583,336	\$ 558	39,702,580	\$ 3,970	\$ 22,178,436	\$ (21,628,748)	\$ (4,088,481)	\$ (3,534,265)

The accompanying notes are an integral part of these financial statements.

**OHR PHARMACEUTICAL, INC.**  
(A Development Stage Company)  
Statements of Cash Flows  
(Unaudited)

	For the Nine Months Ended June 30,		From Inception of the Development Stage on October 1, 2007 Through June 30, 2011
	2011	2010	
<b>OPERATING ACTIVITIES</b>			
Net loss	\$ (3,743,236)	\$ (497,161)	\$ (4,088,481)
Adjustments to reconcile net loss to net cash used by operating activities:			
Discontinued operations	—	—	(678,413)
Common stock issued for services	10,000	—	20,500
Fair value of warrants issued for services	24,350	296,128	452,604
Fair value of employee stock options	35,925	—	667,326
Gain on extinguishment of debt	—	(49,559)	(19,410)
Gain on sale of asset	(70,500)	—	(70,500)
(Gain) loss on derivative liability	2,945,196	(140,969)	1,464,610
Depreciation	3,752	—	4,602
Amortization of patent costs	58,726	—	78,319
Changes in operating assets and liabilities			
Prepaid expenses and deposits	3,035	(27,211)	(31,434)
Security deposits and other receivables	150,147	—	85,025
Accounts payable and accrued expenses	(13,170)	52,601	63,033
Net Cash (Used in) Operating Activities	<u>(595,775)</u>	<u>(366,171)</u>	<u>(2,052,219)</u>
<b>INVESTING ACTIVITIES</b>			
Proceeds from sale of asset	70,500	—	70,500
Purchase of equipment	—	—	(25,018)
Purchase of patents and other intellectual property	—	—	(300,000)
Discontinued operations	—	—	418,000
Net Cash Provided by Investing Activities	<u>70,500</u>	<u>—</u>	<u>163,482</u>
<b>FINANCING ACTIVITIES</b>			
Proceeds from preferred stock and warrants	—	—	1,005,000
Proceeds from common stock, derivative liability and warrants	1,050,000	—	1,050,000
Proceeds from warrants exercised for cash	—	1,005,000	1,005,000
Proceeds from related party payables	—	—	125,453
Repayments of related party payables	—	—	(125,453)
Proceeds from short-term notes payable	—	24,500	64,408
Repayments of short-term notes payable	(17,486)	(7,976)	(64,408)
Repayment of convertible debentures	(51,115)	(401,156)	(490,000)
Net Cash Provided by Financing Activities	<u>981,399</u>	<u>620,368</u>	<u>2,570,000</u>
NET INCREASE IN CASH	456,124	254,197	681,263
CASH AT BEGINNING OF PERIOD	<u>422,414</u>	<u>345,604</u>	<u>197,275</u>
CASH AT END OF PERIOD	<u>\$ 878,538</u>	<u>\$ 599,801</u>	<u>\$ 878,538</u>

The accompanying notes are an integral part of these financial statements.

**OHR PHARMACEUTICAL, INC.**  
(A Development Stage Company)  
Statements of Cash Flows  
(Unaudited)

	For the Nine Months Ended June 30,		From Inception of the Development Stage on October 1, 2007 Through June 30, 2011
	2011	2010	
<b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION</b>			
CASH PAID FOR:			
Interest	\$ 2,374	\$ 30,963	\$ 48,294
Income Taxes	—	—	—
NON CASH FINANCING ACTIVITIES:			
Transfer of investment for dividends payable	\$ —	\$ —	\$ 186,000
Purchase of patents for debenture	—	—	500,000
Conversion of debenture	—	10,000	10,000
Options issued to settle accounts payable	—	—	3,991

The accompanying notes are an integral part of these financial statements.



**OHR PHARMACEUTICAL, INC.**  
(A Development Stage Company)  
Notes to the Financial Statements  
June 30, 2011 and September 30, 2010

**NOTE 1 – CONDENSED FINANCIAL STATEMENTS**

The accompanying financial statements have been prepared by the Company without audit. In the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position, results of operations, and cash flows at June 30, 2011, and for all periods presented herein, have been made.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted. It is suggested that these condensed financial statements be read in conjunction with the financial statements and notes thereto included in the Company's September 30, 2010 audited financial statements. The results of operations for the periods ended June 30, 2011 and 2010 are not necessarily indicative of the operating results for the full years.

**NOTE 2 - GOING CONCERN**

The Company's financial statements are prepared using accounting principles generally accepted in the United States of America applicable to a going concern which contemplates the realization of assets and liquidation of liabilities in the normal course of business. The Company has not yet established an ongoing source of revenues sufficient to cover its operating costs and allow it to continue as a going concern. The ability of the Company to continue as a going concern is dependent on the Company obtaining adequate capital to fund operating losses until it becomes profitable. If the Company is unable to obtain adequate capital, it could be forced to cease operations. The Company has had no revenues and has generated an accumulated deficit of approximately \$25,717,229 (\$4,088,481 accumulated during the development stage) as of June 30, 2011.

In order to continue as a going concern, the Company will need, among other things, additional capital resources. Managements plan is to obtain such resources for the Company by seeking equity and/or debt financing. However management cannot provide any assurances that the Company will be successful in accomplishing any of its plans.

The ability of the Company to continue as a going concern is dependent upon its ability to successfully accomplish the plans described in the preceding paragraph and eventually secure other sources of financing and attain profitable operations. The accompanying financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

**NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Reclassification of Financial Statement Accounts

Certain amounts in the June 30, 2010 financial statements have been reclassified to conform to the presentation in the June 30, 2011 financial statements.

Recent Accounting Pronouncements

Management has considered all recent accounting pronouncements issued since the last audit of the Company's financial statements. The Company's management believes that these recent pronouncements will not have a material effect on the Company's financial statements.

#### **NOTE 4 – PATENT COSTS**

Patent costs represent the capitalized purchase price of assets acquired in the secured party sale as part of the Company's previously announced strategy to create a rollup of undervalued biotechnology companies and assets. As of June 30, 2011, the Company had purchased \$800,000 worth of biotechnology patents and other intellectual property. In these acquisitions, the Company used approximately \$300,000 in cash and issued a \$500,000 convertible debenture for the remainder of the cost which was secured by the acquired assets and was repaid.

The Company amortizes the patents over their remaining useful lives. During the nine months ended June 30, 2011 and 2010, the Company recognized \$58,726 and \$-0- in amortization expense on the patents, respectively. The amortization expense has been included in research and development expense.

#### **NOTE 5 – OTHER ASSETS**

During the nine months ended June 30, 2011, the Company sold certain non-core assets for \$87,500. The assets sold were acquired as part of a purchase of a larger portfolio of patents. The assets were not part of the targeted biotechnology sector strategy and management did not expect to be able to use or sell these assets during their useful lives and thus assigned an initial value of \$0 to these assets. As part of the transaction, the Company incurred a broker's fee of \$17,000. Accordingly, the Company recognized a gain on the sale of assets of \$70,500.

#### **NOTE 6 – CONVERTIBLE DEBT**

During the year ended September 30, 2009, the Company issued an 11% convertible note in the amount of \$500,000, due June 20, 2011. Under the terms of the note, the Company paid \$180,000 on December 15, 2009, and quarterly payments of \$25,000 commencing on March 30, 2010, each of which was applied first towards the satisfaction of accrued interest and then towards the satisfaction of principal. All unpaid principal and accrued interest on the notes was convertible into shares of the Company's common stock at the election of the purchasers at any time at the conversion price of \$0.40 per share. On June 23, 2010 the holder of the note converted \$10,000 of principal into 25,000 shares of common stock at \$0.40 per share. On December 29, 2010, the Company repaid the balance of the convertible note in full including all accrued interest. Accordingly, the security interest issued in connection with the note was released.

#### **NOTE 7 – DERIVATIVE LIABILITY AND FAIR VALUE MEASUREMENTS**

Effective July 31, 2009, the Company adopted ASC Topic No. 815-40 which defines determining whether an instrument (or embedded feature) is solely indexed to an entity's own stock. On January 15, 2010 the Company issued 5,583,336 warrants with an exercise price of \$0.55 to warrant holders that had exercised warrants during the period at \$0.18. On December 30, 2010 the Company issued 2,520,000 warrants with an exercise price of \$0.55 that were attached to shares sold to a group of institutional and accredited investors for gross proceeds of \$1,050,000.

The exercise price of both sets of these warrants are subject to "reset" provisions in the event the Company subsequently issues common stock, stock warrants, stock options or convertible debt with a stock price, exercise price or conversion price lower than \$0.18 and \$0.25, respectively. If these provisions are triggered, the exercise price of all their warrants will be reduced. As a result, the warrants are not considered to be solely indexed to the Company's own stock and are not afforded equity treatment.

The fair value of the derivative liability was calculated using a Lattice Model that values the compound embedded derivatives based on future projections of the various potential outcomes. The assumptions that were analyzed and incorporated into the model included the conversion feature with the full ratchet and weighted average anti-dilution reset, expectations of future stock price performance and expectations of future issuances based on the Company's prior stock history, prior issuances of stock, and expected capital requirements. Probabilities were assigned to various scenarios in which the reset provisions would go into effect and weighted accordingly.

The total fair value of the warrants issued on January 15, 2010, amounting to \$2,868,242 has been recognized as a derivative liability on the date of issuance with all future changes in the fair value of these warrants being recognized in earnings in the Company's statement of operations under the caption "Other income (expense) – Gain (loss) on warrant derivative liability" until such time as the warrants are exercised or expire. Because these warrants were issued in conjunction with common stock that had been exchanged for warrants with an exercise price of \$0.18, the fair value on the date of issuance includes the net cash proceeds from the sale of stock of \$1,005,000 and the fair value of \$0.18 warrants being forfeited valued on the date of exercise at \$2,867,856.

The total fair value of the warrants issued on December 30, 2010, amounting to \$528,847 has been recognized as a derivative liability on the date of issuance with all future changes in the fair value of these warrants being recognized in earnings in the Company's statement of operations under the caption "Other income (expense) – Gain (loss) on warrant derivative liability" until such time as the warrants are exercised or expire. The total cash proceeds of \$1,050,000 were first applied to the warrants with the remaining \$521,153 allocated to the common shares and recorded in additional paid-in capital.

ASC 815 requires Company management to assess the fair market value of certain derivatives at each reporting period and recognize any change in the fair market value as another income or expense item. The Company's only two assets or liabilities measured at fair value on a recurring basis are its derivative liabilities associated with the above warrants. At June 30, 2011, the Company revalued the warrants and determined that, during the nine months ended June 30, 2011, the Company's derivative liability increased by \$2,945,196 to \$4,861,699. The Company recognized a corresponding loss on derivative liability in conjunction with this revaluation.

## NOTE 8 – CAPITAL STOCK

On December 15, 2009, investors exercised 5,583,336 Series G warrants via a cashless exchange for 4,547,238 shares of the Company's common stock.

On January 15, 2010, the Company completed a \$1,005,000 financing in which the Company issued 5,583,336 common shares to holders of the Series F Warrants who exercised their warrants at an exercise price of \$0.18. Additionally, as an inducement to the holders to exercise the Warrants, the Company issued 5,583,336 Series H warrants to the Series F warrant holders who exercised their Series F warrants. The Series H Warrants have a 5 year term with a strike price of \$0.55.

On June 23, 2010 the holder of the convertible debenture elected to convert \$10,000 of the remaining principal balance into 25,000 common shares at \$0.40 per share pursuant to the conversion rights of the note.

On August 5, 2010 the Company issued 50,000 shares of its common stock to a consultant for services to be provided to the Company. The shares were valued at \$0.21 per share based on the market price of the shares on the date of issuance. The Company recorded the corresponding \$10,500 expense to general and administrative expense.

On November 5, 2010 the Company issued 50,000 shares of common stock to a consultant for services. The shares were valued at \$0.20 per share based on the market price of the shares on the date of issuance. The Company recorded the corresponding \$10,000 expense to general and administrative expense.

On December 30, 2010 the Company sold 4,200,000 shares of common stock to a group of institutional and accredited investors for gross proceeds of \$1,050,000. As of December 31, 2010 the Company had received \$595,000 in cash and recorded a stock subscription receivable for the remaining \$455,000, of which all had been received as of February 14, 2011. In addition, the investors received 2,520,000 five year warrants to purchase common stock at an exercise price of \$0.55 per share valued at \$528,847, leaving a net of \$521,153 for the value of the shares issued.

## NOTE 9 - WARRANTS

The Company has determined the estimated value of the warrants granted to employees and non-employees in exchange for services and financing expenses using the Black-Scholes pricing model and the following assumptions: stock price at valuation, \$0.21-\$0.52; expected term of 3-5 years, exercise price of \$0.50-\$0.60, a risk free interest rate of 1.15-2.60%, a dividend yield of 0% and volatility of 132-435%.

Between October 29 and December 4, 2009, the Company issued a total of 236,000 warrants for services rendered to the Company. As a result of this issuance, the Company recognized \$88,562 in consulting expense.

On April 9, 2010 the Company granted 10,000 warrants as payment for an outstanding accounts payable balance of \$3,991.

On June 22, 2010 the Company authorized the issuance of 93,000 warrants for services to the Company. Of these authorized warrants, 90,000 were issued on June 23, 2010 once the contract for services was finalized. These warrants have a 5 year term with a strike price of \$0.50. The remaining 3,000 warrants were issued September 2, 2010. These warrants have a 3 year term with a strike price of \$0.50. The combined value of these warrants was \$41,129 at the time of issuance and the value was expensed as research and development expense.

In connection with the December 30, 2010, financing, the investors received 2,520,000 five year warrants to purchase common stock at an exercise price of \$0.55 per share. The exercise price of these warrants contains certain reset provisions which require the fair value of the warrants to be reported as a liability and not in permanent equity. On the date of issuance, the Company calculated the fair value of these warrants to be \$528,847 (see note 7). The total cash proceeds of \$1,050,000 were first applied to the warrants with the remaining \$521,153 being allocated to the common shares and being recorded in additional paid-in capital.

Between May 12 and June 13, 2011, the Company issued a total of 355,000 warrants for services rendered to the Company. Of these warrants, 55,000 vest immediately and 300,000 vest over a 12 month period and will be recognized over the term of the agreement. As a result of this issuance, the Company recognized \$24,350 in consulting expense.

**NOTE 9 – WARRANTS (CONTINUED)**

Below is a table summarizing the warrants issued and outstanding as of June 30, 2011.

<b>Date Issued</b>	<b>Number Outstanding</b>	<b>Exercise Price</b>	<b>Contractual Life (Years)</b>	<b>Expiration Date</b>	<b>Value if Exercised</b>
Balance 10/1/08	13,509,857	1.18	5	Various	15,941,631
03/20/09	5,000,000	0.50	5	03/31/14	2,500,000
06/03/09	11,166,672	0.18	5	06/03/14	2,010,001
09/30/09	150,000	0.40	5	06/30/14	60,000
Expired	—	—	—	—	—
Balance 9/30/09	29,826,529	0.69	—	—	20,511,632
10/09/09	88,000	0.50	5	10/29/14	44,000
11/09/09	18,000	0.50	5	11/09/14	9,000
12/04/09	130,000	0.60	2	12/04/11	78,000
12/15/09	(5,583,336)	0.18	—	—	(1,005,000)
01/15/10	5,583,336	0.55	5	01/15/15	3,070,835
01/15/10	(5,583,336)	0.18	—	—	(1,005,000)
04/13/10	10,000	0.55	5	04/13/15	5,500
07/23/10	93,000	0.50	3	07/23/13	46,500
Expired	—	—	—	—	—
Balance 9/30/10	24,582,193	0.89	—	—	21,755,467
12/30/10	2,520,000	0.55	5	12/30/15	1,386,000
05/12/11	25,000	0.50	5	5/12/2016	12,500
05/12/11	30,000	0.50	5	5/12/2016	15,000
06/13/11	25,000	0.50	2	6/13/2013	12,500
Expired	(1,090,568)	1.19	—	—	(1,297,776)
Balance 6/30/11	26,091,625	0.84	—	—	21,883,691

**NOTE 10 – OPTIONS**

On April 12, 2010 the Company granted 1,000,000 options to employees as part of its 2009 stock option plan. The Company used the Black-Scholes option pricing model to calculate the fair market value of these options. Using the assumptions in the table below, the Company calculated a fair value of \$0.40 per option. Of the 1,000,000 options issued, 520,000 vested upon issuance and the remaining 480,000 will vest over the 5 year life of the options. In the nine month period ended June 30, 2011, the Company recognized compensation expense of \$35,925 for the vested options.

Stock Price at Valuation Date	\$	0.40
Exercise (Strike) Price	\$	0.50
Dividend Yield		0.00%
Years to Maturity		5.00
Risk-free Rate		2.60%
Volatility		277%

Below is a table summarizing the options issued and outstanding as of June 30, 2011.

<b>Date Issued</b>	<b>Number Outstanding</b>	<b>Exercise Price</b>	<b>Contractual Life (Years)</b>	<b>Expiration Date</b>	<b>Value if Exercised</b>
Prior 10/1/2008	—	\$ —	—	—	\$ —
04/09/09	579,141	0.65	5	04/09/13	376,442
Balance 09/30/09	579,141	0.65	—	—	376,442
04/12/10	1,000,000	0.50	5	04/12/15	500,000
Balance 09/30/10	1,579,141	\$ 0.56	—	—	\$ 876,442
Issued	—	—	—	—	—
Expired	(32,176)	0.65	—	—	(20,914)
Balance 6/30/11	1,546,965	\$ 0.55	—	—	\$ 855,528

**NOTE 11 – SUBSEQUENT EVENTS**

On July 7, 2011, the Company entered into a consulting agreement for clinical trials and other services to be provided to the Company over a 12 month period. As compensation, the Company has agreed to issue warrants to purchase 100,000 shares of the Company's common stock. The warrants have an exercise price of \$0.54 per share, and are exercisable for five years. In addition, the Company has agreed to issue 120,000 warrants to purchase common stock, vesting in equal tranches of 30,000 warrants per quarter. Such warrants will have an exercise price equal to the Company's market price at the time of each vesting tranche, and be exercisable for a period of five years.

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

Certain statements contained in this report, including, without limitation, statements containing the words "believes," "anticipates," "expects," "intends," and words of similar import, constitute "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995 or by the Securities and Exchange Commission in its rules, regulations and releases, regarding the Company's financial and business prospects. These forward-looking statements are qualified in their entirety by these cautionary statements, which are being made pursuant to the provisions of such Act and with the intention of obtaining the benefits of the "safe harbor" provisions of such Act. The Company cautions investors that any forward-looking statements it makes are not guarantees of future performance and that actual results may differ materially from those in the forward-looking statements. We assume no obligation to update any forward-looking statements contained in this report, whether as a result of new information, future events or otherwise. Any investment in our common stock involves a high degree of risk. For a general discussion of some of these risks in greater detail, see our "Risk Factors" in the Company's Annual Report on Form 10-K (the "*Form 10-K*") for the fiscal year ended September 30, 2010, as filed with the Securities and Exchange Commission on January 13, 2011.

### History and Recent Events

Ohr Pharmaceutical, Inc. ("we", "Ohr", the "Company" or the "Registrant") is a Delaware corporation that was organized on August 4, 2009. On that date, the predecessor firm (formerly known as BBM Holdings, Inc. and Prime Resource, Inc., organized on March 29, 2002) completed a reincorporation merger with its wholly-owned subsidiary, Ohr Pharmaceutical, Inc., and ceased to exist as a separate legal entity. The reincorporation merger did not result in any material change in our business, offices, facilities, assets, liabilities, obligations or net worth, or our directors, officers or employees.

On March 19, 2009, the Company acquired in a secured party sale all the patents, related intellectual property, clinical data and other assets related to AVR118 (also known now as OHR/AVR118). OHR/AVR118 is in an ongoing Phase II trial for the treatment of cachexia. The Company also exercised its option to acquire the new technology and early stage pharmaceutical compounds from Dr. S. Z. Hirschman, who joined the Company as a consultant and Chief Scientific Advisor.

The Company acquired OHR/AVR118 and related assets in a secured party sale with \$100,000 in cash and \$500,000 principal amount of 11% convertible secured non-recourse debenture due June 20, 2011 convertible into common stock at \$0.40 per share (the "Convertible Debenture"). The Convertible Debenture was repaid in full on December 29, 2010. The cash portion of the purchase price was financed by short-term loans from an affiliate of Orin Hirschman and another current shareholder, which were repaid June 3, 2009.

On August 19, 2009, the Company completed the acquisition of Squalamine, Trodusquemine and related compounds from Genaera Liquidating Trust. The Company paid \$200,000 in cash for the compounds.

On April 12, 2010, Dr. Irach Taraporewala was hired as the Company's full-time CEO and Sam Backenroth was hired as the Company's Vice President of Business Development and Interim CFO. In connection with their employment, Mr. Limpert resigned as an officer and director of the Company.

On December 14, 2010 the Company announced the opening of a new clinical site for its ongoing Phase II clinical trial to investigate the efficacy of OHR/AVR118 for the treatment of cancer cachexia at the Ottawa Hospital Cancer Centre.

On June 21, 2011, the Company announced the topical Squalamine program and its intention to move the program forward into clinical trials for the treatment of the wet form of age-related macular degeneration. The Company also announced preclinical animal results using the topical Squalamine formulation on July 13, 2011.

### Product Pipeline

#### Squalamine

Squalamine is an anti-angiogenic small molecule with a novel intracellular mechanism of action, that counteracts not only Vascular Endothelial Growth Factor ("VEGF") but also other angiogenic growth factors such as Platelet Derived Growth Factor ("PDGF"). Recent clinical evidence has shown PDGF to be an additional target for the treatment of Wet Age-related Macular Degeneration ("Wet-AMD"). Using the intravenous formulation in over 250 patients in Phase 1 and Phase 2 trials for the treatment of Wet-AMD, Squalamine demonstrated good safety and efficacy in both early and advanced Wet-AMD. Ohr reformulated Squalamine for ophthalmic indications from an intravenous infusion ("IV")

to a topical eye drop. The Company plans on advancing its clinical Wet-AMD program with the novel topical formulation. The topical formulation is designed for enhanced uptake to the back of the eye and decreased potential for side effects. The previous IV formulation had been awarded fast track status and a Special Protocol Assessment for a phase III registration study from the U.S. Food and Drug Administration ("FDA").

In Phase II intravenous clinical trials, stabilization or improvement in visual activity was observed in the vast majority of patients, with both early and advanced lesions responding and few drug-related ocular or systemic effects were observed. In a number of patients whose Wet-AMD had progressed to an advanced stage ("fellow eye"), the administration of Squalamine produced beneficial effects and significant improvement in best corrected visual acuity ("BCVA"). As opposed to the approved current standard of care therapy, Squalamine does not require direct injection into the eye.

The Company has conducted preclinical testing on the novel topical formulation with the following results:

- Ocular tolerance and toxicity: In a dose escalation safety study involving daily eye drop treatment in Dutch belted rabbits over a 28 day period, the formulation proved safe, and exhibited no signs of ocular toxicity or changes in intraocular pressure. Importantly, no macroscopic or histopathological changes to the ocular tissues were noted.
- Biodistribution study: A single eye drop was administered to the front of the eye in Dutch belted rabbits. At all evaluated timepoints, drug concentrations in the posterior sclera-choroid region behind the retina at the back of the eye exceeded the tissue concentrations of Squalamine that are known to block the choroidal neovascularization process in wet-AMD. The study results also demonstrated that the drug was undetectable in the anterior chamber of the eye (aqueous humor), confirming that it does not penetrate through all the layers of the cornea or contact the lens.

Additionally, Squalamine has shown promise in the treatment of solid tumors such as ovarian cancer. In a Phase IIa study, patients with stage III and IV refractory and resistant ovarian cancer received Squalamine in conjunction with another chemotherapeutic agent with approximately two thirds of the patients achieving a complete response, partial response or stable disease. In 2001, Squalamine was awarded Orphan Drug Status by the Food and Drug Administration ("FDA") for the treatment of late stage resistant and refractory ovarian cancer. Because of funding constraints, Ohr is seeking a development partner to further advance development of this indication.

#### OHR/AVR118

OHR/AVR118 is a novel immunomodulator with a singular chemical structure that is terminally sterilized and endotoxin-free. The compound is composed of two small peptides, Peptide A, which is 31 amino acids long, and Peptide B, that is 21 amino acids long. Peptide B is unique in that the dinucleotide, diadenosine, is covalently attached to serine at position 18 through a phosphodiester bond. OHR/AVR118 is quite stable and has a very favorable safety profile both in animal toxicity studies and in human clinical trials.

Ohr is currently conducting a Phase II clinical trial of OHR/AVR 118 for the treatment of cancer cachexia at a leading cancer center in Canada. Cancer cachexia is a severe wasting disorder characterized by weight loss, muscle atrophy, fatigue, weakness, and significant loss of appetite. This disorder is often seen in late stage cancer patients. OHR/AVR118 has also shown to have chemoprotective effects, thus potentially allowing patients to better tolerate chemotherapy and radiation as well as more intensive treatment regimens with ordinary toxic chemotherapeutic agents, while maintaining body weight and avoiding other side effects. There is currently no FDA approved drug for the treatment of cancer cachexia. The Company presented interim data on this current trial at the annual conference of the Society of Cachexia and Wasting Disorders in Barcelona, Spain in December 2009. On December 14, 2010, the Company announced the opening of a new clinical site for the ongoing Phase II trial in cancer cachexia at the Ottawa Hospital Cancer Centre and the enrollment of the first three patients at the new site.

#### General

The Company is a biotechnology rollup company currently focused on development of the Company's previously acquired compounds. With the addition of our executive management team in April 2010, we have shifted our strategy accordingly to focus on the development of our two later stage lead products, OHR/AVR 118 for the treatment of cancer cachexia, and Squalamine for the treatment of Wet-AMD. We acquired OHR/AVR118 in a secured party sale and Squalamine from the Genaera Liquidating Trust as part of the Company's previous strategy to create a rollup of undervalued biotechnology companies and assets.

We seek to advance our two lead products through later stage clinical trials as well as developing some of our earlier stage products and indications that we are moving forward with minimal capital outlay. We have also started a new initiative to seek and implement strategic alternatives with respect to our products, including licenses, business collaborations and other business combinations or transactions with other

pharmaceutical and biotechnology companies. From time to time, we may engage in discussions with third parties regarding the licensure, sale or acquisition of our products and technologies or a merger or sale of the Company; however we currently do not have plans to enter into such a transaction and there is no assurance that the Company will complete such a transaction.

The Company has limited core operating expenses as we have only two full-time employees. In connection with the hiring of our executive management team, we have established an office in New York City. The office is being provided by an affiliate of Mr. Backenroth free of charge with the exception of minimal office related expenses.

The Company will continue to incur ongoing operating losses, which are expected to increase substantially as it funds development of the new pharmaceutical compounds. In addition, losses will be incurred in paying ongoing reporting expenses, including legal and accounting expenses, as necessary to maintain the Company as a public entity. No projected date for potential revenues can be made, and the Company is undercapitalized at present to completely develop, test and market any pharmaceutical product.

Until the Company is able to generate significant revenue from its principal operations, it will remain classified as a development stage company. The Company can give no assurance that it will be successful in such efforts or that its limited operating funds will be adequate to support the Company's operations, nor can there be any assurance of any additional funding being available to the Company. Our independent accountants have qualified their audit report by expressing doubt about the Company's ability to continue as a "going concern."

#### Liquidity and Sources of Capital

The Company has insufficient capital to pay for development of its pharmaceutical compounds and ongoing reporting and minimal operating expenses as previously described.

As of June 30, 2011, the Company had cash of \$878,538 and prepaid expenses of \$31,854. The Company had current liabilities of \$325,055. This translates to total working capital of \$585,337, which means that our cash reserves are not adequate to fund operations after December 31, 2011. We do not have any source of revenues as of June 30, 2011 and expect to rely on additional financing. The Company plans to seek private capital through the sale of additional restricted stock or borrowing either from principal shareholders or private parties; however we currently do not have plans to enter into such a transaction and there is no assurance that the Company will complete such a transaction.

In view of the lack of financing plans, the Company may be obliged to discontinue operations, which will adversely affect the value of its common stock. See "Risk Factors" in the Form 10-K.

#### Significant Subsequent Events

On July 7, 2011, the Company entered into a consulting agreement for clinical trials and other services to be provided to the Company over a 12 month period. As compensation, the Company has agreed to issue warrants to purchase 100,000 shares of the Company's common stock. The warrants will have an exercise price of \$0.54 per share, which are exercisable for five years. In addition, the Company has agreed to issue 120,000 warrants to purchase common stock, vesting in equal tranches of 30,000 warrants per quarter. Such warrants will have an exercise price equal to the Company's market price at the time of each vesting tranche, and be exercisable for a period of five years.

On July 13, 2011, the Company announced the results of animal studies conducted using the Squalamine topical formulation.

#### Results of Operations

##### Three Months Ended June 30, 2011

Three months ended June 30, 2011 ("2011") compared to the three months ended June 30, 2010 ("2010"). Results of operations for the three months ended June 30, 2011 reflect the following changes from the prior period.

	<u>2011</u>	<u>2010</u>	<u>Change</u>
Revenue	\$ —	\$ —	\$ —
Cost of sales	—	—	—
General and administrative	(228,387)	(340,096)	(111,709)
Research and development	(73,144)	(14,497)	58,647
Interest expense	(84)	(2,495)	(2,411)
Gain (Loss) on derivative liability	(2,835,983)	140,969	2,976,952
Other income and expenses	50	39,514	39,464
Loss from operations	(3,137,548)	(176,605)	2,960,943
Discontinued operations	—	—	—
Net Loss	<u>\$ (3,137,548)</u>	<u>\$ (176,605)</u>	<u>\$ 2,960,943</u>

The Company had no net revenues from continuing operations in the three months ended June 30, 2011. The Company's products are in the development stage.

The Company also had no cost of revenue from continuing operations in the three months ended June 30, 2011.

General and administrative expenses from continuing operations decreased from \$340,096 in the three months ended June 30, 2010 to \$228,387 in 2011. The decrease in general and administrative expenses during the three months ended June 30, 2011 is primarily due to a decrease in employee stock option expenses associated with stock options issued as incentive compensation in 2010. Partially offsetting the decrease in stock option expense, general payroll expenses related to the employment of our management team commencing in April 2010 have resulted in increases over the 2010 period. The Company expects general and administrative expenses to continue to increase in future periods as development of its products continues.

The Company incurred \$73,144 in research and development expenses in the three months ended June 30, 2011 compared to \$14,497 in 2010. The increase of \$58,647 is a result of the commencement of animal studies and lab tests in 2011 as well as maintenance and development of the products that it acquired in 2009. The Company expects research and development expenses to continue to rise as development of its products continue.

The Company issued certain warrants to investors at various times that qualify for derivative accounting which requires that the value of these warrants be recorded as a liability instead of within equity. These warrants are then marked to their fair value at the end of each reporting period with changes being recorded in earnings. As the Company's stock price has increased during 2011, the value of these warrants has increased, resulting in an increase in the liability and a non-cash loss on derivative liability of \$2,835,983 for 2011 compared to a gain of \$140,969 in 2010.

For the three months ended June 30, 2011, the Company recognized net loss of \$3,137,548 compared to a loss of \$176,605 for the same period in 2010. Until the Company is able to generate revenues, management expects to continue to incur net losses. Excluding the non-cash gain or loss on derivative liability as well as the non-cash expense associated with the issuance of stock and warrants to employees and consultants, the Company's net loss for 2011 would have been \$265,308 and \$96,019 for 2010.

#### Nine Months Ended June 30, 2011

Nine months ended June 30, 2011 ("2011") compared to the nine months ended June 30, 2010 ("2010"). Results of operations for the nine months ended June 30, 2011 reflect the following changes from the prior period.

	<b>2011</b>	<b>2010</b>	<b>Change</b>
Revenue	\$ —	\$ —	\$ —
Cost of sales	—	—	—
General and administrative	(517,362)	(613,544)	(96,182)
Research and development	(350,407)	(73,399)	277,008
Interest expense	(2,433)	(19,288)	(16,855)
Gain (Loss) on derivative liability	(2,945,196)	140,969	3,086,165
Other income and expenses	72,162	68,101	(4,061)
Loss from operations	(3,743,236)	(497,161)	3,246,075
Discontinued operations	—	—	—
Net Loss	<u>\$ (3,743,236)</u>	<u>\$ (497,161)</u>	<u>\$ 3,246,075</u>

The Company had no net revenues from continuing operations in the nine months ended June 30, 2011. The Company's products are in the development stage.



The Company also had no cost of revenue from continuing operations in the nine months ended June 30, 2011.

General and administrative expenses from continuing operations decreased from \$613,544 in the nine months ended June 30, 2010 to \$517,362 in 2011. The decrease in general and administrative expenses during the three months ended June 30, 2011 is primarily due to a decrease in employee stock option expenses associated with stock options issued as incentive compensation in 2010. Partially offsetting the decrease in stock option expense, general payroll expenses related to the employment of our management team commencing in April 2010 and increased legal and accounting fees have resulted in increases over the 2010 period. The Company expects general and administrative expenses to continue to increase in future periods as development of its products continues.

The Company incurred \$350,407 in research and development expenses in the nine months ended June 30, 2011 compared to \$73,399 in 2010. The increase of \$277,008 is a result of the commencement of animal studies and lab tests in 2011 as well as maintenance and development of the products that it acquired in 2009. The Company expects research and development expenses to continue to rise as development of its products continue.

The Company sold certain non-core assets for \$87,500. The assets sold were acquired as part of a purchase of a larger portfolio of patents. The assets were not part of the targeted biotechnology sector strategy and management did not expect to be able to use or sell these assets during their useful lives and thus assigned an initial value of \$0 to these assets. As part of the transaction, the Company incurred a broker's fee of \$17,000. Accordingly, the Company recognized a gain on the sale of assets of \$70,500, which was included in Other Income and Expenses.

The Company issued certain warrants to investors at various times that qualify for derivative accounting which requires that the value of these warrants be recorded as a liability instead of within equity. These warrants are then marked to their fair value at the end of each reporting period with changes being recorded in earnings. As the Company's stock price has increased during 2011, the value of these warrants has increased, resulting in an increase in the liability and a non-cash loss on derivative liability of \$2,945,196 for 2011 compared to a gain of \$140,969 in 2010.

For the nine months ended June 30, 2011, the Company recognized net loss of \$3,743,236 compared to a loss of \$497,161 for the same period in 2010. Until the Company is able to generate revenues, management expects to continue to incur net losses. Excluding the non-cash gain or loss on derivative liability as well as the non-cash expense associated with the issuance of stock and warrants to employees and consultants, the Company's net loss for 2011 would have been \$727,765 and \$342,002 for 2010.

### **Item 3. Quantitative and Qualitative Risk**

Market risk represents the risk of loss arising from adverse changes in interest rates and foreign exchange rates. The Company does not have any material exposure to interest rate or exchange rate risk.

### **Item 4. Controls and Procedures**

#### **Evaluation of Disclosure Controls and Procedures**

We maintain disclosure controls and procedures (as defined in Rule 13a-15(e) of the Securities Exchange Act of 1934, as amended ("Exchange Act")) that are designed to assure that information required to be disclosed in our Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosures.

As required by Exchange Act Rule 13a-15(b), as of the end of the period covered by this Quarterly Report, under the supervision and with the participation of our chief executive officer and chief financial officer, we evaluated the effectiveness of our disclosure controls and procedures. Based on this evaluation, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures were effective as of that date.

#### **Management's Report on Internal Control over Financial Reporting**

Management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rule 13a-15(f) under the Exchange Act. Internal control over financial reporting is a process designed by, or under the supervision of, the chief executive officer and chief financial officer, and effected by the board of directors and management to provide reasonable assurance regarding the

reliability of financial reporting and the preparation of financial statements for external purposes in accordance with US Generally Accepted Accounting Principles (“GAAP”) including those policies and procedures that: (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of assets, (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with US GAAP and that receipts and expenditures are being made only in accordance with authorizations of management and the directors, and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all errors and all fraud that could occur. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system’s objectives will be met. The design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Further, because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Controls can also be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls is based in part on certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Projections of any evaluation of controls effectiveness to future periods are subject to risks. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with policies or procedures.

The Company knows of no fraudulent activities or any material accounting irregularities. The Company does not have an independent audit committee. The Company believes that an independent committee is not required for OTC Bulletin Board listings, but may further review the advisability and feasibility of establishing such a committee in the future.

The Company is aware of the general standards and requirements of the Sarbanes-Oxley Act of 2002 and has implemented procedures and rules to comply, so far as applicable, such as a prohibition on company loans to management and affiliates. The Company does not have any audit committee as it does not believe the act requires a separate committee for companies that are reporting companies, but not registered under the Securities and Exchange Act of 1934 (e.g., companies registered under Section 15(d)) and whose shares trade only on the OTC Bulletin Board.

This Quarterly Report does not include an attestation report of the Company’s current independent registered public accounting firm regarding internal control over financial reporting. Management’s report was not subject to attestation by the Company’s current independent registered public accounting firm pursuant to rules of the SEC that permit the Company to provide only management’s report in this Quarterly Report because the Company is a smaller reporting company under the SEC’s rules.

#### Changes in Internal Control over Financial Reporting.

There were no changes in our internal control over financial reporting (as such term is defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act) during our third fiscal quarter 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**

Our management is not aware of any significant litigation, pending or threatened, that would have a significant adverse effect on our financial position or results of operations.

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

On November 5, 2010 the Company issued 50,000 shares of common stock to a consultant for services. The shares were valued at \$0.20 per share based on the market price of the shares on the date of issuance. The Company recorded the corresponding \$10,000 expense to general and administrative expense.

On December 30, 2010 the Company sold 4,200,000 shares of common stock to a group of institutional and accredited investors for gross proceeds of \$1,050,000. In connection with the financing, the investors received 2,520,000 five year warrants to purchase common stock at an exercise price of \$0.55 per share. The exercise price of these warrants contains certain reset provisions which require the fair value of the warrants to be reported as a stock warrant derivative liability. On the date of issuance, the Company calculated the fair value of these warrants

to be \$528,847. The total cash proceeds of \$1,050,000 were first applied as an increase to stock warrant derivative liability with the remaining \$521,153 being allocated to the common shares and being recorded in additional paid-in capital.

**Item 3. Defaults Upon Senior Securities.**

None.

**Item 4. Removed and Reserved .**

**Item 5. Other Information**

None.

**Item 6. Exhibits**

<u>Exhibit</u>	<u>Number</u>
10.21	Form of consulting warrants
31.1	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of Chief Executive Officer Pursuant to 18 U.S.C Section 1350, As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of Chief Financial Officer Pursuant to 18 U.S.C Section 1350, As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

**SIGNATURES**

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

Date: August 15, 2011

OHR PHARMACEUTICAL, INC.  
(Registrant)

By: /s/ Irach Taraporewala  
Irach Taraporewala  
Chief Executive Officer

By: /s/ Sam Backenroth  
Sam Backenroth  
Chief Financial Officer



OHR PHARMACEUTICAL, INC.  
COMMON STOCK PURCHASE WARRANT

Warrant No. [ ]

[ ] Warrants

VOID AFTER 5:00 P.M. NEW YORK CITY TIME  
ON [ ]

THE SECURITIES REPRESENTED BY THIS INSTRUMENT HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "*SECURITIES ACT*"), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE STATE SECURITIES LAWS OR BLUE SKY LAWS.

Ohr Pharmaceutical, Inc., a Delaware corporation (the "*Company*"), having its principal office as of the date hereof at 489 5<sup>th</sup> Avenue, 28<sup>th</sup> Floor, New York, NY 10017, hereby certifies that, for value received, [ ], or registered assigns, is entitled, subject to the terms and conditions set forth below, to purchase from the Company at any time on or from time to time after the Commencement Date (as defined below), and before 5:00 P.M., New York City time, on [ ] (the "*Expiration Date*"), up to [ ] fully paid and non-assessable shares of Common Stock (as defined below), at the initial Purchase Price per share (as defined below) of [\$ ]. The number of such shares of Common Stock and the Purchase Price per share are subject to adjustment as provided in Section 5.

Background. The Company agreed to issue warrants to purchase an aggregate of up to [ ] shares of Common Stock (subject to adjustment as provided herein) (the "*Warrants*"), in partial consideration for services rendered in connection with general scientific consulting.

1. Definitions.

As used herein the following terms, unless the context otherwise requires, have the following respective meanings:

"*Aggregate Purchase Price*" has the meaning set forth in Section 3.1.

"*Blue Sky Laws*" means any state securities or "blue sky" laws.

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“**Board of Directors**” means the board of directors of the Company.

“**Business Day**” means any day other than Saturday, Sunday or other day on which commercial banks in The City of New York are authorized or required by law to remain closed.

“**Company**” includes the Company and any corporation which shall succeed to or assume the obligations of the Company hereunder. The term "corporation" shall include an association, joint stock company, business trust, limited liability company or other similar organization.

“**Common Stock**” means the Company’s Common Stock, \$.0001 par value per share, authorized as of the date hereof, and any stock of any class or classes (however designated) hereafter authorized upon reclassification thereof, which, if the Board of Directors declares any dividends or distributions, has the right to participate in the distribution of earnings and assets of the Company after the payment of dividends or other distributions on any shares of capital stock of the Company entitled to a preference and in the voting for the election of directors of the Company.

“**Delivery Date**” has the meaning set forth in Section 4.

“**Exchange Act**” means the Securities Exchange Act of 1934 as the same shall be in effect at the time.

“**Holder**” means any record owner of Warrants or Underlying Securities.

“**Market Price**” means, for one share of Common Stock at any date (i) if the principal trading market for the Common Stock is an exchange, the average of the closing sale prices per Share for the last twenty (20) previous trading days in which a sale was reported, as officially reported on any consolidated tape, (ii) if the principal market for such securities is the over-the-counter market, the average of the closing sale prices per Share on the last twenty (20) previous trading days in which a sale was reported as set forth by Nasdaq or, (iii) if the security is not listed on an exchange or Nasdaq, the average of the closing sale prices per share on the last twenty (20) previous trading days in which a sale was reported as set forth in the National Quotation Bureau sheet listing such securities for such days. Notwithstanding the foregoing, if there is no reported closing sale price, as the case may be, reported on any of the twenty (20) trading days preceding the event requiring a determination of Market Price hereunder, then the Market Price shall be the average of the high bid and asked prices for the last ten previous trading days in which a sale was reported; and if there is no reported high bid and asked prices, as the case may be, reported on any of the ten trading days preceding the event requiring a determination of Market Price hereunder, then the Market Price shall be determined in good faith by resolution of the Board of Directors. The Market Price of Other Securities, if any, shall be determined in the same manner as Common Stock.

“**Nasdaq**” means the Nasdaq Global Market or Nasdaq Capital Market.

“**Notice**” has the meaning set forth in Section 21.

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“**Original Issue Date**” means [            ].

“**Other Securities**” refers to any stock (other than Common Stock) and other securities of the Company or any other Person (corporate or otherwise) which the Holders of the Warrants at any time shall be entitled to receive, or shall have received, upon the exercise of the Warrants, in lieu of or in addition to Common Stock, or which at any time shall be issuable or shall have been issued in exchange for or in replacement of Common Stock or Other Securities pursuant to Section 5 or 6.

“**Permitted Transfer**” means a transfer by a Holder (i) by gift to his or her spouse or to the siblings, lineal descendants, or parents of such Holder or of his or her spouse or to any entity of which such Person or Persons are the sole beneficiaries; (ii) in the case of any Holder that is a trust, to a successor trustee or trustees of any trust established for one or more of the persons specified in clause (i) above; and (iii) upon the death of a Holder who is a natural person, to such Holder's heirs, executors, administrators, testamentary trustees, legatees or beneficiaries

“**Person**” means any individual, sole proprietorship, partnership, corporation, limited liability company, business trust, unincorporated association, joint stock corporation, trust, joint venture or other entity, any university or similar institution, or any government or any agency or instrumentality or political subdivision thereof.

“**Purchase Price per share**” means [\$    ] per share, as may be adjusted from time to time in accordance with Section 5 or 6.

“**Registered**” and “**Registration**” refer to a registration effected by filing a registration statement in compliance with the Securities Act, to permit the disposition of Underlying Securities issued or issuable upon the exercise of Warrants, and any post-effective amendments and supplements filed or required to be filed to permit any such disposition.

“**Securities Act**” means the Securities Act of 1933 as the same shall be in effect at the time.

“**Underlying Securities**” means any Common Stock or Other Securities issued or issuable upon exercise of Warrants.

“**Warrant**” means, as applicable, (i) the Warrants dated as of the date hereof, originally issued by the Company to [            ] of which this Warrant is one, evidencing rights to purchase up to a maximum of [            ] shares of Common Stock, and all Warrants issued upon transfer, division or combination of, or in substitution for, any thereof (all Warrants shall at all times be identical as to terms and conditions and date, except as to the number of shares of Common Stock for which they may be exercised) or (ii) each right as set forth in this Warrant to purchase one share of Common Stock, as adjusted from time to time in accordance with Section 5 or 6.

2. Sale or Exercise Without Registration. If, at the time of any exercise, transfer or surrender for exchange of a Warrant or of Underlying Securities previously issued upon the exercise of Warrants, such Warrant or Underlying Securities shall not be registered under the Securities Act, the Company may require, as a condition of allowing such exercise, transfer or exchange, that the Holder or transferee of such Warrant or Underlying Securities, as the case may be, furnish to the Company an opinion of counsel, reasonably satisfactory to the Company, to the effect that such exercise, transfer or exchange may be made without registration under the Securities Act and without registration or qualification under any applicable Blue Sky Laws.

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### 3. Exercise of Warrant.

3.1. Exercise in Full. Subject to the provisions hereof, this Warrant may be exercised by the Holder hereof by surrender of this Warrant, with the form of subscription at the end hereof duly executed by such Holder, to the Company at its principal office as set forth at the head of this Warrant (or such other location as the Company from time to time may advise the Holder in writing), accompanied by payment, in cash or by certified or official bank check payable to the order of the Company, in the amount obtained (the "**Aggregate Purchase Price**") by multiplying (a) the number of shares of Common Stock then issuable upon exercise of this Warrant by (b) the Purchase Price per share on the date of such exercise.

3.2. Partial Exercise. Subject to the provisions hereof, this Warrant may be exercised in part by surrender of this Warrant in the manner and at the place provided in Section 3.1 except that the amount payable by the Holder upon any partial exercise shall be the amount obtained by multiplying (a) the number of shares of Common Stock designated by the Holder in the subscription at the end hereof by (b) the Purchase Price per share on the date of such exercise. Upon any such partial exercise, the Company at its expense shall forthwith issue and deliver to or upon the order of the Holder hereof a new Warrant or Warrants of like tenor, in the name of the Holder hereof or as such Holder (upon payment by such Holder of any applicable transfer taxes and subject to the provisions of Section 2) may request, calling in the aggregate on the face or faces thereof for the number of shares of Common Stock equal to the number of such shares issuable prior to such partial exercise of this Warrant minus the number of such shares designated by the Holder in the subscription at the end hereof.

3.3. Company to Reaffirm Obligations. The Company shall, at the time of any exercise of this Warrant, upon the request of the Holder hereof, acknowledge in writing its continuing obligation to afford to such Holder any rights (including, without limitation, any right to registration of the Underlying Securities, if any) to which such Holder shall continue to be entitled after such exercise in accordance with the provisions of this Warrant; provided, however, that if the Holder of this Warrant shall fail to make any such request, such failure shall not affect the continuing obligation of the Company to afford such Holder any such rights.

3.4. Certain Exercises. If an exercise of this Warrant is to be made in connection with a registered public offering or sale of the Company, such exercise may, at the election of the Holder, be conditioned on the consummation of the public offering or sale of the Company, in which case such exercise shall not be deemed effective until the consummation of such transaction.

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4. Delivery of Stock Certificates, etc., on Exercise; Buy-In.

4.1. Delivery of Certificates. As soon as practicable after the exercise of this Warrant in full or in part, and in any event within ten Business Days thereafter (the "Delivery Day"), the Company at its own expense (including the payment by it of any applicable issue taxes) shall cause to be issued in the name of and delivered to the Holder hereof, or as such Holder (upon payment by such Holder of any applicable transfer taxes and subject to the provisions of Section 2) may direct, a certificate or certificates for the number of fully paid and non-assessable shares of Common Stock or Other Securities to which such Holder shall be entitled upon such exercise, plus, in lieu of any fractional share to which such Holder would otherwise be entitled, cash equal to such fraction multiplied by the then current Market Price of one full share.

4.2. Issuance of Certificates. If the Company fails to deliver to the Holder a certificate or certificates representing the Underlying Securities by the third (3rd) trading day following the Delivery Date (or such longer or shorter time is then required by the SEC regulations on the settlement of trades), then the Holder will have the right to rescind such exercise. Nothing herein shall limit a Holder's right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance or injunctive relief with respect to the Company's failure to timely deliver certificates representing Underlying Securities upon exercise of the Warrant as required pursuant to the terms hereof.

5. Adjustment for Stock Splits; Dividends. The number and kind of securities purchasable upon the exercise of this Warrant and the Purchase Price shall be subject to adjustment from time to time upon the happening of any of the following. In case the Company shall (i) pay a dividend in shares of Common Stock or make a distribution in shares of Common Stock to holders of its outstanding Common Stock, (ii) subdivide its outstanding shares of Common Stock into a greater number of shares, (iii) combine its outstanding shares of Common Stock into a smaller number of shares of Common Stock, or (iv) issue any shares of its capital stock in a reclassification of the Common Stock, then the number of Underlying Securities purchasable upon exercise of this Warrant immediately prior thereto shall be adjusted so that the Holder shall be entitled to receive the kind and number of Underlying Securities or other securities of the Company which it would have owned or have been entitled to receive had such Warrant been exercised in advance thereof. Upon each such adjustment of the kind and number of Underlying Securities or other securities of the Company which are purchasable hereunder, the Holder shall thereafter be entitled to purchase the number of Underlying Securities or other securities resulting from such adjustment at a Purchase Price per share or other security obtained by multiplying the Purchase Price per share in effect immediately prior to such adjustment by the number of Underlying Securities purchasable pursuant hereto immediately prior to such adjustment and dividing by the number of Underlying Securities or other securities of the Company resulting from such adjustment. An adjustment made pursuant to this paragraph shall become effective immediately after the effective date of such event retroactive to the record date, if any, for such event.

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6. Reorganization, Consolidation, Merger, etc. In case the Company shall reorganize its capital, reclassify its capital stock, consolidate or merge with or into another corporation (where the Company is not the surviving corporation or where there is a change in or distribution with respect to the Common Stock of the Company), or sell, transfer or otherwise dispose of its property, assets or business to another corporation and, pursuant to the terms of such reorganization, reclassification, merger, consolidation or disposition of assets, shares of common stock of the successor or acquiring corporation, or any cash, shares of stock or other securities or property of any nature whatsoever (including warrants or other subscription or purchase rights) in addition to or in lieu of common stock of the successor or acquiring corporation ("**Other Property**"), are to be received by or distributed to the holders of Common Stock of the Company, then the Holder shall have the right thereafter to receive upon exercise of this Warrant, the number of shares of common stock of the successor or acquiring corporation or of the Company, if it is the surviving corporation, and Other Property receivable upon or as a result of such reorganization, reclassification, merger, consolidation or disposition of assets by a Holder of the number of shares of Common Stock for which this Warrant is exercisable immediately prior to such event. In case of any such reorganization, reclassification, merger, consolidation or disposition of assets, the successor or acquiring corporation (if other than the Company) shall expressly assume the due and punctual observance and performance of each and every covenant and condition of this Warrant to be performed and observed by the Company and all the obligations and liabilities hereunder, subject to such modifications as may be deemed appropriate (as determined in good faith by resolution of the Board of Directors of the Company) in order to provide for adjustments of Underlying Securities for which this Warrant is exercisable which shall be as nearly equivalent as practicable to the adjustments provided for in this Section 6. For purposes of this Section 6, "common stock of the successor or acquiring corporation" shall include stock of such corporation of any class which is not preferred as to dividends or assets over any other class of stock of such corporation and which is not subject to redemption and shall also include any evidences of indebtedness, shares of stock or other securities which are convertible into or exchangeable for any such stock, either immediately or upon the arrival of a specified date or the happening of a specified event and any warrants or other rights to subscribe for or purchase any such stock. The foregoing provisions of this Section 6 shall similarly apply to successive reorganizations, reclassifications, mergers, consolidations or disposition of assets.

7. Further Assurances; Reports. The Company shall take all such action as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and non-assessable shares of Underlying Securities upon the exercise of all Warrants from time to time outstanding. For so long as the Holder holds this Warrant, the Company shall deliver to the Holder contemporaneously with delivery to the holders of Common Stock, a copy of each report of the Company delivered to such holders.

8. Certificate as to Adjustments. In each case of any adjustment or readjustment in the Underlying Securities, the Company shall, at its expense, promptly cause its Chief Financial Officer to compute such adjustment or readjustment in accordance with the terms of this Warrant and prepare a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based, and the number of shares of Common Stock or Other Securities outstanding or deemed to be outstanding. The Company shall forthwith mail a copy of each such certificate to the Holder.

9. Notices of Record Date, etc. In the event of

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(a) any taking by the Company of a record of its stockholders for the purpose of determining the stockholders thereof who are entitled to receive any dividend or other distribution, or any right to subscribe for, purchase or otherwise acquire any shares of stock of any class or any other securities or property, or to receive any other right, or for the purpose of determining stockholders who are entitled to vote in connection with any proposed capital reorganization of the Company, any reclassification or recapitalization of the capital stock of the Company or any transfer of all or substantially all the assets of the Company to or consolidation or merger of the Company with or into any other Person, or

(b) any voluntary or involuntary dissolution, liquidation or winding-up of the Company,

then and in each such event the Company shall mail or cause to be mailed to each Holder of a Warrant a notice specifying (i) the date on which any such record is to be taken for the purpose of such dividend, distribution or right, and stating the amount and character of such dividend, distribution or right and (ii) the date on which any such reorganization, reclassification, recapitalization, transfer, consolidation, merger, dissolution, liquidation or winding-up is to take place, and the time, if any, as of which the Holders of record of Underlying Securities shall be entitled to exchange their shares of Underlying Securities for securities or other property deliverable upon such reorganization, reclassification, recapitalization, transfer, consolidation, merger, dissolution, liquidation or winding-up. Such notice shall be mailed at least 20 days prior to the date therein specified.

10. Reservation of Stock, etc., Issuable on Exercise of Warrants. The Company shall at all times on and after the filing of the Restated Certificate reserve and keep available, solely for issuance and delivery upon the exercise of the Warrants, all shares of Common Stock (or Other Securities) from time to time issuable upon the exercise of the Warrants.

11. Listing on Securities Exchanges; Registration; Issuance of Certain Securities. In furtherance and not in limitation of any other provision of this Warrant, if the Company at any time shall list any Common Stock (or Other Securities) on any national securities exchange or Nasdaq, the Company shall, at its expense, simultaneously list the Underlying Securities from time to time issuable upon the exercise of the Warrants on such exchange or Nasdaq, upon official notice of issuance.

12. Exchange of Warrants. Subject to the provisions of Section 2, upon surrender for exchange of this Warrant, properly endorsed, to the Company, as soon as practicable (and in any event within three Business Days) the Company at its own expense shall issue and deliver to or upon the order of the Holder thereof a new Warrant or Warrants of like tenor, in the name of such Holder or as such Holder (upon payment by such Holder of any applicable transfer taxes) may direct, calling in the aggregate on the face or faces thereof for the number of shares of Common Stock called for on the face of this Warrant so surrendered.

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13. Replacement of Warrants. Upon receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant and, in the case of any such loss, theft or destruction, upon delivery of an indemnity agreement reasonably satisfactory in form and amount to the Company or, in the case of any such mutilation, upon surrender and cancellation of this Warrant, the Company at its expense shall execute and deliver, in lieu thereof, a new Warrant of like tenor.

14. Warrant Agent. The Company may, by written notice to each Holder of a Warrant, appoint an agent for the purpose of issuing Common Stock (or Other Securities) upon the exercise of the Warrants pursuant to Section 3, exchanging Warrants pursuant to Section 13, and replacing Warrants pursuant to Section 14, or any of the foregoing, and thereafter any such issuance, exchange or replacement, as the case may be, shall be made at such office by such agent.

15. Remedies. The Company stipulates that the remedies at law of the Holder of this Warrant in the event of any default or threatened default by the Company in the performance of or compliance with any of the terms of this Warrant may not be adequate, and that such terms may be specifically enforced by a decree for the specific performance of any agreement contained herein or by an injunction that may be sought against a violation of any of the terms hereof or otherwise.

16. No Rights as Stockholder. This Warrant does not entitle the Holder hereof to any voting rights or other rights as a stockholder of the Company prior to the exercise hereof.

17. Negotiability, etc. Subject to Section 2 above, this Warrant is issued upon the following terms, to all of which each Holder or owner hereof by the taking hereof consents and agrees:

(a) subject to the provisions hereof, title to this Warrant may be transferred by endorsement (by the Holder hereof executing the form of assignment at the end hereof) and delivery in the same manner as in the case of a negotiable instrument transferable by endorsement and delivery;

(b) subject to the foregoing, any person in possession of this Warrant properly endorsed is authorized to represent himself as absolute owner hereof and is empowered to transfer absolute title hereto by endorsement and delivery hereof to a bona fide purchaser hereof for value; each prior taker or owner waives and renounces all of his equities or rights in this Warrant in favor of each such bona fide purchaser and each such bona fide purchaser shall acquire absolute title hereto and to all rights represented hereby; and

(c) until this Warrant is transferred on the books of the Company, the Company may treat the registered Holder hereof as the absolute owner hereof for all purposes, notwithstanding any notice to the contrary.

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18. Entire Agreement; Successors and Assigns. This Warrant constitutes the entire contract between the parties relative to the subject matter hereof. This Warrant supersedes any previous agreement among the parties with respect to the subject matter hereof. The terms and conditions of this Warrant shall inure to the benefit of and be binding upon the respective permitted executors, administrators, heirs, successors and assigns of the parties. Nothing in this Warrant, expressed or implied, is intended to confer upon any party, other than the Holder and the Company, any rights, remedies, obligations or liabilities under or by reason of this Warrant.

19. Governing Law; Jurisdiction. This Warrant shall be governed by and construed in accordance with the laws of the State of New York without regard to principles of conflicts of law. Each of the Holder and the Company hereby irrevocably consents and submits to the jurisdiction of any New York State or United States Federal Court sitting in the State of New York, County of New York, over any action or proceeding arising out of or relating to this Warrant and irrevocably consents to the service of any and all process in any such action or proceeding in the manner for the giving of notices at its address specified in Section 22. Each of the Holder and the Company further waives any objection to venue in the State of New York, County of New York and any objection to an action or proceeding in such state and county on the basis of *forum non conveniens*. Each of the Holder and the Company also waives any right to trial by jury.

20. Headings. The headings of the sections of this Warrant are for convenience and shall not by themselves determine the interpretation of this Warrant.

21. Notices. Any notice or other communication required or permitted to be given hereunder (each a "**Notice**") shall be given in writing and shall be made by personal delivery or sent by courier or certified or registered first-class mail (postage pre-paid), addressed to a party at its address shown below or at such other address as such party may designate by three days' advance Notice to the other party.

Any Notice to the Holder shall be sent to the address for such Holder set forth on books and records of the Company. Any Notice to the Company shall be sent to the address set forth above. Each Notice shall be deemed given and effective upon receipt (or refusal of receipt).

22. Severability. Whenever possible, each provision of this Warrant shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Warrant shall be deemed prohibited or invalid under such applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, and such prohibition or invalidity shall not invalidate the remainder of such provision or any other provision of this Warrant.

23. Amendments and Waivers. Any provision of this Warrant may be amended and the observance of any provision of this Warrant may be waived (either generally or in a particular instance and either retroactively or prospectively), only with the written consent of the Company and the Holders of a majority of the Warrants then outstanding. Any amendment or waiver effected in accordance with this Section 23 shall be binding upon each Holder of a Warrant.

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24. Construction. Words (including capitalized terms defined herein) in the singular shall be held to include the plural and vice versa as the context requires. The words "herein", "hereinafter", "hereunder" and words of similar import used in this Warrant shall, unless otherwise stated, refer to this Warrant as a whole and not to any particular provision of this Warrant. All references to "\$" in this Warrant and the other agreements contemplated hereby shall refer to United States dollars (unless otherwise specified expressly). Any reference to any gender includes the other genders.

Dated: \_\_\_\_\_

OHR PHARMACEUTICAL, INC.

By: \_\_\_\_\_  
Name:  
Title:

Attest: \_\_\_\_\_

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FORM OF SUBSCRIPTION

(To be signed only upon exercise of Warrant)

To: OHR PHARMACEUTICAL, INC.

The undersigned, the Holder of the within Warrant, hereby irrevocably elects to exercise the purchase right represented by such Warrant for, and to purchase thereunder, \* shares of Common Stock of Ohr Pharmaceutical, Inc., and herewith makes payment of \$\_\_\_\_\_ or, subject to satisfaction of the conditions set forth in Section 3.5 of the Warrant, [by initial here \_\_\_\_] Holder elects to exercise under the Net Issue Exercise provisions of the Warrant, and requests that the certificates for such shares be issued in the name of, and delivered to, \_\_\_\_\_, whose address is \_\_\_\_\_.

The undersigned represents that the undersigned is acquiring such securities for its own account for investment and not with a view to or for sale in connection with any distribution thereof (except for any resale pursuant to, and in accordance with a valid registration statement effective under the Securities Act of 1933).

Dated:

\_\_\_\_\_  
(Signature must conform in all respects to the name of the Holder as specified on the face of the Warrant)

\_\_\_\_\_  
(Address)

\* Insert here the number of shares called for on the face of the Warrant (or, in the case of a partial exercise, the portion thereof as to which the Warrant is being exercised).

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FORM OF ASSIGNMENT

(To be signed by the Holder only upon transfer of Warrant)

For value received, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ the right represented by the within Warrant to purchase \_\_\_\_\_ shares of Common Stock of Ohr Pharmaceutical, Inc. to which the within Warrant relates, and hereby does irrevocably constitute and appoint \_\_\_\_\_ Attorney to transfer such right on the books of Ohr Pharmaceutical, Inc. with full power of substitution in the premises. The Warrant being transferred hereby is one of the Warrants issued by Ohr Pharmaceutical, Inc. as of [            ].

Dated: \_\_\_\_\_

\_\_\_\_\_  
(Signature must conform in all respects to name of Holder as specified on the face of the Warrant)

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
Medallion signature guaranteed by a bank or trust company having its principal office in New York City or by a Member Firm of the New York Stock Exchange or American Stock Exchange

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Certification of Chief Executive Officer  
Pursuant to Section 302 of the  
Sarbanes-Oxley Act of 2002

I, Irach Taraporewala, certify that:

1. I have reviewed this report on Form 10-Q of Ohr Pharmaceutical, 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) 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
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- 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.

Dated: August 15, 2011

/s/ ***Irach Taraporewala***  
Irach Taraporewala  
Chief Executive Officer

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Certification of Chief Financial Officer  
Pursuant to Section 302 of the  
Sarbanes-Oxley Act of 2002

I, Sam Backenroth, certify that:

1. I have reviewed this report on Form 10-Q of Ohr Pharmaceutical, 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) 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
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- 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.

Dated: August 15, 2011

/s/ **Sam Backenroth**  
Sam Backenroth  
Interim Chief Financial Officer

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Certification of Chief Executive Officer  
Pursuant to 18 U.S.C Section 1350,  
As Adopted Pursuant to Section 906 of the  
Sarbanes-Oxley Act of 2002

Not Filed Pursuant to the Securities Exchange Act of 1934

In connection with the Quarterly Report of Ohr Pharmaceutical, Inc (the "*Company*") on Form 10Q for the period ending June 30, 2011 as filed with the Securities and Exchange Commission on the date hereof (the "*Report*"), I, Irach Taraporewala, Chief Executive Officer, of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 15, 2011

/s/ **Irach Taraporewala**  
Name: Irach Taraporewala

Title: Chief Executive Officer

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Certification of Chief Financial Officer  
Pursuant to 18 U.S.C Section 1350,  
As Adopted Pursuant to Section 906 of the  
Sarbanes-Oxley Act of 2002

Not Filed Pursuant to the Securities Exchange Act of 1934

In connection with the Quarterly Report of Ohr Pharmaceutical, Inc (the "*Company*") on Form 10Q for the period ending June 30, 2011, as filed with the Securities and Exchange Commission on the date hereof (the "*Report*"), I, Sam Backenroth, Chief Financial Officer, of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 15, 2011

/s/ Sam Backenroth

Name: Sam Backenroth

Title: Interim Chief Financial Officer

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