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 September 30, 2017

OR

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

For the transition period from _____ to _____.

Commission File Number: 000-50484

MEI Pharma, Inc.
(Exact name of registrant as specified in its charter)

DELAWARE	**51-0407811**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

3611 Valley Centre Drive, Suite 500, San Diego, CA 92130
(Address of principal executive offices) (Zip Code)

(858) 369-7100
(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, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Non-accelerated filer	☐
Accelerated filer	☒	Smaller reporting entity	☐
Emerging growth company	☐		

If an emerging growth company, indicate by checkmark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act ☐

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

As of November 6, 2017, the number of shares outstanding of the issuer's common stock, $0.00000002 par value, was 37,014,947.

MEI PHARMA, INC.

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PART I FINANCIAL INFORMATION

Item 1: Condensed Financial Statements - Unaudited

MEI PHARMA, INC.
CONDENSED BALANCE SHEETS
(In thousands, except per share amounts)

	September 30, 2017 (unaudited)	June 30, 2017
ASSETS		
Current assets:		
Cash and cash equivalents	$ 6,958	$ 8,458
Short term investments	40,065	45,107
Total cash, cash equivalents and short-term investments	47,023	53,565
Prepaid expenses and other current assets	641	1,758
Total current assets	47,664	55,323
Intangible assets, net	322	331
Property and equipment, net	45	50
Total assets	$ 48,031	$ 55,704
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 751	$ 585
Accrued liabilities	2,767	3,285
Deferred revenues	947	996
Total current liabilities	4,465	4,866
Commitments and contingencies (Note 5)		
Stockholders' equity:		
Preferred stock, $0.01 par value; 100 shares authorized; none outstanding	—	—
Common stock, $0.00000002 par value; 113,000 shares authorized; 36,950 and 36,772 shares issued and outstanding at September 30, 2017 and June 30, 2017, respectively	—	—
Additional paid-in-capital	226,685	225,169
Accumulated deficit	(183,119)	(174,331)
Total stockholders' equity	43,566	50,838
Total liabilities and stockholders' equity	$ 48,031	$ 55,704

See accompanying notes.

MEI PHARMA, INC.
CONDENSED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended September 30,	
	2017	2016
Revenues:		
Research and development revenue	$ 283	$ 1,096
Total revenues	283	1,096
Operating expenses:		
Cost of research and development revenue	618	1,094
Research and development	6,064	1,646
General and administrative	2,488	2,680
Total operating expenses	9,170	5,420
Loss from operations	(8,887)	(4,324)
Other income (expense):		
Interest and dividend income	100	55
Income tax expense	(1)	(1)
Net loss	$ (8,788)	$ (4,270)
Net loss per share, basic	$ (0.24)	$ (0.12)
Net loss per share, diluted	$ (0.24)	$ (0.12)
Shares used in computing net loss per share:		
Basic	37,245	35,747
Diluted	37,245	35,747

See accompanying notes.

MEI PHARMA, INC.
CONDENSED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Three Months Ended September 30,	
	2017	2016
Cash flows from operating activities:		
Net loss	$ (8,788)	$ (4,270)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:		
Share-based compensation	996	737
Depreciation and amortization	14	14
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	1,117	(910)
Accounts payable	166	(330)
Accrued liabilities	(18)	(2,005)
Deferred revenues	(49)	15,537
Net cash (used in) provided by operating activities	(6,562)	8,773
Cash flows from investing activities:		
Purchases of property and equipment	—	(2)
Purchases of short-term investments	(4,999)	(20,054)
Proceeds from maturity of short-term investments	10,041	10,023
Net cash provided by (used in) investing activities	5,042	(10,033)
Cash flows from financing activities:		
Proceeds from exercise of stock options	20	—
Proceeds from issuance of common stock	—	4,212
Net cash provided by financing activities	20	4,212
Net (decrease) increase in cash and cash equivalents	(1,500)	2,952
Cash and cash equivalents at beginning of the period	8,458	10,837
Cash and cash equivalents at end of the period	$ 6,958	$ 13,789

See accompanying notes.

MEI PHARMA, INC.
NOTES TO CONDENSED FINANCIAL STATEMENTS
(Unaudited)

Note 1. The Company

We are an oncology company focused on the clinical development of novel therapies for cancer. Our common stock is listed on the NASDAQ Capital Market under the symbol “MEIP”.

Our business purpose is the development of drugs for the treatment of cancer. Our portfolio of clinical drug candidates includes pracinostat, an oral histone deacetylase (“HDAC”) inhibitor that is being developed in combination with azacitidine for the treatment of adults with newly diagnosed acute myeloid leukemia (“AML”) who are unfit for intensive chemotherapy, and patients with high or very high-risk myelodysplastic syndrome (“MDS”). In August 2016, we entered into an exclusive worldwide license, development and commercialization agreement with Helsinn Healthcare SA, a Swiss pharmaceutical corporation (“Helsinn”), for pracinostat in AML, MDS and other potential indications (the “Helsinn License Agreement”). Our clinical development portfolio also includes ME-401, an oral inhibitor of phosphatidylinositide 3-kinase (“PI3K”) delta being developed for B-cell malignancies, and voruciclib, an oral and selective cyclin-dependent kinase (“CDK”) inhibitor. In September 2017, we entered into an exclusive worldwide license, development, manufacturing and commercialization agreement with Presage Biosciences, Inc. (“Presage”) to acquire rights to voruciclib. We are also developing ME-344, a mitochondrial inhibitor that has shown evidence of clinical activity in refractory solid tumors. We own exclusive worldwide rights to ME-401, voruciclib and ME-344.

Basis of Presentation

The accompanying unaudited financial statements have been prepared in accordance with accounting principles generally accepted in the United States (“U.S. GAAP”) for interim financial information and in accordance with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, the accompanying financial statements do not include all of the information and notes required by U.S. GAAP for complete financial statements. In the opinion of management, the accompanying financial statements reflect all adjustments (consisting of normal recurring adjustments) that are necessary for a fair statement of the financial position, results of operations and cash flows for the periods presented. We have evaluated subsequent events through the date the financial statements were issued.

The accompanying unaudited financial statements should be read in conjunction with the audited financial statements and notes thereto as of and for the fiscal year ended June 30, 2017, included in our Annual Report on Form 10-K (“2017 Annual Report”) filed with the Securities and Exchange Commission (“SEC”) on September 5, 2017. Interim results are not necessarily indicative of results for a full year.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and disclosures made in the accompanying notes to the financial statements. We use estimates that affect the reported amounts (including assets, liabilities, revenues and expenses) and related disclosures. Actual results could materially differ from those estimates.

Revenue Recognition

Payments received under commercial arrangements, such as licensing technology rights, may include non-refundable fees at the inception of the arrangements, milestone payments for specific achievements designated in the agreements, and royalties on the sale of products. We consider a variety of factors in determining the appropriate method of accounting under our license agreements, including whether the various elements can be separated and accounted for individually as separate units of accounting.

Multiple Element Arrangements

Deliverables under an arrangement will be separate units of accounting, provided (i) a delivered item has value to the customer on a standalone basis; and (ii) the arrangement includes a general right of return relative to the delivered item, and delivery or performance of the undelivered item is considered probable and substantially in our control.

We account for revenue arrangements with multiple elements by separating and allocating consideration according to the relative selling price of each deliverable. If an element can be separated, an amount is allocated based upon the relative selling price of each element. We determine the relative selling price of a separate deliverable using the price we charge other customers when we sell that element separately. If the element is not sold separately and third party pricing evidence is not available, we will use our best estimate of selling price.

License Fee Revenue

Non-refundable, up-front fees that are not contingent on any future performance by us and require no consequential continuing involvement on our part are recognized as revenue when the license term commences and the licensed data, technology or product is delivered. We defer recognition of non-refundable upfront license fees if it has continuing performance obligations, without which the licensed data, technology, or product has no utility to the licensee separate and independent of our performance under the other elements of the applicable arrangement. The specific methodology for the recognition of the revenue is determined on a case-by-case basis according to the facts and circumstances of the applicable agreement.

Research and Development Revenue

Research and development revenue represents ratable recognition of fees allocated to research and development activities. We defer recognition of research and development revenue until the performance of the related research and development activities has occurred. Research and development revenue for the three months ended September 30, 2017 and 2016 related to services provided by third-party vendors related to research and development activities performed under the Helsinn License Agreement (Note 2).

Cost of Research and Development Revenue

Cost of research and development revenue primarily includes external costs paid to third-party contractors to perform research, conduct clinical trials and develop and manufacture drug materials, and internal compensation and related personnel expenses to support our research and development revenue. All cost of research and development revenue related to expenses incurred in connection with our development activities in accordance with the Helsinn License Agreement.

Research and Development Costs

Research and development costs are expensed as incurred and include costs paid to third-party contractors to perform research, conduct clinical trials and develop and manufacture drug materials. Clinical trial costs, including costs associated with third-party contractors, are a significant component of research and development expenses. We accrue research and development costs based on work performed. In determining the amount to accrue, management relies on estimates of total costs based on contract components completed, the enrollment of subjects, the completion of trials, and other events. Costs incurred related to the purchase of in-process research and development for early-stage products or products that are not commercially viable and ready for use, or have no alternative future use, are charged to expense in the period incurred.

Costs incurred related to the licensing of products that have not yet received regulatory approval to be marketed, or that are not commercially viable and ready for use, or have no alternative future use, are charged to expense in the period incurred.

Share-Based Compensation

Share-based compensation expense for employees and directors is recognized in the statement of operations based on estimated amounts, including the grant date fair value and the expected service period. For stock options, we estimate the grant date fair value using a Black-Scholes valuation model, which requires the use of multiple subjective inputs including estimated future volatility, expected forfeitures and the expected term of the awards. We estimate the expected future volatility based on the stock's historical price volatility. The stock's future volatility may differ from the estimated volatility at the grant date. For RSU equity awards, we estimate the grant date fair value using our closing stock price on the date of grant. Share-based compensation recorded in the statement of operations is based on awards expected to ultimately vest and has been reduced for estimated forfeitures. The estimated forfeiture rates may differ from actual forfeiture rates which would affect the amount of expense recognized during the period. We recognize the value of the awards over the awards' requisite service or performance periods. The requisite service period is generally the time over which our share-based awards vest.

Income Taxes

Our income tax expense consists of current and deferred income tax expense or benefit. Current income tax expense or benefit is the amount of income taxes expected to be payable or refundable for the current year. A deferred income tax asset or liability is recognized for the future tax consequences attributable to tax credits and loss carryforwards and to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. As of September 30, 2017 and June 30, 2017, we have established a valuation allowance to fully reserve our net deferred tax assets. Tax rate changes are reflected in income during the period such changes are enacted. Changes in our ownership may limit the amount of net operating loss carry-forwards that can be utilized in the future to offset taxable income.

The FASB Topic on Income Taxes prescribes a recognition threshold and measurement attribute criteria for the financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. An uncertain income tax position will not be recognized if it has less than a 50% likelihood of being sustained. There were no unrecognized tax benefits as of September 30, 2017 or June 30, 2017.

There have been no material changes in our unrecognized tax benefits since June 30, 2017, and, as such, the disclosures included in our 2017 Annual Report on Form 10-K for the year ended June 30, 2017 continue to be relevant for the three-month period ended September 30, 2017.

Recent Accounting Pronouncements

Adopted Accounting Standards

In January 2017, the Financial Accounting Standards Board ("FASB") issued ASU No. 2017-01 ("ASU 2017-01"), *Business Combinations (Topic 804): Clarifying the Definition of a Business*. This ASU clarifies the definition of a business with the objective of adding guidance to assist entities with evaluating whether transactions should be accounted for as acquisitions or disposals of assets or businesses. The amendments in this update should be applied prospectively on or after the effective date. This update is effective for annual periods beginning after December 15, 2017, and interim periods within those periods. Early adoption is permitted for acquisition or deconsolidation transactions occurring before the issuance date or effective date and only when the transactions have not been reported in issued or made available for issuance financial statements. We elected to early adopt ASU 2017-01 prospectively as of July 1, 2017, and this guidance was used in our assessment of the Presage License Agreement (Note 3).

Accounting Standards Not Yet Adopted

In May 2014, the FASB issued Accounting Standards Update ("ASU") No. 2014-09, *Revenue from Contracts with Customers*. The standard provides companies with a single model for accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance, including industry-specific revenue guidance. The core principle of the model is to recognize revenue when control of the goods or services transfers to the customer, as opposed to recognizing revenue when the risks and rewards transfer to the customer under the existing revenue guidance. The guidance permits companies to either apply the requirements retrospectively to all prior periods presented, or apply the requirements in the year of adoption, through a cumulative adjustment. In August 2015, the FASB issued ASU 2015-14, *Deferral of the Effective Date*, which defers the required adoption date of ASU 2014-09 by one year. As a result of the deferred effective date, ASU 2014-09 will be effective for us in our first quarter of fiscal 2019. The following ASUs were subsequently issued by the FASB to clarify the implementation guidance in some areas and add practical expedients: In March 2016, ASU 2016-08, *Revenue from Contracts with Customers, Principal versus Agent Considerations*; in April 2016, ASU 2016-10, *Revenue from Contracts with Customers, Identifying Performance Obligations and Licensing*; in May 2016, ASU 2016-11, *Revenue from Contracts with Customers and Derivatives and Hedging - Rescission of SEC Guidance*; and ASU 2016-12, *Revenue from Contracts with Customers - Narrow Scope Improvements and Practical Expedients*. We are in the process of evaluating the transition method that will be elected and the impact of adoption on our financial statements.

In February 2016, the FASB issued ASU 2016-02 *Leases*, which introduces the recognition of lease assets and lease liabilities by lessees for those leases classified as operating leases under previous guidance. The new standard establishes a right-of-use ("ROU") model that requires a lessee to record an ROU asset and a lease liability on the balance sheet for all leases with terms longer than 12 months. The new standard is effective for fiscal years beginning after December 15, 2018 and interim periods within those fiscal years with early adoption permitted. We are evaluating the impact that the adoption of this standard will have on our financial statements.

Note 2. Helsinn License Agreement

In August 2016, we entered into the Helsinn License Agreement. Under the terms of the agreement, Helsinn was granted a worldwide exclusive license to develop, manufacture and commercialize pracinostat, and is primarily responsible for funding its global development and commercialization. As compensation for such grant of rights, we received payments of $20.0 million, including a $15.0 million payment in August 2016 and a $5.0 million payment in March 2017. In addition, we are eligible to receive up to $444 million in potential regulatory and sales-based milestones, along with royalty payments on the net sales of pracinostat, which, in the U.S., are tiered and begin in the mid-teens.

We determined that the exclusive license, development and commercialization agreement represents a multiple-element arrangement for purposes of revenue recognition. We identified the following elements, based upon deliverables under the agreement: (i) worldwide license and transfer of technology and data; (ii) completion of the conduct of certain identified clinical trials related to pracinostat; (iii) coordination of services provided by third-party vendors related to research and development activities, for which Helsinn has agreed to reimburse such third-party expenses; and (iv) the conduct of the POC study, for which Helsinn has agreed to share third-party expenses. The license was determined to represent a separate element as it has stand-alone value and is not dependent upon the performance of the research and development activities. The research and development elements, related to the conduct of clinical trials and services provided by third-party vendors, were determined to represent separate elements as they primarily represent pass through of services performed by third parties and therefore are sold separately by other vendors. We allocated the proceeds related to the agreement to the units of accounting using the relative selling price method. We determined the

estimated selling price for the license using an income approach. We determined the estimated selling price for the research and development elements based on estimated fulfillment costs plus a normal profit margin. During the three months ended September 30, 2016, we deferred approximately $15.5 million in license revenue until we completed the technology and data transfer to Helsinn during the three months ended December 31, 2016. Revenues related to the research and development elements of the arrangement are recognized based on the proportional performance of each research and development activity. Research and development revenues are recognized on a gross basis as we are the primary obligor and have discretion in supplier selection.

Note 3. Presage License Agreement

In September 2017, we entered into a license agreement with Presage ("Presage License Agreement"). Under the terms of the Presage License Agreement, Presage granted to us exclusive worldwide rights to develop, manufacture and commercialize voruciclib, a clinical-stage, oral and selective CDK inhibitor, and related compounds. In exchange, we paid Presage an up-front payment of $1.9 million and will make an additional near-term payment of $1.0 million, which is included in accrued liabilities as of September 30, 2017. With respect to the first indication, an incremental $2.0 million payment, due upon dosing of the first subject in the first registration trial will be owed to Presage, for total payments of $4.9 million prior to receipt of marketing approval of the first indication in the U.S., E.U. or Japan. Additional potential payments of up to $179 million will be due upon the achievement of certain development, regulatory and commercial milestones. We will also pay mid-single-digit tiered royalties on the net sales of any product successfully developed. As an alternative to milestone and royalty payments related to countries in which we sublicense product rights, we will pay to Presage a tiered percent (which decreases as product development progresses) of amounts received from such sublicensees. The up-front and near term payments totaling $2.9 million are included in research and development expenses for the three months ended September 30, 2017.

Note 4. Loss Per Share

Basic and diluted net loss per share are computed using the weighted-average number of shares of common stock outstanding during the period, less any shares subject to repurchase or forfeiture. There were no shares of common stock subject to repurchase or forfeiture for the three months ended September 30, 2017 and 2016. Diluted loss per share is computed based on the sum of the weighted average number of common shares and potentially dilutive common shares outstanding during the period.

The following table presents the calculation of weighted average shares used to calculate basic and diluted loss per share (in thousands):

	Three Months Ended September 30,	
	2017	2016
Weighted average shares outstanding	36,845	35,436
Effect of vested restricted stock units	400	311
Weighted average shares used in calculating basic earnings per share	37,245	35,747
Potentially dilutive shares shares excluded from calculation due to anti-dilutive effect	9,179	8,122

Note 5. Commitments and Contingencies

We have contracted with various consultants and third parties to assist us in pre-clinical research and development and clinical trials work for our leading drug compounds. The contracts are terminable at any time, but obligate us to reimburse the providers for any time or costs incurred through the date of termination. We also have employment agreements with certain of our current employees that provide for severance payments and accelerated vesting for share-based awards if their employment is terminated under specified circumstances.

We have leased approximately 13,700 square feet of office space, located at 3611 Valley Centre Drive, San Diego, California 92130. The location houses our executive and administrative offices. The lease commenced in June 2017 and expires in May 2020. The monthly rental rate is approximately $44,000 over the remaining lease term, plus a pro rata share of certain building expenses. The remaining contractual obligation is $1.4 million.

Presage License Agreement

As discussed in Note 3, we are party to a license agreement with Presage under which we may be required to make future payments upon the achievement of certain development, regulatory and commercial milestones, as well as potential future royalties based upon net sales.

*S*Bio Purchase Agreement*

We are party to a definitive asset purchase agreement with S*Bio, pursuant to which we acquired certain assets comprised of intellectual property and technology including rights to pracinostat. We agreed to make certain milestone payments to S*Bio based on the achievement of certain clinical, regulatory and net sales-based milestones, as well as to make certain contingent earnout payments to S*Bio. Milestone payments will be made to S*Bio up to an aggregate amount of $75.2 million if certain U.S., E.U. and Japanese regulatory approvals are obtained and if certain net sales thresholds are met in North America, the E.U. and Japan. The first milestone payment of $200,000 plus 166,527 shares of our common stock having a value of $500,000 was paid during the three months ended September 30, 2017 upon the first dosing of a patient in a Phase III clinical trial. Subsequent milestone payments will be due upon certain regulatory approvals and sales-based events. As of September 30, 2017, we have not accrued any amounts for potential future milestone payments.

CyDex License Agreement

We are party to a license agreement with CyDex Pharmaceuticals, Inc. ("CyDex"). Under the license agreement, CyDex granted to us an exclusive, nontransferable license to intellectual property rights relating to Captisol® for use with our isoflavone-based drug compounds. We agreed to pay to CyDex a non-refundable license issuance fee, future milestone payments, and royalties at a low, single-digit percentage rate on future sales of our approved drugs utilizing Captisol. Contemporaneously with the license agreement, CyDex and us entered into a commercial supply agreement pursuant to which we agreed to purchase 100% of our requirements for Captisol from CyDex. We may terminate both the license agreement and the supply agreement at any time upon 90 days' prior written notice. As of September 30, 2017, we have not accrued any amounts for potential future payments.

Note 6. Short-Term Investments

As of September 30, 2017 and June 30, 2017, our short-term investments consisted of $40.1 million and $45.1 million, respectively, in U.S. government securities. The short-term investments held as of September 30, 2017 and June 30, 2017 had maturity dates of less than one year, are considered to be "held to maturity" and are carried at amortized cost. Due to the short-term maturities of these instruments, the amortized cost approximates the related fair values. As of September 30, 2017 and June 30, 2017, the gross holding gains and losses were immaterial.

Note 7. Stockholders' Equity

Equity Transactions

Shelf Registration Statement

In May 2017, we filed a shelf registration statement on Form S-3 with the SEC (the "shelf registration statement"). The shelf registration statement was declared effective by the SEC in May 2017. The shelf registration statement permits us to sell, from time to time, up to $150.0 million of common stock, preferred stock and warrants. As of September 30, 2017, there is $150.0 million aggregate value of securities available under the shelf registration statement.

Helsinn Equity Investment

In August 2016, contemporaneously with the Helsinn License Agreement, we entered into a Common Stock Purchase Agreement with Helsinn ("Helsinn Equity Agreement"). Pursuant to the terms of the Helsinn Equity Agreement, we issued 2,616,431 shares of common stock in exchange for $5.0 million in August 2016. The transaction was exempt from registration pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended.

Warrants

As of September 30, 2017, there were outstanding warrants to purchase 3,230,202 shares of our common stock at an exercise price of $3.12 per share, which expire in December 2017, issued in conjunction with our December 2012 private placement.

Note 8. Share-based Compensation

We use equity-based compensation programs to provide long-term performance incentives for our employees. These incentives consist primarily of stock options and restricted stock units ("RSUs").

MEI Pharma's 2008 Stock Omnibus Equity Compensation Plan (the "2008 Equity Plan") provides for the grant of options and/or other share-based or share-denominated awards to our non-employee directors, officers, employees and advisors. The 2008 Equity Plan was initially adopted in 2008 and was amended and restated in 2011, 2013, 2014, and 2015. Effective December 1, 2016, our stockholders voted to further amend and restate the 2008 Equity Plan to increase the number of shares of common stock authorized for issuance under the plan to 10,186,000 shares, among other changes. As of September 30, 2017, there were 3,661,161 shares available for future grant under the 2008 Equity Plan.

Total share-based compensation expense for all stock awards consists of the following, (in thousands):

	Three Months Ended September 30,	
	2017	2016
Research and development	$ 284	$ 239
General and administrative	712	498
Total share-based compensation	$ 996	$ 737

Stock Options

Stock option activity for the three months ended September 30, 2017 was as follows:

	Number of Options	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value
Outstanding at June 30, 2017	4,259,083	$ 3.21		
Granted	1,592,000	2.84		
Exercised	(11,207)	1.73		
Forfeited / Cancelled	(70,778)	2.45		
Expired	(72,343)	3.01		
Outstanding at September 30, 2017	5,696,755	$ 3.12	7.3	$ 3,458,176
Vested and exercisable at September 30, 2017	2,653,495	$ 3.96	5.4	$ 1,787,193

The fair value of each stock option granted during the three months ended September 30, 2017 is estimated on the grant date under the fair value method using a Black-Scholes valuation model. Stock options granted to employees during the three months ended September 30, 2017 vest 25% one year from the date of grant and ratably each month thereafter for a period of 36 months and expire ten years from the date of grant. Stock options granted to directors during the three months ended September 30, 2017 vest ratably each month for a period of 12 months from the date of grant and expire ten years from the date of grant. The RSU equity awards are measured using the grant date fair value of our common stock. The estimated fair values of the stock options and RSUs, including the effect of estimated forfeitures, are expensed over the service period.

The following weighted-average assumptions were used to determine the fair value of options granted during the period:

	Three Months Ended September 30,	
	2017	2016
Risk-free interest rate	2.1%	1.2%
Expected life (years)	5.9	5.9
Expected volatility	97.6%	108.2%
Dividend yield	0.0%	0.0%
Weighted-average grant date fair value	$ 2.21	$ 1.12

As of September 30, 2017, there was $3.6 million of unrecognized compensation expense related to the unvested portion of stock options. Such compensation expense is expected to be recognized over a weighted-average period of 1.8 years.

Restricted Stock Units

In March 2013, the Compensation Committee of the Board of Directors granted 400,000 RSUs to our Chief Executive Officer, Dr. Daniel P. Gold. Each RSU represents the contingent right to receive one share of our common stock. One-third of the RSUs vested on August 30, 2014, one-third vested on August 30, 2015, and the remaining one-third vested on August 30, 2016. The shares underlying the RSUs will be delivered to Dr. Gold on the earliest to occur of (i) March 29, 2018, (ii) Dr. Gold's death, disability or separation from service from us for any reason, or (iii) a change in control involving us. The fair value of the RSUs on the date of grant was $3.5 million. The grant date fair value per unit was $8.63.

In June 2016, we granted 364,726 RSUs to employees. Each RSU represents the contingent right to receive one share of our common stock. The RSUs were subject to performance criteria that were met in August 2016. The RSUs will vest in August 2018. The fair value of the RSUs was measured at $1.61 per unit on the date the performance criteria were met. Under the terms of the 2008 Plan, each of these RSUs is calculated as 1.25 shares of common stock for purposes of determining the number of shares available for future grant. There were 342,467 unvested RSUs outstanding as of September 30, 2017.

As of September 30, 2017, unrecognized compensation expense related to the unvested portion of our RSUs was approximately $0.2 million and is expected to be recognized over approximately 0.8 years.

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

This Quarterly Report on Form 10-Q includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All statements other than statements of historical facts contained in this Quarterly Report, including statements regarding the future financial position, business strategy and plans and objectives of management for future operations, are forward-looking statements. The words "believe," "may," "will," "estimate," "continue," "anticipate," "intend," "should," "plan," "expect," and similar expressions, as they relate to us, are intended to identify forward-looking statements. We have based these forward-looking statements largely on current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy and financial needs. These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including, without limitation, those described in "Risk Factors" in our 2017 Annual Report, and elsewhere in this report, including, among other things:

- our inability to obtain required additional financing or financing available to us on acceptable terms, or at all, which may cause us to delay, scale-back or eliminate plans related to development of our drug candidates;
- Helsinn or other parties with which we have entered into collaboration, license, development and/or commercialization agreements may not satisfy their obligations under the agreements which could impact future revenues;
- we are in early stage clinical studies for our product candidates on which our development plans are based; clinical studies by their nature typically have a high level of risk and may not produce successful results;
- the results of pre-clinical studies and completed clinical trials are not necessarily predictive of future results, and our current drug candidates may not have favorable results in later studies or trials;
- our inability to maintain or enter into, and the risks resulting from our dependence upon, contractual arrangements necessary for the clinical development, manufacture, commercialization, marketing, sales and distribution of our product candidates;
- costs and delays in our clinical development programs and/or receipt of U.S. Food and Drug Administration ("FDA") or other required foreign and domestic governmental or regulatory approvals, or the failure to obtain such approvals, for our product candidates;
- the FDA's interpretation and our interpretation of data from preclinical and clinical studies may differ significantly;
- our failure to successfully commercialize our product candidates;
- pricing regulations, third-party reimbursement practices and healthcare reform initiatives;
- the failure of any products to gain market acceptance;
- our reliance on third parties to conduct our clinical trials and manufacture our products;
- our inability to control the costs of manufacturing our products;
- our reliance on acquisitions or licenses from third parties to expand our pipeline of drug candidates;
- competition and competitive factors;
- our inability to protect our patents or proprietary rights and obtain necessary rights to third party patents and intellectual property to operate our business;
- our inability to operate our business without infringing the patents and proprietary rights of others;
- costs stemming from our defense against third party intellectual property infringement claims;
- general economic conditions;
- our ability to attract and retain key employees;
- technological changes;
- cybersecurity;
- government regulation generally;
- changes in industry practice; and
- one-time events.

These risks are not exhaustive. Other sections of this report and our other filings with the SEC include additional factors which could adversely impact our business and financial performance. Moreover, we operate in a very competitive and rapidly changing environment. New risk factors emerge from time to time and it is not possible for us to predict all risk factors, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

You should not rely upon forward-looking statements as predictions of future events. We cannot assure you that the events and circumstances reflected in the forward-looking statements will be achieved or occur. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Past performance may not be an indicator of future results. The following discussion is qualified in its entirety by, and should be read in conjunction with, the more detailed information set forth in the financial statements and the notes thereto appearing elsewhere in this Quarterly Report on Form 10-Q and the audited financial statements and notes thereto included in our 2017 Annual Report, as filed with the SEC. Operating results are not necessarily indicative of results that may occur in future periods.

Overview and Recent Developments

We are an oncology company focused on the clinical development of novel therapies for cancer. Our common stock is listed on the NASDAQ Capital Market under the symbol “MEIP”.

Our business purpose is the development of drugs for the treatment of cancer. Our portfolio of clinical drug candidates includes pracinostat, an oral HDAC inhibitor that is being developed in combination with azacitidine for the treatment of adults with newly diagnosed AML who are unfit for intensive chemotherapy, and patients with high or very high-risk MDS. In August 2016, we entered into an exclusive worldwide license, development and commercialization agreement with Helsinn, for pracinostat in AML, MDS and other potential indications. Our clinical development portfolio also includes ME-401, an oral inhibitor of PI3K delta being developed for B-cell malignancies, and voruciclib, an oral and selective CDK inhibitor. In September 2017, we entered into an exclusive worldwide license, development, manufacturing and commercialization agreement with Presage for voruciclib. We are also developing ME-344, a mitochondrial inhibitor that has shown evidence of clinical activity in refractory solid tumors. We own exclusive worldwide rights to ME-401, voruciclib and ME-344.

Clinical Development Programs

HDAC Inhibitor Drug Candidate: Pracinostat

In August 2016, the FDA granted Breakthrough Therapy Designation for pracinostat in combination with the hypomethylating agent, azacitidine, for the treatment of patients with newly diagnosed AML who are unfit for intensive chemotherapy. According to the FDA, Breakthrough Therapy Designation is intended to expedite the development and review of drugs for serious or life-threatening conditions. The criteria for Breakthrough Therapy Designation require preliminary clinical evidence that demonstrates the drug may have substantial improvement on at least one clinically significant endpoint over available therapy.

The Breakthrough Therapy Designation is supported by data from a Phase II study of pracinostat plus azacitidine in elderly patients with newly diagnosed AML who are not candidates for induction chemotherapy. The study showed a median overall survival of 19.1 months and a complete response (“CR”) rate of 42% (21 of 50 patients). These data compare favorably to a recent international Phase III study of azacitidine (AZA-001; Dombret et al. Blood. 2015 May 18), which showed a median overall survival of 10.4 months with azacitidine alone and a CR rate of 19.5% in a similar patient population. The combination of pracinostat and azacitidine was generally well tolerated, with no unexpected toxicities. The most common grade 3/4 treatment-emergent adverse events included febrile neutropenia, thrombocytopenia, anemia and fatigue. These results were presented at the American Society of Hematology (“ASH”) Annual Meeting in December 2016.

In August 2016, we entered into an exclusive license, development and commercialization agreement with Helsinn for pracinostat in AML, MDS and other potential indications. Under the terms of the agreement, Helsinn was granted a worldwide exclusive license to develop, manufacture and commercialize pracinostat, and is primarily responsible for funding its global development and commercialization. As compensation for such grant of rights, we received payments of $20.0 million. In addition, we are eligible to receive up to $444 million in potential regulatory and sales-based milestones, along with royalty payments on the net sales of pracinostat, which, in the U.S., are tiered and begin in the mid-teens.

In July 2017, the first patient was dosed in a pivotal Phase III study of pracinostat in combination with azacitidine in adults with newly diagnosed AML who are unfit to receive intensive induction chemotherapy. This randomized, double-blind, placebo-controlled study will enroll approximately 500 eligible patients worldwide. Patients will be randomized 1:1 to receive pracinostat or placebo with azacitidine as background therapy. The primary endpoint of the study is overall survival. Secondary endpoints include morphologic CR rate, event-free survival and duration of CR. Helsinn is responsible for the conduct and funding of this Phase III study.

As part of the Helsinn License Agreement, we are working with Helsinn to determine an optimal dosing regimen of pracinostat in combination with azacitidine for the treatment of higher risk MDS. In June 2017, the first patient was dosed in a Phase II dose-optimization study of pracinostat in combination with azacitidine in patients with high and very high risk MDS who are previously untreated with hypomethylating agents. The two-stage study will be conducted at approximately 25 sites and is expected to enroll up to 120 patients. Data from the first stage is expected in the first half of 2018. We are responsible for the conduct of this Phase II study, the cost of which will be shared by Helsinn. Helsinn will be responsible for funding any further studies.

PI3K Delta Drug Candidate: ME-401

We own exclusive worldwide rights to ME-401, a PI3K delta inhibitor. PI3K delta inhibitors are a class of drugs that has shown promise in the treatment of B-cell malignancies, but the approved oral P13K delta inhibitor idelalisib (marketed as Zydelig®) and the recently approved intravenous PI3K alpha/delta inhibitor copanlisib (marketed as Aliqopa®) have shown particular toxicities. We believe this provides an opportunity for the development of a differentiated oral drug that can produce therapeutic responses at a safe, effective dose.

Results from a first-in-human, single ascending dose clinical study of ME-401 in healthy volunteers were presented at the American Association for Cancer Research Annual Meeting in April 2016. The data demonstrated on-target activity at very low plasma concentrations. In addition, the results from the study suggest that ME-401 has the potential for a superior pharmacokinetic and pharmacodynamic profile and an improved therapeutic window compared to idelalisib, with a half-life that supports once-daily dosing

We are currently conducting a Phase Ib, open-label, dose-escalation study of ME-401 in relapsed/refractory chronic lymphocytic leukemia (“CLL”) and follicular lymphoma. In May 2017, an independent safety review committee completed its review of the first cohort of six evaluable patients. The committee found no dose-limiting toxicities with a response rate in excess of 50%, declared a minimum biologically effective dose (“mBED”) for ME-401 at the starting dose of 60 mg and recommended escalation to a 120 mg dose cohort. In August 2017, the safety review committee completed its review of the six patients in the 120 mg dose cohort as well as six additional patients at 60 mg. Once again, the committee found no dose-limiting toxicities with a response rate in excess of 50% and recommended escalation to a 180 mg dose cohort. We plan to submit long-term safety and efficacy data from this study for presentation at an upcoming scientific meeting in the first half of 2018.

CDK Inhibitor Drug Candidate: Voruciclib

In September 2017, we entered into an exclusive worldwide license, development, manufacturing and commercialization agreement with Presage for voruciclib, an oral and selective CDK inhibitor. Under the terms of the Presage License Agreement, Presage granted us exclusive worldwide rights to develop, manufacture and commercialize voruciclib. We are solely responsible for the global development and commercialization of potential products under this license agreement and are solely responsible for the costs related thereto. We will pay Presage near-term payments of up to $2.9 million and additional potential payments of up to $181 million upon the achievement of certain development, regulatory and commercial milestones. Presage will also receive mid-single-digit tiered royalties on the net sales of product successfully developed.

Voruciclib is a selective CDK inhibitor differentiated by its potent inhibition of CDK9. Voruciclib (formerly P1446A) has been tested in more than 70 patients in multiple Phase I studies and has been associated with manageable side effects consistent with other drugs in its class, including nausea, vomiting and diarrhea. In pre-clinical studies, voruciclib alone induces cell death in multiple patient-derived chronic lymphocytic leukemia (CLL) samples. In addition, in preclinical studies, voruciclib shows dose-dependent suppression of MCL1 at concentrations achievable with doses that appeared to be generally well tolerated in the Phase I studies. Studies have shown that MCL1 is an established resistance mechanism to the B-cell lymphoma 2 (BCL2) inhibitor venetoclax (marketed as Venclexta™). We plan to initiate a Phase I/II clinical study of voruciclib as a single agent and subsequently in combination with venetoclax.

Mitochondrial Inhibitor Drug Candidate: ME-344

ME-344 is our isoflavone-derived mitochondrial inhibitor drug candidate. In preclinical studies, ME-344 has been shown to cause cell death in multiple human tumor cell lines, including ovarian cancer stem cells, by interfering with mitochondrial energy generation.

Results from our first-in-human, single-agent Phase I clinical trial of ME-344 in patients with refractory solid tumors were published in the April 1, 2015 issue of *Cancer*. The results indicated that eight of 21 evaluable patients (38%) treated with ME-344 achieved stable disease or better, including five who experienced progression-free survival that was at least twice the duration of their last prior treatment before entry into the study. In addition, one of these patients, a heavily pre-treated patient with small cell lung cancer, achieved a confirmed partial response and remained on study for two years. ME-344 was generally well tolerated at doses equal to or less than 10 mg/kg delivered on a weekly schedule for extended durations. Treatment-related adverse events included nausea, dizziness and fatigue. Dose limiting toxicities were observed at both the 15 mg/kg and 20 mg/kg dose levels, consisting primarily of grade 3 peripheral neuropathy.

In May 2015, we announced pre-clinical data from a collaboration with the Spanish National Cancer Research Centre in Madrid showing mitochondria-specific effects of ME-344 in cancer cells, including substantially enhanced anti-tumor activity when combined with agents that inhibit the activity of vascular endothelial growth factor (“VEGF”). These data demonstrate that the anti-cancer effects when combining ME-344 with a VEGF inhibitor are due to an inhibition of both mitochondrial and glycolytic metabolism. An investigator-sponsored study of ME-344 in combination with the VEGF inhibitor bevacizumab (marketed as Avastin®) in human epidermal growth factor receptor 2 (“HER2”)-negative breast cancer opened for enrollment in August 2016. This study is now actively dosing patients and interim results are expected in the first half of 2018.

Results of Operations

Three Months Ended September 30, 2017 and 2016

We had a net loss of $8.8 million for the three months ended September 30, 2017 compared to a net loss of $4.3 million for the three months ended September 30, 2016.

Research and Development Revenue: We recognized research and development revenue of $0.3 million for the three months ended September 30, 2017 compared to $1.1 million for the three months ended September 30, 2016. The research and development revenue resulted from the recognition of fees allocated to research and development activities in accordance with the Helsinn License Agreement.

Expenses:

The following is a summary of our research and development expenses, including cost of research and development revenue, to supplement the more detailed discussions below. The dollar values in the following table are in thousands.

	Three Months Ended September 30,	
	2017	2016
Research and development expenses		
Pracinostat	$ 727	$ 1,251
ME-401	1,456	467
Voruciclib	2,955	—
ME-344	177	(398)
Other	1,367	1,420
Total research and development expenses	$ 6,682	$ 2,740

Cost of Research and Development Revenue: We recognized cost of research and development revenue of $0.6 million for the three months ended September 30, 2017 compared to $1.1 million for the three months ended September 30, 2016. The cost of research and development revenue includes external costs paid to third-party contractors to perform research, conduct clinical trials and develop and manufacture drug materials, and internal compensation and related personnel expenses to support our research and development revenue. All costs of research and development revenue relate to expenses incurred in connection with our development activities in accordance with the Helsinn License Agreement.

***Research and Development*:** Research and development expenses consist primarily of clinical trial costs (including payments to CROs), pre-clinical study costs, costs to manufacture our drug candidates for non-clinical and clinical studies and salaries and other personnel costs. Research and development expenses increased by $4.5 million to $6.1 million for the three months ended September 30, 2017 compared to $1.6 million for the three months ended September 30, 2016. The increase was primarily due to $2.9 million related to the voruciclib license, a $1.0 million increase in drug manufacturing expenses for ME-401, a $0.6 million decrease in costs associated with pracinostat pursuant to the Helsinn License Agreement whereby Helsinn is primarily responsible for the costs to continue to develop pracinostat, and a $0.6 million increase in clinical trial costs associated with ME-344.

***General and Administrative*:** General and administrative expenses decreased by $0.2 million to $2.5 million for the three months ended September 30, 2017 compared to $2.7 million for the three months ended September 30, 2016. The decrease is primarily due to non-recurring professional services expenses associated with the Helsinn License Agreement which were incurred during the three months ended September 30, 2016.

Other income or expense: We received interest and dividend income of $100,000 for the three months ended September 30, 2017 compared to $55,000 for the three months ended September 30, 2016. The increase was due to higher investment balances and higher yields during the three months ended September 30, 2017 compared to the three months ended September 30, 2016.

Liquidity and Capital Resources

We have accumulated losses of $183.1 million since inception and expect to incur operating losses and generate negative cash flows from operations for the foreseeable future. As of September 30, 2017, we had $47.0 million in cash, cash equivalents and short-term investments, which we believe will be sufficient to fund our operations into calendar year 2019. Our current business operations are focused on continuing the clinical development of our drug candidates. Changes to our research and development plans or other changes affecting our operating expenses may affect actual future use of existing cash resources. To date, we have obtained cash and funded our operations primarily through equity financings. In order to continue the development of our drug candidates, at some point in the future we expect to pursue one or more capital transactions, whether through the sale of equity securities, license agreements or entry into strategic partnerships.

Sources and Uses of Our Cash

Net cash used in operating activities for the three months ended September 30, 2017 was $6.6 million. This compares to $8.8 million provided by operating activities for the three months ended September 30, 2016, which included the $15.0 million upfront payment received as part of the Helsinn License Agreement.

Net cash provided by investing activities for the three months ended September 30, 2017 was $5.0 million compared to net cash used in investing activities of $10.0 million in the three months ended September 30, 2016. Cash provided by investing activities represents maturities of investments in short-term U.S. government securities in excess of purchases. Cash used in investing activities represents purchases of investments in short-term U.S. government securities in excess of maturities.

Net cash provided by financing activities for the three months ended September 30, 2017 was $20,000 compared to $4.2 million for the three months ended September 30, 2016. Cash provided during the three months ended September 30, 2016 represents the equity investment made by Helsinn in a transaction related to the Helsinn License Agreement.

Contractual Obligations

We have contracted with various consultants and third parties to assist us in pre-clinical research and development and clinical trials work for our leading drug compounds. The contracts are terminable at any time, but obligate us to reimburse the providers for any time or costs incurred through the date of termination. Additionally, we have employment agreements with certain of our current employees that provide for severance payments and accelerated vesting for share-based awards if their employment is terminated under specified circumstances.

We have leased approximately 13,700 square feet of office space, located at 3611 Valley Centre Drive, San Diego, California 92130. The location houses our executive and administrative offices. The lease commenced in June 2017 and expires in May 2020. The monthly rental rate is approximately $44,000 over the remaining lease term, plus a pro rata share of certain building expenses. The remaining contractual obligation is $1.4 million.

Presage License Agreement

In September 2017, we entered into the Presage License Agreement. Under the terms of the Presage License Agreement, Presage granted to us exclusive worldwide rights to develop, manufacture and commercialize voruciclib, a clinical-stage, oral and selective CDK inhibitor, and related compounds. In exchange, we paid Presage an up-front payment of $1.9 million and will make an additional near-term payment of $1.0 million, which is included in accrued liabilities as of September 30, 2017. With respect to the first indication, an incremental $2.0 million payment, due upon dosing the first subject in the first registration trial will be owed to Presage, for total payments of $4.9 million up to receipt of marketing approval of the first indication in the U.S., E.U. or Japan. Additional potential payments of up to $179 million will be due upon the achievement of certain development, regulatory and commercial milestones. We will also pay mid-single-digit tiered royalties on the net sales of any product successfully developed. As an alternative to milestone and royalty payments related to countries in which we sublicense product rights, we will pay to Presage a tiered percent (which decreases as product development progresses) of amounts received from such sublicensees.

*S*Bio Purchase Agreement*

We are party to a definitive asset purchase agreement with S*Bio, pursuant to which we acquired certain assets comprised of intellectual property and technology including rights to pracinostat. We agreed to make certain milestone payments to S*Bio based on the achievement of certain clinical, regulatory and net sales-based milestones, as well as to make certain contingent earnout payments to S*Bio. Milestone payments will be made to S*Bio up to an aggregate amount of $75.2 million if certain U.S., E.U. and Japanese regulatory approvals are obtained and if certain net sales thresholds are met in North America, the E.U. and Japan. The first milestone payment of $200,000 plus 166,527 shares of our common stock having a value of $500,000 was paid during the three months ended September 30, 2017 upon the first dosing of a patient in a Phase III clinical trial. Subsequent milestone payments will be due upon certain regulatory approvals and sales-based events. As of September 30, 2017, we have not accrued any amounts for potential future milestone payments.

CyDex License Agreement

We are party to a license agreement with CyDex. Under the license agreement, CyDex granted to us an exclusive, nontransferable license to intellectual property rights relating to Captisol® for use with our two isoflavone-based

drug compounds. We agreed to pay to CyDex a non-refundable license issuance fee, future milestone payments, and royalties at a low, single-digit percentage rate on future sales of our approved drugs utilizing Captisol. Contemporaneously with the license agreement, CyDex and us entered into a commercial supply agreement pursuant to which we agreed to purchase 100% of our requirements for Captisol from CyDex. We may terminate both the license agreement and the supply agreement for convenience at any time upon 90 days' prior written notice. As of September 30, 2017, we have not accrued any amounts for potential future payments.

Critical Accounting Policies and Management Estimates

We describe our significant accounting policies in Note 1, The Company and Summary of Significant Accounting Policies, of the notes to financial statements included in our 2017 Annual Report. We discuss our critical accounting estimates in Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, in our 2017 Annual Report. There have been no changes in our significant accounting policies or critical accounting estimates since June 30, 2017.

Recent Accounting Pronouncements

See Note 1 to the Financial Statements included in Item 1 of this Quarterly Report.

Item 3: Quantitative and Qualitative Disclosures about Market Risk

Our exposure to market interest rates relates primarily to the investment of cash balances and short-term investments. We have cash reserves held in U.S. dollars and we place funds on deposit with financial institutions, which are readily available. Our short-term investments consist solely of U.S. government securities with a maturity of three to twelve months.

We place our cash deposits with high credit quality financial institutions and by policy limit the amount of credit exposure to any one corporation or bank. These deposits are in excess of the FDIC insurance limits. We are adverse to principal loss and we ensure the safety and preservation of our invested funds by limiting default risk, market risk and reinvestment risk. We seek to mitigate default risk by depositing funds with high credit quality financial institutions, by limiting the amount of credit exposure to any one corporation or bank, by purchasing short-term investments consisting of U.S. government securities, and by positioning our portfolio to respond appropriately to a significant reduction in a credit rating of any such financial institution.

We do not consider the effects of interest rate movements to be a material risk to our financial condition.

Item 4: Controls and Procedures

At the end of the period covered by this Quarterly Report on Form 10-Q, our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Exchange Act is accumulated and communicated to the issuer's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective to ensure that the information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms.

There were no changes in our internal control over financial reporting during the period covered by this Quarterly Report 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

None.

Item 1A: Risk Factors

Except as set forth below, there have been no material changes in our risk factors from those included in our 2017 Annual Report.

Risks Related to our Business and Industry

We are subject to significant obligations to Presage in connection with our license of voruciclib, which could adversely affect the overall profitability of any products we may seek to commercialize, and our license of voruciclib, the development and commercialization of which we are solely responsible for, may never become profitable.

In September 2017, we entered into the Presage License Agreement. Under the terms of the agreement, Presage granted us exclusive worldwide rights to develop, manufacture and commercialize voruciclib, a clinical-stage, oral and selective CDK inhibitor, and related compounds. In exchange, we are obligated to pay Presage near-term payments of up to $2.9 million and additional potential payments of up to $181 million upon the achievement of certain development, regulatory and commercial milestones. We will also pay mid-single-digit tiered royalties on the net sales of any product successfully developed pursuant to such agreement. We may be obligated to make milestone or royalty payments when we do not have the cash on hand to make these payments or have available cash for our other development efforts. These milestone and royalty payments could adversely affect the overall profitability for us of any products that we may seek to commercialize. In addition, if we fail to comply with our obligations under the license agreement, Presage may have the right to terminate the agreement. In such a case, we would lose our rights to the intellectual property covered by the license agreement and we would not be able to develop, manufacture or commercialize voruciclib and may face other penalties.

The profitability of our license agreement with Presage depends on the successful development, regulatory approval and commercialization of voruciclib. We are solely responsible for the development and commercialization of voruciclib, including the related costs. Drug development is a long, expensive and uncertain process and delay or failure can occur at any stage of our clinical trials. We cannot be certain that we will ever receive regulatory approval for voruciclib or that it will be successfully commercialized, even if approved.

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

None.

Item 3: Defaults upon Senior Securities

None.

Item 4: Mine Safety Disclosures

Not applicable.

Item 5: Other Information

None.

Table of Contents

Item 6: Exhibits

Exhibit Index

Exhibits	
10.1	License Agreement, dated as of September 5, 2017, by and between MEI Pharma, Inc. and Presage Biosciences, Inc.*
31.1	Rule 13a-14(a) or Rule 15d-14(a) Certification of Principal Executive Officer
31.2	Rule 13a-14(a) or Rule 15d-14(a) Certification of Principal Financial Officer
32.1	Certification of Principal Executive Officer and Principal Financial Officer required by Rule 13a-14(b) or Rule 15d-14(b) and section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C 1350).
101.INS	XBRL Instance Document.
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

* Portions of this exhibit have been redacted pursuant to a confidential treatment request filed with the Securities and Exchange Commission.

SIGNATURES

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

MEI Pharma, Inc.

/s/ Daniel P. Gold
Daniel P. Gold
President and Chief Executive Officer

Date: November 7, 2017

*A request for confidential treatment has been made with respect to portions of the following document that are marked with [*CONFIDENTIAL*]. The redacted portions have been filed separately with the SEC.*

LICENSE AGREEMENT

This License Agreement (this "**Agreement**") is dated as of September 5, 2017 (the "**Effective Date**") by and between Presage Biosciences, Inc., a corporation organized under the laws of Delaware and having a place of business at 530 Fairview Avenue North, Suite 1000, Seattle, WA 98109 ("**Presage**"), and MEI Pharma, Inc., a corporation organized under the laws of the state of Delaware and having a place of business at 3611 Valley Centre Drive, Suite 500, San Diego, CA 92130 ("**MEI**"). Presage and MEI may be referred to herein as a "**Party**" or, collectively, as the "**Parties**."

RECITALS:

WHEREAS, Presage is a pharmaceutical company engaged in, among other activities, the development of the Compound;

WHEREAS, MEI is engaged in the research, development, manufacturing and commercialization of pharmaceutical products and is interested in developing and manufacturing the Compound and Product and commercializing Product; and

WHEREAS, MEI desires to license from Presage and Presage wishes to license to MEI, on an exclusive basis, the right to develop and manufacture the Compound and Product and commercialize Product in the Field in the Territory on the terms and conditions set forth below.

NOW, THEREFORE, in consideration of the various promises and undertakings set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE 1
DEFINITIONS

Unless otherwise specifically provided herein, the following terms shall have the following meanings:

1.1 "**Adverse Event**" means any serious untoward medical occurrence in a patient or subject who is administered Product, but only if and to the extent that such serious untoward medical occurrence is required under Laws to be reported to applicable Regulatory Authorities.

1.2 "**Affiliate**" means a Person that controls, is controlled by or is under common control with another Person, but only for so long as such control exists. For the purposes of this Section 1.2, the word "control" (including, with correlative meaning, the terms "controlled by" or "under the common control with") means the power, either directly or indirectly through one or more intermediaries, to affirmatively direct the management and policies of such Person or entity, whether by the ownership of more than fifty percent (50%) (or such lesser percentage that is the maximum allowed to be owned by a foreign corporation in a particular jurisdiction) of the voting stock of such entity, or by contract or otherwise.

1.3 "**Bankruptcy Event**" means, with respect to a Party: (a) voluntary or involuntary proceedings by or against such Party are instituted in bankruptcy under any insolvency Law, which proceedings, if involuntary, shall not have been dismissed within 60 days after the date of filing; (b) a receiver or custodian is appointed for such Party; (c) proceedings are instituted by or against such Party for corporate reorganization, dissolution, liquidation or winding-up of such Party, which proceedings, if involuntary, shall not have been dismissed within 60 days after the date of filing; or (d) substantially all of the assets of such Party are seized or attached and not released within 60 days thereafter.

1.4 "**Business Day**" means a day other than Saturday or Sunday on which banking institutions in California are open for business.

1.5 "**Calendar Quarter**" means each three (3) month period commencing January 1, April 1, July 1 or October 1 of any year; provided, however, that (a) the first Calendar Quarter of the Term shall extend from the Effective Date to the end of the first full Calendar Quarter thereafter, and (b) the last Calendar Quarter of the Term shall end upon the expiration or termination of this Agreement.

1.6 "**Calendar Year**" means the period beginning on the 1st of January and ending on the 31st of December of the same year; provided, however, that (a) the first Calendar Year of the Term shall commence on the Effective Date and end on December 31 of the same year and (b) the last Calendar Year of the Term shall commence on January 1 of the Calendar Year in which this Agreement expires or terminates and end on the date of expiration or termination of this Agreement.

1.7 "**Change of Control**" means, with respect to a Person: (a) a transaction or series of related transactions that results in the sale or other disposition of all or substantially all of such Person's assets; or (b) a merger or consolidation in which such Person is not the surviving corporation or in which, if such Person is the surviving corporation, the shareholders of such Person immediately prior to the consummation of such merger or consolidation do not, immediately after consummation of such merger or consolidation, possess, directly or indirectly through one or more intermediaries, a majority of the voting power of all of the surviving entity's outstanding stock and other securities and the power to elect a majority of the members of such Person's board of directors; or (c) a transaction or series of related transactions (which may include a tender offer for such Person's stock or the issuance, sale or exchange of stock of such Person) if the shareholders of such Person immediately prior to the initial such transaction do not, immediately after consummation of such transaction or any of such related transactions, own, directly or indirectly through one or more intermediaries, stock or other securities of the entity that possess a majority of the voting power of all of such Person's outstanding stock and other securities and the power to elect a majority of the members of such Person's board of directors.

1.8 "**Combination Product**" means a Product that: (a) includes one or more active ingredients in addition to the Compound, for which no royalty would be due hereunder if such item(s) were sold separately; or (b) is **[*CONFIDENTIAL*]** with one or more

products, devices, pieces of equipment or components, in each case, for which no royalty would be due hereunder if such item(s) were sold separately; and provided that, in any event, such Product and the applicable items described in (a) and/or (b), as applicable, **[*CONFIDENTIAL*]**

1.9 "**Commercialization**" or "**Commercialize**" means any and all activities undertaken before and after Regulatory Approval of a MAA for the Product and that relate to the marketing, promoting, distributing, importing or exporting for sale, offering for sale, and selling of the Product, and interacting with Regulatory Authorities regarding the foregoing.

1.10 "**Commercially Reasonable Efforts**" means with respect to the efforts to be expended by a Party with respect to any objective, such reasonable, diligent, and good faith efforts as **[*CONFIDENTIAL*]** Party would normally use to accomplish a similar objective under similar circumstances for such Party's benefit, consistent with the exercise of its prudent scientific and business judgment, and considering a product at a similar stage in its product life as the Product and having profit potential and strategic value comparable to that of the Product, taking into account, without limitation, commercial, legal and regulatory factors, target product profiles, product labeling, past performance, the regulatory environment and competitive market conditions in the therapeutic area, safety and efficacy of the Product, the strength of its proprietary position and such other factors as **[*CONFIDENTIAL*]** Party may reasonably consider, all based on conditions then prevailing.

1.11 "**Compound**" means (a) the compound known internally at Presage as P1446A-05 or Voruciclib, the chemical structure of which is set forth on Schedule 1.11 ("**Voruciclib**"), (b) any other cyclin-dependent kinase inhibitor compound that is covered (specifically or generally by reference to a Chemical Formula) by (i) a claim of any of the Presage Patents or (ii) a Chemical Formula disclosed in any of the Presage Patents; and (c) **[*CONFIDENTIAL*]**. For such purposes, a "Chemical Formula" shall mean (i) **[*CONFIDENTIAL*]** (ii) **[*CONFIDENTIAL*]**. An "Example Compound" is a Chemical Formula disclosed in any of the Presage Patents that is not covered and has never been covered by a Valid Claim of a Presage Patent.

1.12 "**Confidential Information**" of a Party, means information relating to the business, operations or products of a Party or any of its Affiliates, including any Know-How, that such Party discloses to the other Party under this Agreement, or otherwise becomes known to the other Party by virtue of this Agreement; provided, that, for purposes of this Agreement, and regardless of the Party initially disclosing the same, information relating solely to Compound and/or Product ("**Product Information**") shall be deemed to be Confidential Information received by both Parties and the restrictions on use and disclosure of such Product Information in Sections 7.1 and 7.2 shall be deemed to apply to each Party as a receiving Party, regardless of which Party initially generated and disclosed the information to the other Party in connection with this Agreement.

1.13 "**Controlled**" means, with respect to (a) Patent Rights, (b) Know-How or (c) biological, chemical or physical material, that a Party or one of its Affiliates owns or has a license or

sublicense to such Patent Rights, Know-How or material (or in the case of material, has the right to physical possession of such material) and has the right and ability to grant a license or sublicense to, or assign its right, title and interest in and to, such Patent Rights, Know-How or material as provided for in this Agreement without violating the terms of any agreement or other arrangement with any Third Party.

1.14 "**Cover**" means, with respect to any subject matter, that the manufacturing, using, selling, or offering for sale of such subject matter would, but for a license granted in this Agreement under the Presage Patents, infringe a claim of a Patent Right in the country in which the activity occurs.

1.15 "**Development**" or "**Develop**" means, with respect to Compound and Product, the performance of all research, pre-clinical and clinical development (including toxicology, pharmacology, test method development and stability testing, process development, formulation development, quality control development, statistical analysis), clinical trials, manufacturing and regulatory activities that are required to obtain Regulatory Approval of Product in the Territory.

1.16 "**Development Costs**" shall mean internal costs and/or Out-of-Pocket Expenses, in each case, to the extent documented and actually incurred by MEI in conducting Development prior to entry into a given Outlicensing Transaction, including (a) costs of patent filing, prosecution, and/or maintenance and (b) costs incurred in performing Development activities in accordance with this Agreement, and (c) costs to manufacture or obtain supplies of Compound and/or Product. For clarity, Development Costs do not include costs incurred in the development of non-Compound/Product assets; however, to the extent that costs are incurred that benefit both Compound and/or Product and other assets, then Development Costs will include a reasonable apportionment of such costs proposed by MEI and agreed to by Presage (such agreement not to be unreasonably withheld, conditioned or delayed). For clarity, Development Costs do not include **[*CONFIDENTIAL*].**

1.17 "**EMA**" means the European Medicines Agency or a successor agency thereto.

1.18 "**European Union**" or "**EU**" means the European Union, as may be redefined from time to time.

1.19 "**Existing Third Party Agreement**" means the agreement set forth on Schedule 1.19.

1.20 "**FDA**" means the United States Food and Drug Administration or a successor federal agency thereto.

1.21 "**Field**" means all uses and applications.

1.22 "**First Commercial Sale**" means, on a country-by-country basis, the first commercial transfer or disposition for value of Product in such country to a Third Party by MEI or any of its Affiliates or Limited Sublicensees.

1.23 "**First Indication**" means the use of Product for the treatment, prevention, palliation or cure of **[*CONFIDENTIAL*]**.

1.24 "**GAAP**" means generally accepted accounting principles in the U.S., as such accounting standards may be amended from time to time.

1.25 "**Governmental Body**" means any: (a) nation, principality, state, commonwealth, province, territory, county, municipality, district or other jurisdiction of any nature; (b) federal, state, local, municipal, foreign or other government; (c) governmental or quasi-governmental authority of any nature (including any governmental division, subdivision, department, agency, bureau, branch, office, commission, council, board, instrumentality, officer, official, representative, organization, unit, body or entity and any court or other tribunal); (d) multi-national or supranational organization or body; or (e) individual, entity, or body exercising, or entitled to exercise, any executive, legislative, judicial, administrative, regulatory, police, military or taxing authority or power of any nature.

1.26 "**IND**" means an investigational new drug application submitted to applicable Regulatory Authorities before the commencement of clinical trials in a given jurisdiction, including its equivalent, including a clinical trial application in the European Union.

1.27 "**Know-How**" means any: (a) scientific or technical information, results and data of any type whatsoever, in any tangible or intangible form whatsoever, that is not in the public domain or otherwise publicly known, including discoveries, inventions, trade secrets, devices, databases, practices, protocols, regulatory filings, methods, processes (including manufacturing processes, specification and techniques), techniques, concepts, ideas, specifications, formulations, formulae, data (including pharmacological, biological, chemical, toxicological, clinical and analytical information, quality control, trial and stability data), case reports forms, medical records, data analyses, reports, studies and procedures, designs for experiments and tests and results of experimentation and testing (including results of research or development), summaries and information contained in submissions to and information from ethical committees, or Regulatory Authorities, and manufacturing process and development information, results and data, whether or not patentable, all to the extent not claimed or disclosed in a patent or patent application; and (b) compositions of matter, assays, animal models and physical, biological or chemical material, including drug substance samples, intermediates of drug substance samples, drug product samples and intermediates of drug product samples. The fact that an item is known to the public shall not be taken to exclude the possibility that a compilation including the item, and/or a development relating to the item, is (and remains) not known to the public. "Know-How" includes any rights including copyright, database or design rights protecting such Know-How. "Know-How" excludes Patent Rights.

1.28 "**Knowledge**" means, with respect to a matter that is the subject of a given representation, or warranty of Presage, the knowledge, information or belief of any officer or director of Presage, or such other employee of Presage who would reasonably be expected to have knowledge of the matter in question, has, after making reasonable inquiry into the relevant subject matter. "Knowingly" means with Knowledge.

1.29 "**Law**" or "**Laws**" means all applicable laws, statutes, rules, regulations, ordinances and other pronouncements having the binding effect of law of any Governmental Body.

1.30 "**Limited Sublicensee**" means a Sublicensee that is not a counterparty to an Outlicensing Transaction.

1.31 "**MAA**" means a Marketing Authorization Application submitted pursuant to the requirements of the FDA, as more fully defined in 21 U.S. C.F.R.§ 314.3 et seq, and any equivalent application seeking Marketing Approval for a pharmaceutical product submitted in any country in the Territory, including all additions, deletions or supplements thereto.

1.32 "**Major Market**" means each of the **[*CONFIDENTIAL*]**.

1.33 "**MEI Competitor**" means any company that (itself or through an Affiliate) is developing or commercializing a product for the **[*CONFIDENTIAL*]**.

1.34 "**NDA**" means a New Drug Application submitted pursuant to the requirements of the FDA, as more fully defined in 21 U.S. CFR.§ 314.3 et seq, and any equivalent application submitted in any country in the Territory, including a European Marketing Authorization Application, together, in each case, with all additions, deletions or supplements thereto.

1.35 "**Net Sales**" means the gross amounts actually received by MEI or any of its Affiliates or Limited Sublicensees (each, a "**Selling Party**") for sales of Product to Third Party customers of such Product, less reasonable and customary deductions for the following items incurred with respect to the sale to such customers: (a) credits by reason of rejections, defects, recalls or returns, allowances, discounts and rebates to the customer (including those granted to managed-care entities and government agencies as well as entities that manage patient drug benefits); (b) freight and insurance costs on shipments to the customer; (c) trade, quantity or cash discounts allowed to the customer on the sale; and (d) sales, value-added and other direct taxes (including customs, duties and other similar governmental charges) incurred on the sale.

If a sale or other disposition with respect to Product is not at arm's length, then the Net Sales from such sale or other disposition shall be the arm's length fair market value of the Product, which will mean the Selling Party's average sales price of such Product for the calendar quarter in the country in which in the sale took place.

If a Product under this Agreement is sold in the form of a Combination Product, then Net Sales for such Combination Product for purposes of calculating the royalties payable by MEI to Presage pursuant to Section 5.4 and the achievement of sales milestones pursuant to Section 5.3(c) shall be determined on a country-by-country basis by multiplying the Net Sales of the Combination Product by the fraction A/(A + B), where "A" is the average gross selling price during the previous calendar quarter of such Product sold separately and "B" is the gross selling price during the previous calendar quarter of the additional therapeutically active ingredient(s), or other product(s) or service(s). In the

event that separate sales of such Product or such additional therapeutically active ingredient, or other product or service were not made during the previous calendar quarter, then the Net Sales shall be reasonably allocated by MEI between such Licensed Product and such therapeutically active ingredient(s), or other product(s) or service(s) based upon their relative values.

For clarity, sales of Product by MEI or any of its Affiliates or Sublicensees to another of these entities for resale by such entity to a Third Party shall not be deemed a sale for purposes of this definition of "Net Sales", but the subsequent resale of Product shall be a sale and included within the computation of Net Sales (except in the case of a sale by a Sublicensee counterparty to an Outlicensing Transaction in which case consideration due to Presage shall be pursuant to Section 5.2). If a Product is sold or transferred for consideration other than solely cash, the monetary value of such other consideration shall be included in the calculation of Net Sales. Further, transfers or dispositions of Product by a Selling Party: (i) in connection with patient assistance programs; (ii) for charitable or promotional purposes; (iii) for preclinical, clinical, regulatory or governmental purposes or under so-called "named patient" or other limited access programs; or (iv) for use in any tests or studies reasonably necessary to comply with any Law, regulation or request by a Regulatory Authority shall not, in each case of (i) through (iv), be deemed sales of such Product for purposes of this definition of "Net Sales" to the extent such Selling Party does not receive consideration for such transfer or disposition in excess of such Selling Party's costs to manufacture or obtain such supplies. "Net Sales" do not include sales of Products that contain only an Example Compound.

1.36 "**Outlicensing Revenue**" shall mean payments (or equity received in lieu of a cash payment) received by MEI or any of its Affiliates in connection with an Outlicensing Transaction, including any upfront payments, license maintenance fees, milestone payments or the like, as well as amounts received by MEI or any of its Affiliates based on sales of Products (including earned royalties, profit sharing payments and the like); provided, that "Outlicensing Revenue" does not include: (a) amounts received as reimbursement of, or payment for, internal costs and/or Out-of-Pocket Expenses, in each case, to the extent documented and actually incurred by MEI in Developing Compound and/or Product following entry into the Outlicensing Transaction, including costs of patent filing, prosecution, maintenance, enforcement, and/or defense, and costs incurred in performing of Development (including manufacturing process development) of the Compound and/or Product and/or other services provided by MEI to the counterparty to such Outlicensing Transaction as well as payments actually made by MEI to a Third Party under any Third Party Licenses (as defined below); (b) bona fide loans, to the extent unforgivable; (c) amounts paid for supplies of Compound and/or Product following entry into the Outlicensing Transaction, to the extent not in excess of MEI's costs to manufacture or obtain such supplies, as applicable; and (d) amounts received for shares of MEI stock or debt (including rights to acquire MEI shares, such as warrants, convertible debt and the like) to the extent the amount paid for such MEI stock or debt is not in excess of market value at the time such stock or debt is actually acquired. For the avoidance of doubt, any amounts paid in consideration for the sale of all or substantially all of the business or assets of MEI or any of its Affiliates (whether by merger, sale of

stock or assets, change of control or other transaction) or in consideration of any option to so acquire MEI or any of its Affiliates shall not constitute Outlicensing Revenue.

To the extent MEI or its Affiliate receives equity in lieu of cash payments in connection with an Outlicensing Transaction, for the purposes of calculating "Outlicensing Revenue" and the payments due to Presage under Section 5.2 below, the value of such equity shall be equal to the amount of the cash payments received by MEI or its applicable Affiliate for the sale of such equity (or any portion thereof).

With respect to each Outlicensing Transaction, Outlicensing Revenue shall be calculated after MEI receives reimbursement of the Development Costs accrued but not previously reimbursed through the date of MEI's receipt of the relevant Outlicensing Revenue; provided, that once a given Development Cost has been reimbursed it will not be subject to reimbursement again (i.e., no "double counting" of any Development Costs for reimbursement purposes).

1.37 "**Out-of-Pocket Expenses**" means expenses actually paid by a Party or its Affiliate to any Third Party; provided, that "Out-of-Pocket Expenses" shall not include: (i) payments for such Party's internal salaries or benefits; or (ii) payments made by such Party to a Third Party for facilities, utilities, general office or facility supplies, insurance, information technology, capital expenditures and the like which cannot be allocated specifically to the services or materials provided by such vendors or contractors directly in the performance of the applicable activity.

1.38 "**Patent Rights**" means: (a) an issued or granted patent, including any extension, supplemental protection certificate, registration, confirmation, reissue, reexamination or renewal thereof; (b) a pending patent application, including any continuation, divisional, continuation-in-part, substitute or provisional application thereof; and (c) all counterparts or foreign equivalents of any of the foregoing issued by or filed in any country or other jurisdiction.

1.39 "**Person**" means any natural person, corporation, firm, business trust, joint venture, association, organization, company, partnership or other business entity, or any government or agency or political subdivision thereof.

1.40 "**Presage CIVO Platform Technology**" means technologies Controlled by Presage as of the Effective Date or during the Term pertaining to **[*CONFIDENTIAL*]**.

1.41 "**Presage Inventory**" means the Compound and Product set forth on Schedule 1.41.

1.42 "**Presage Know-How**" means, subject to Sections 6.6 and 6.7, all Know-How that is Controlled by Presage or any of its Affiliates, as of the Effective Date or at any time thereafter during the Term, and that is reasonably necessary or actually used in, the Development, manufacture, use, or Commercialization of the Compound or Product. The Presage Know-How shall include all Know-How set forth on Schedule 1.42. For clarity: (a) any and all Know-How licensed to Presage under the Third Party License Agreement is included in Presage Know-How; and (b) subject to the foregoing subclause (a), all

Know-How Controlled by Presage constituting **[*CONFIDENTIAL*]** is excluded from the Presage Know-How.

1.43 "**Presage Patents**" means, subject to Sections 6.6 and 6.7, all Patent Rights that are Controlled by Presage or any of its Affiliates, as of the Effective Date or at any time thereafter during the Term, and that are reasonably necessary or actually used for, the Development, manufacture, use, or Commercialization of the Compound or Product. Listed on Schedule 1.43 are all Presage Patents existing as of the Effective Date; provided, that Presage shall update Schedule 1.43 from time-to-time to include any new Patent Rights within the Presage Patents that come to be Controlled by Presage or any of its Affiliates at any time during the Term on or following the Effective Date that are reasonably necessary or actually used for the Development, manufacture, use, or Commercialization of the Compound or Product. For clarity: (a) any and all Patent Rights licensed to Presage under the Third Party License Agreement are included in Presage Patents; and (b) subject to the foregoing subclause (a), all Patent Rights claiming **[*CONFIDENTIAL*]** is excluded from the Presage Patents.

1.44 "**Presage Technology**" means the Presage Patents the Presage Know-How and the Presage Inventory.

1.45 "**Price Approvals**" means, in those countries in the Territory where Regulatory Authorities may approve or determine pricing and/or pricing reimbursement for pharmaceutical products and such pricing or pricing reimbursement is required (or is reasonably commercially necessary) for the marketing and sale of a pharmaceutical product in such country, such pricing and/or pricing reimbursement approval or determination.

1.46 "**Product**" means any pharmaceutical product, in any dosage form, formulation, presentation or package configuration that contains the Compound.

1.47 "**Registration Study**" means a human clinical trial, the principal purpose of which is to establish safety and efficacy in patients with the disease being studied, as further described in 21 C.F.R. §312.21(c) (including, any such clinical study in any country other than the United States), which is designed and intended to be of a size and statistical power sufficient to serve as a pivotal study to support the filing of an MAA for the indication being studied.

1.48 "**Regulatory Authority**" means: (a) in the US, the FDA; (b) in the EU, the EMA; or (c) in any other jurisdiction anywhere in the world, any regulatory body with similar regulatory authority over pharmaceutical or biotechnology products.

1.49 "**Regulatory Approval**" means any and all approvals, licenses, registrations, or authorizations of the relevant Regulatory Authority, including Price Approvals, necessary for the Development, manufacture, use, storage, import, transport or Commercialization of Product in a particular country or jurisdiction. For the avoidance of doubt, Regulatory Approval to Commercialize Product shall include Price Approval.

1.50 "**Regulatory Exclusivity**" means any exclusive marketing rights or data exclusivity rights conferred by any applicable Regulatory Authority or Governmental Body with respect to Product other than a Patent Right (e.g., pediatric exclusivity or any applicable data protection exclusivity).

1.51 "**Representatives**" means a Party's employees, consultants, contractors, advisors and/or agents.

1.52 "**Royalty Term**" means, on a Product-by-Product and country-by-country basis, the period from the First Commercial Sale in such country until the later of the last date on which (a) the composition of matter of either (i) the Compound contained in such Product, or (ii) such Product, is Covered by a Valid Claim within the Presage Patents in such country, or (b) all Regulatory Exclusivity for such Product in such country expires, provided that, such Product contains a Compound that is not an Example Compound.

1.53 "**Second Indication**" means the use of Product for the treatment, prevention, palliation or cure of **[*CONFIDENTIAL*]**.

1.54 "**Senior Executive**" means a member of senior management of a Party who is designated by such Party to resolve disputes under this Agreement.

1.55 "**Sublicensee**" means a Person other than an Affiliate of MEI to which MEI (or its Affiliate) has, pursuant to Section 2.2, granted sublicense rights under any of the license rights granted under Section 2.1 (or an option to obtain a sublicense under or other rights to any of the license rights granted under Section 2.1). For clarity, "Sublicensee" includes both a Limited Sublicensee and a Sublicensee that is a counterparty to an Outlicensing Transaction.

1.56 "**Tax**" or "**Taxes**" means any federal, state, local or foreign income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental, customs duties, capital stock, franchise, profits, withholding, social security, unemployment, disability, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated, or other tax of any kind whatsoever, including any interest, penalty, or addition thereto, whether disputed or not.

1.57 "**Territory**" means all the countries of the world.

1.58 "**Third Indication**" means the use of Product for the treatment, prevention, palliation or cure of **[*CONFIDENTIAL*]**.

1.59 "**Third Party**" means any Person other than Presage, MEI or any of their respective Affiliates.

1.60 "**Third Party License Agreement**" means any agreement entered into by a Party or its Affiliate with a Third Party, or any amendment or supplement thereto, in each case following the Effective Date, whereby royalties, fees or other payments are to be made by

a Party or its Affiliate to such Third Party for Patent Rights or other intellectual property rights are **[*CONFIDENTIAL*]** the Compound or Product in the Territory.

1.61 "**United States**" or "**U.S.**" means the United States of America, its territories and possessions.

1.62 "**USD**" or "**$**" means the lawful currency of the United States.

1.63 "**Valid Claim**" means a pending or issued claim of any Patent within the Presage Patents that: (a) has not been held unpatentable, invalid or unenforceable by a court or other government agency of competent jurisdiction in a decision from which no appeal can or has been taken; and (b) has not been admitted to be invalid or unenforceable through reissue, re-examination, disclaimer or otherwise. Notwithstanding the foregoing, if a claim of a pending patent application within the Presage Patents has not issued as a claim of a patent within **[*CONFIDENTIAL*]** after the filing date from which such claim takes priority, such claim shall not be a Valid Claim for the purposes of this Agreement, unless and until such claim issues as a claim of an issued patent (from and after which time the same shall be deemed a Valid Claim subject to paragraphs (a) and (b) above). For the purposes of this definition and Section 1.14 above, with respect to a pending patent application, the phrase to "infringe a Valid Claim …" or "infringe a claim …" means to engage in an activity that would infringe (i.e., by either directly infringing, contributorily infringing, or inducing infringement of) such Valid Claim or claim, as applicable, if it were contained in an issued patent.

Other Terms. Terms defined elsewhere in this Agreement will have the definitions set forth in this Agreement.

ARTICLE 2
LICENSES AND OTHER RIGHTS

2.1 **Grant of License to MEI**. Subject to the terms and conditions of this Agreement, Presage hereby grants to MEI an exclusive (even as to Presage), worldwide, royalty-bearing right and license (with the right to sublicense, subject to the provisions of Section 2.2) under the Presage Technology (a) to Develop, manufacture, use, import, export, sell and otherwise Commercialize Products, and (b) to Develop, use, manufacture, export and import Compounds, solely for the purposes of Developing, using, exporting, importing or manufacturing Products; in each case, within the Territory and for use within the Field.

2.2 **Grant of Sublicense by MEI**.

(a) Subject to the terms and conditions of this Agreement, MEI shall have the right, in its sole discretion, to grant sublicenses (through multiple tiers), in whole or in part, under the licenses granted in Section 2.1 (i) to any of its Affiliates in the Territory, solely for so long as such entity remains an Affiliate; and (ii) for the purposes of Developing, using, manufacturing, exporting, importing and/or Commercializing the Compound and Product, to a Third Party in the Territory; provided, however, that the granting by MEI of a sublicense shall not relieve MEI of any of its obligations hereunder and MEI shall remain responsible to Presage for all activities of its Affiliates and Sublicensees to the same extent as if such activities had been undertaken by MEI itself; provided further that neither MEI nor any of its Affiliates shall, without Presage's prior written consent, grant or authorize any sublicense (including an option to obtain a sublicense or other rights) under the licenses granted in Section 2.1 to Commercialize a Product for a Major Market pursuant to which (1) **[*CONFIDENTIAL*]** and (2) **[*CONFIDENTIAL*]**.

(b) In any event, MEI shall ensure that each of its Sublicensees is bound by a written agreement containing provisions as protective of Presage, the Presage Know-How, Presage Patents, Compounds and Products as this Agreement. With respect to each sublicense under the Presage Know-How and/or Presage Patents granted by MEI to an Affiliate or a Third Party: (i) such sublicense shall not conflict with, and shall be subordinate to, the terms and conditions of this Agreement; and (ii) MEI shall remain responsible to Presage for the payments due under Article 5 below with respect to the activities and Net Sales of any such Affiliate or Sublicensee.

(c) MEI shall provide a complete copy of any sublicense agreement consummating an Outlicensing Transaction promptly following the execution of the same; provided that MEI may redact terms not directly relevant to determining MEI's compliance with this Agreement or any payments due to Presage hereunder in connection with such sublicense.

2.3 **Technology Transfer**.

(a) Technology Transfer Plan. Presage will transfer to MEI ("**Technology Transfer**") all Presage Know-How and Presage Inventory in accordance with this Section 2.3 and the technology transfer plan attached hereto as Schedule 2.3, Part 1 (the "**Technology Transfer Plan**"); provided that the number of free hours of Technology Transfer assistance provided under this Section 2.3(a) and as Presage Support under Section 3.3, in the aggregate shall not exceed **[*CONFIDENTIAL*]**; provided further that Presage's provision of such assistance under this Section 2.3(a) and as Presage Support under Section 3.3 shall be subject to MEI's reimbursement of any reasonable and documented Out-of-Pocket Expenses actually incurred by Presage on an on-going basis in providing such assistance. Presage hereby transfers to MEI (and MEI accepts) title to

the Presage Inventory. Without limitation of the Technology Transfer Plan, within **[*CONFIDENTIAL*]** following the Effective Date, Presage will transfer to MEI (and MEI will accept) title to all applications and filings made by or on behalf of Presage with any Regulatory Authority with respect to the Compound or Product, including any IND, MAA or orphan drug designations or any other application for regulatory consultations or consideration, including sponsorship thereof. In addition, upon MEI's written request, Presage shall (to the extent allowed or consented to by Law and permitted by the applicable agreement) work with MEI and any applicable counterparties to novate and/or assign to MEI those agreements related to the Compound or Product, if any, set forth on Schedule 2.3, Part 2 or, if such agreements cannot be assigned or novated, provide MEI reasonable assistance to enter into agreements directly with such counterparties.

(b) Conduct of Technology Transfer. Each Party shall implement the Technology Transfer Plan in an orderly fashion and in a manner such that the value, usefulness and confidentiality of the transferred Presage Know-How, Presage Inventory and regulatory documentation are preserved in all material respects.

2.4 **Governance**. The Parties will establish a joint steering committee ("**JSC**"), consisting of two representatives of MEI and one representative of Presage, with the main purpose of serving as a forum for sharing information and facilitating communications between the Parties relating to MEI's (and its Affiliates and Sublicensees) activities in connection with Compounds and Products pursuant to this Agreement, including reviewing and discussing MEI's Development Plan for the Compound and Product, including any updates, additions or modifications thereto, and MEI shall consider any reasonable comments or suggestions that are provided by Presage in timely manner with respect to the Development Plan. Subject to Section 12.4, the JSC will meet at least **[*CONFIDENTIAL*]** each Calendar Year at such locations as the Parties may mutually agree, including by way of teleconference. Each Party shall bear its own costs in connection with its participation on the JSC. The JSC will have no decision making authority.

ARTICLE 3
DEVELOPMENT, MANUFACTURE AND COMMERCIALIZATION OF PRODUCT

3.1 **Development of the Product by MEI**. Subject to the terms and conditions of this Agreement, as between Presage and MEI, MEI shall have the exclusive right, and sole responsibility and decision-making authority, to Develop the Compound and Product and to conduct (either itself or through its Affiliates, agents, subcontractors and/or Sublicensees) all clinical trials and non-clinical studies that MEI reasonably determines are required to obtain Regulatory Approval for Product in the Field. The Development of the Compound or Product shall be governed by, and performed in accordance with, a development plan prepared by MEI that describes the proposed overall program for Development (the "**Development Plan**"), including a proof of concept clinical trial consistent with the plan, timelines and budget for such a clinical trial attached hereto as Schedule 3.1 (the "**POC Plan**"). Subject to the terms and conditions of this Agreement, the Development Plan will be subject to MEI's sole authority and direction

and may be updated by MEI from time to time, provided that MEI **[*CONFIDENTIAL*]** the POC Plan **[*CONFIDENTIAL*]**.

(a) Initial Development Plan. Promptly following the Effective Date, and in any event within **[*CONFIDENTIAL*]** following the Effective Date, MEI shall provide to Presage an initial Development Plan. Such Development Plan shall outline all of the material Development activities planned to be conducted in order to obtain Regulatory Approval for Product in the Major Markets.

(b) Updates and Changes to the Development Plan. MEI shall provide to Presage, via the JSC, an updated version of the Development Plan at least **[*CONFIDENTIAL*]**, no later than **[*CONFIDENTIAL*]**; and such updated Development Plan shall include an equivalent level of detail regarding the material Development activities for Compound and Products as the level of detail included in the initial Development Plan.

3.2 **Commercialization and Clinical and Commercial Manufacturing**. Subject to the terms and conditions of this Agreement, as between Presage and MEI: (i) MEI shall have the exclusive right, and sole responsibility and decision-making authority, to manufacture the Compound and Product and Commercialize Product itself or through one or more Affiliates or Sublicensees or other Third Parties selected by MEI, and (ii) MEI shall have the sole authority to select trademarks for the Product and shall own all such trademarks.

3.3 **Presage Support**. Upon reasonable, advance, written notice and during regular business hours, Presage shall make its Representatives that are knowledgeable regarding the Presage Technology, the Compound or Product available to MEI for scientific and technical explanations, advice and on-site support that may reasonably be required by MEI relating to the Development and/or manufacturing of the Compound and Product (the "**Presage Support**"), including regulatory matters with respect thereto. The Presage Support shall be provided by Presage free-of-charge for a period of **[*CONFIDENTIAL*]** following the Effective Date of this Agreement, subject to the limitations set forth in Section 2.3(a).

3.4 **Right to Subcontract of MEI**. MEI may exercise any of its rights, or perform any of its obligations, under this Agreement (including any of the rights licensed in Section 2.1) by subcontracting the exercise or performance of all or any portion of such rights and obligations on MEI's behalf; provided that any such subcontract entered into by MEI, that is also a sublicense under any of the license rights granted under Section 2.1, must comply with the terms and conditions of this Agreement applicable to such sublicenses and any such subcontractor, that is also a Sublicensee, must comply with the terms and conditions of this Agreement applicable to Sublicensees. Any subcontract granted or entered into by MEI as contemplated by this Section 3.4 of the exercise or performance of all or any portion of the rights or obligations that MEI may have under this Agreement shall not relieve MEI from any of its obligations under this Agreement.

3.5 **Diligence by MEI**. Subject to **[*CONFIDENTIAL*]**, MEI shall use (including by causing its Affiliates and/or Sublicensees to use) Commercially Reasonable Efforts to (a) Develop and seek Regulatory Approval for **[*CONFIDENTIAL*]** Product and (b)

subject to receipt of Regulatory Approval, Commercialize **[*CONFIDENTIAL*]** Product. MEI shall have the exclusive right to determine, in its sole discretion, the launch strategy for Product, subject to its exercise of Commercially Reasonable Efforts and the other terms and conditions of this Agreement. Activities by MEI's Affiliates and Sublicensees will be considered as MEI's activities under this Agreement for purposes of determining whether MEI has complied with its obligation to use Commercially Reasonably Efforts under this Section 3.5. For clarity, but without limiting the first sentence of this Section 3.5, (i) MEI shall have no obligation to Develop or Commercialize Product in any particular country or countries and (ii) MEI shall be relieved of its diligence obligations under this Section 3.5 starting from the date that MEI provides Presage with a termination notice pursuant to Section 10.2 or 10.3.

3.6 **Reporting**. MEI shall keep Presage reasonably informed as to its (and its Affiliates' and Sublicensees') plans for, and progress of, Development and Commercialization activities relating to Product within the Territory, including the receipt of Regulatory Approval in a Major Market or any other country of the Territory and the commercial launch of a Product in any country of the Territory, by way of updates to the JSC at its meetings, and as otherwise reasonably requested by Presage from time-to-time. Without limiting the foregoing, MEI shall, within **[*CONFIDENTIAL*]**, provide Presage with a written report (each, an "**Update Report**") summarizing in reasonable detail its and its Affiliates' and Sublicensees' major Development and, as applicable, Commercialization activities conducted during the **[*CONFIDENTIAL*]**. All information and reports provided to Presage pursuant to this Section 3.6 shall be treated as Confidential Information of MEI hereunder. Notwithstanding the foregoing, MEI's obligation to provide Update Reports under this Section 3.6 shall expire: (a) with respect to Development upon the First Commercial Sale of Product in a Major Market, and (b) with respect to Commercialization, upon the **[*CONFIDENTIAL*]** of the First Commercial Sale of Product.

ARTICLE 4
REGULATORY MATTERS

4.1 **Regulatory Filings**. As between MEI and Presage, MEI shall own and maintain all regulatory filings and Regulatory Approvals for Product, including all INDs and MAAs.

4.2 **Communications with Authorities**. Subject to the terms and conditions of this Agreement, MEI (or one of its Affiliates or Sublicensees) shall be responsible, and act as the primary point of contact, for communications with Regulatory Authorities in connection with the Development, Commercialization, and manufacturing of Product. Following the Effective Date, except to the extent required by Law, Presage shall not initiate, with respect to Product, any meetings or contact with Regulatory Authorities without MEI's prior written consent. To the extent Presage receives any written or oral communication from any Regulatory Authority relating to Compound or Product, Presage shall (a) refer such Regulatory Authority to MEI, and (b) as soon as reasonably practicable (but in any event within **[*CONFIDENTIAL*]**), notify MEI and provide MEI with a copy of any written communication received by Presage or, if applicable, complete and accurate minutes of such oral communication. Upon reasonable, advance,

written notice, at the request of MEI, Presage shall make available to MEI a qualified Representative who shall, together with Representatives of MEI, participate in and contribute to meetings with the Regulatory Authorities with respect to regulatory matters relating to the Presage Technology, subject to MEI's reimbursement of any reasonable and documented Out-of-Pocket Expenses actually incurred by Presage in providing such assistance.

4.3 **Adverse Event Reporting**. The Parties agree to comply with any and all Laws that are applicable as of the Effective Date and thereafter during the Term in connection with Product safety data collection and reporting. If Presage has or receives any information regarding any Adverse Event which may be related to the use of Product, then Presage shall provide MEI with all such information in English within such reasonable timelines which enable MEI to comply with all Laws and relevant regulations and requirements.

4.4 **Recalls**. MEI shall have the sole right to determine whether and how to implement a recall or other market withdrawal of Product.

ARTICLE 5
FINANCIAL PROVISIONS

5.1 **Initial Fees**.

(a) Upfront. MEI shall pay, or cause to be paid, to Presage a fee of One Million Nine Hundred Thousand Dollars ($1,900,000), within **[*CONFIDENTIAL*]** after the Effective Date.

(b) Presage Inventory. In consideration for the transfer of the Presage Inventory and the manufacturing costs Presage incurred in connection therewith, MEI shall pay, or cause to be paid, to Presage an additional fee of One Million Dollars ($1,000,000), within **[*CONFIDENTIAL*]** following the earlier to occur of (i) **[*CONFIDENTIAL*]**; or (ii) **[*CONFIDENTIAL*]**.

(c) Refundability. The fees set forth in this Section 5.1 shall not be refundable or creditable against any future milestone payments, royalties or other payments by MEI to Presage under this Agreement; provided, that nothing in this Section 5.1 is intended to limit either Party's rights to pursue or obtain damages arising from a breach of this Agreement.

5.2 **Outlicensing Revenue**.

(a) Outlicensing Transactions. In the event that a Sublicensee is granted the right (including an option to obtain rights) to Commercialize a Product that contains a Compound that is not an Example Compound in one or more countries within the Territory (an "**Outlicensing Transaction**"), then MEI will (on an Outlicensing Transaction-by-Outlicensing Transaction basis) pay Presage a percentage of the Outlicensing Revenue received by MEI or any of its Affiliates in connection with such Outlicensing Transaction based on the table below related to the time at which such Outlicensing Transaction occurs:

Outlicensing Transaction Executed:	Percent of Outlicensing Revenue:
[*CONFIDENTIAL*]	**[*CONFIDENTIAL*]**
[*CONFIDENTIAL*]	**[*CONFIDENTIAL*]**
[*CONFIDENTIAL*]	**[*CONFIDENTIAL*]**

(b) Minimum Cumulative Revenues. If MEI enters into an Outlicensing Transaction prior to the first dosing the first subject in the first Registration Study for a Major Market, then cumulative Outlicensing Revenues from such Outlicensing Transaction, and/or other consideration, paid and/or owed to Presage pursuant to Sections 5.2, 5.3 and 5.4 (i.e., exclusive of amounts paid under Section 5.1) (collectively, "**Cumulative Revenues**") shall be no less than **[*CONFIDENTIAL*]** following the first dosing of the first subject with Product in a Registration Study for a Major Market by MEI or its Affiliate or Sublicensee and within **[*CONFIDENTIAL*]** of such dosing, MEI will pay Presage a supplemental one-time payment equal to the difference between **[*CONFIDENTIAL*]** and the Cumulative Revenues.

(c) Reductions. Payments due under this Section 5.2 shall be subject to a credit in accordance with Section 5.3(b), to the extent applicable.

(d) Intersection with Milestones and Royalties. From and after the effective date of termination of any Outlicensing Transaction, the provisions of this Section 5.2 shall cease to apply to the territory formerly subject to such Outlicensing Transaction and the provisions of Sections 5.3 and 5.4 shall apply to the Development and Commercialization activities of MEI, its Affiliates and/or Sublicensees (other than the Sublicensee formerly a counterparty to such Outlicensing Transaction (and its sublicensees) to the extent such Sublicense retains any post-term rights to Develop or Commercialize Products in accordance with the terms of such Outlicensing Transaction and any payments by such Sublicensee to MEI or its Affiliate shall remain subject to payments to Presage pursuant to Section 5.2(a) above) in such territory, unless and until MEI enters into a subsequent Outlicensing Transaction with respect to such territory; provided, that, for clarity, to the extent that an Outlicensing Transaction is terminated or expires and the Sublicensee counterparty to such Outlicensing Transaction retains a fully paid-up license following such expiration or termination pursuant to the terms of such Outlicensing Transaction, then no amounts will be due under Section 5.4(a) of this Agreement in connection with

sales of the Product by or on behalf of such Sublicensee (including by its sublicensees) going forward. From and after the effective date of a Change of Control of MEI, the provisions of this Section 5.2 shall cease to apply, and the provisions of Sections 5.3 and 5.4 shall apply, with respect to the Person that acquires control of MEI to the extent that such Person or its Affiliate is a counterparty to an Outlicensing Transaction. For clarity, from and after any such Change of Control, Section 5.2 shall continue to apply with respect to any other Outlicensing Transactions.

(e) Outlicensing Revenue Payment Timing. MEI shall pay Presage amounts due in connection with Outlicensing Revenue under this Section 5.2 within **[*CONFIDENTIAL*]** of MEI's receipt of such Outlicensing Revenue.

(f) Outlicensing Revenue Recordkeeping; Reports. Within **[*CONFIDENTIAL*]** after the end of each Calendar Quarter commencing with the first Calendar Quarter in which an Outlicensing Transaction has been executed, MEI shall deliver to Presage an accurate written report setting out in reasonable detail, on an Outlicensing Transaction-by-Outlicensing Transaction basis, the information necessary to calculate Outlicensing Revenue payments due under this Section 5.2 with respect to each Outlicensing Transaction, including: (a) the date of execution of each Outlicensing Transaction; (b) gross amounts received by MEI or any of its Affiliates with respect to each Outlicensing Transaction in the relevant Calendar Quarter (including if applicable an equity received by MEI in connection with an Outlicensing Transaction); (c) Outlicensing Revenue paid and/or payable to Presage with respect to each Outlicensing Transaction in the relevant Calendar Quarter; and (d) all relevant exchange rate conversions in accordance with Section 5.6 below. Such report shall be deemed "Confidential Information" of MEI subject to the obligations of Article 7 of this Agreement. For **[*CONFIDENTIAL*]** after the end of each Calendar Quarter commencing with the first Calendar Quarter in which an Outlicensing Transaction has been executed, MEI shall, and shall ensure that its Affiliates and Sublicensees, keep complete and accurate records in sufficient detail to confirm the accuracy of the Outlicensing Revenue calculations and payments with respect to Outlicensing Revenue made hereunder.

5.3 **Milestone Payments**. In the event that MEI, its Affiliate or Limited Sublicensee achieves any of the milestone events described in Section 5.3(a), MEI shall pay, or cause to be paid, to Presage the indicated milestone payments with respect to the first achievement of each milestone event described in this Section 5.3.

(a) Development Milestones.

Development Event:	**Payment:**
First dosing of the first subject with Product in the first Registration Study in any country for the First Indication ("**Development Milestone One**")	$2,000,000
[*CONFIDENTIAL*]	**[*CONFIDENTIAL*]**
[*CONFIDENTIAL*]	**[*CONFIDENTIAL*]**

For the avoidance of doubt, the total maximum milestones payable under this Section 5.3(a) shall not exceed **[*CONFIDENTIAL*]**. Any Outlicensing Revenue paid to Presage prior to the achievement of Development Milestone One shall be creditable against the payment of Development Milestone One such that the amount of Development Milestone One shall be reduced in an amount equal to the amount of Outlicensing Revenue received by Presage prior to the date such milestone is achieved. Development Milestones may only be triggered by a Product that contains a Compound that is not an Example Compound.

(b) Regulatory Milestones.

Regulatory Event:	Payment:
[*CONFIDENTIAL*]	**[*CONFIDENTIAL*]**
[*CONFIDENTIAL*]	**[*CONFIDENTIAL*]**
[*CONFIDENTIAL*]	**[*CONFIDENTIAL*]**
[*CONFIDENTIAL*]	**[*CONFIDENTIAL*]**

For the avoidance of doubt, the total maximum milestones payable under this Section 5.3(b) shall not exceed **[*CONFIDENTIAL*]**. Any payments made under this Section 5.3(b) shall be fully creditable against Outlicensing Revenue that is due pursuant to Section 5.2 in connection with the territory(ies) in which the milestone(s) under this Section 5.3(b) had been paid such that the amount of any Outlicensing Revenue due to Presage with respect to the same territory for which a milestone payment has already been made under this Section 5.3(b) shall be reduced by an amount equal to such milestone payment. For example, if MEI received Regulatory Approval to Commercialize Product in the U.S. and pays the milestone payment set forth in this Section 5.3(b) that is due upon receipt of the first Regulatory Approval for a Product in the U.S. and then enters into an Outlicensing Transaction with respect to the U.S., MEI shall be entitled to retain the first **[*CONFIDENTIAL*]** of Outlicensing Revenue that would have been paid to Presage under Section 5.2, but for the credit set forth in this Section 5.3(b). Regulatory Milestones may only be triggered by a Product that contains a Compound that is not an Example Compound.

(c) Sales Milestones.

First Time [*CONFIDENTIAL*] Calendar Year Aggregate Net Sales Equal or Exceed:	Payment:
[*CONFIDENTIAL*]	**[*CONFIDENTIAL*]**
[*CONFIDENTIAL*]	**[*CONFIDENTIAL*]**
[*CONFIDENTIAL*]	**[*CONFIDENTIAL*]**

[*CONFIDENTIAL*]

For the avoidance of doubt, the total maximum milestones payable under this Section 5.3(c) shall not exceed **[*CONFIDENTIAL*]**. **[*CONFIDENTIAL*]**.

(d) Frequency. With respect to each milestone described in this Section 5.3, the milestone payments to be made under this Agreement shall be due and payable only once, regardless of the number of Products Developed or Commercialized or whether a Product is discontinued after a milestone payment has been made.

(e) Intersection with Outlicensing Transactions. For clarity, no milestone payments shall be due to Presage under this Section 5.3 in the event that the milestone is achieved by or on behalf of a Sublicensee counterparty to an Outlicensing Transaction exercising rights under such Outlicensing Transaction (including any post-term rights to Develop and/or Commercialize Products) (in such case compensation due to Presage shall pass through Section 5.2).

(f) Milestone Payment Timing. MEI shall promptly notify Presage in writing of the achievement of any milestone event described above and shall pay the corresponding milestone payment within **[*CONFIDENTIAL*]** following such achievement of a development or regulatory milestone set forth in Section 5.3(a) or 5.3(b) above and within **[*CONFIDENTIAL*]** following such achievement of a sales milestone set forth in Section 5.3(d) above.

5.4 **Royalty Payments for Product**.

(a) Royalty Rate. In the event that MEI or an MEI Affiliate or Limited Sublicensee sells Product to the market, MEI shall, during the Royalty Term, pay to Presage a royalty on the Net Sales of Product for each Calendar Year at the percentage rates set forth below (subject to Section 5.5) as calculated by multiplying the applicable percentage rates set forth in the table below by the corresponding amount of incremental Net Sales of Product in the applicable Calendar Year; provided, that, for clarity, the sales to be considered expressly exclude sales in any countries by a Sublicensee under an Outlicensing Transaction (including sales made under any post-term rights permitted pursuant to the applicable Outlicensing Transaction):

Annual [*CONFIDENTIAL*] Net Sales of Product per Calendar Year	Incremental Royalty Rate
[*CONFIDENTIAL*]	**[*CONFIDENTIAL*]**
[*CONFIDENTIAL*]	**[*CONFIDENTIAL*]**
[*CONFIDENTIAL*]	**[*CONFIDENTIAL*]**

[*CONFIDENTIAL*]

(b) Net Sales Subject to Royalty Payments. **[*CONFIDENTIAL*]** In addition, in no event shall the manufacture of a Product give rise to a royalty obligation. For clarity, MEI's obligation to pay royalties to Presage under this Article 5 is imposed only once with respect to the same unit of Product regardless of the number of Presage Patents pertaining thereto.

(c) Intersection with Outlicensing Transactions. For clarity, no royalty payments shall be due to Presage under this Section 5.4 in connection with sales by or on behalf of a Sublicensee counterparty to an Outlicensing Transaction while such Outlicensing Transaction is in effect (including, to the extent that an Outlicensing Transaction is terminated or expires and the Sublicensee counterparty to such Outlicensing Transaction retains a license to Commercialize Products, sales of Product by or on behalf of such Sublicensee going forward (including by its sublicensees)) provided that, for clarity, in such case, compensation due to Presage with respect to Product sales shall be, to the extent applicable, pursuant to Section 5.2.

(d) Royalty Payment Timing. Within **[*CONFIDENTIAL*]** after the end of each Calendar Quarter commencing with the first Calendar Quarter in which Product has been sold, MEI shall deliver to Presage, together with the applicable royalty payment due for such Calendar Quarter, an accurate written report setting out in reasonable detail (including on a Product-by-Product basis where applicable) the information necessary to calculate royalty payments due under this Section 5.4 with respect to Net Sales of Product in the Territory during such Calendar Quarter, including: (a) units of Product sold during the relevant calendar quarter; (b) gross sales of Product in the relevant Calendar Quarter; (c) Net Sales of Product in the relevant Calendar Quarter; (d) all relevant deductions or credits due to MEI in accordance with the terms of this Agreement; and (e) all relevant exchange rate conversions in accordance with Section 5.6 below. Such report shall be deemed "Confidential Information" of MEI subject to the obligations of Article 7 of this Agreement. For **[*CONFIDENTIAL*]** after the end of each Calendar Quarter in which sale of Product by or on behalf of MEI or its Affiliate or Limited Sublicensee, occurs, MEI shall, and shall ensure that its Affiliates and such Sublicensees, keep complete and accurate records of such sale in sufficient detail to confirm the accuracy of the royalty calculations hereunder.

(e) Conflicts of Interest. **[*CONFIDENTIAL*]**.

5.5 **Third Party License Agreements and Existing Third Party Agreement**. If MEI or any of its Affiliates or Limited Sublicensee is required to pay a Third Party amounts under a Third Party License Agreement(s) ("**Third Party Royalties**"), MEI will be entitled to deduct from any amount payable to Presage under Section 5.4 with respect to Product, an amount equal to **[*CONFIDENTIAL*]** of any Third Party Royalties paid by MEI or its Affiliates or Limited Sublicensee pursuant to such Third Party License Agreement(s) in respect of such Product which gave rise to the payment obligation under Section 5.4; provided, that any such deduction shall not reduce the amount otherwise payable beneath **[*CONFIDENTIAL*]** of the amounts that would otherwise have been due to Presage under Section 5.4. Without limiting the foregoing, Presage shall be responsible for the timely payment of any amounts due under any Existing Third Party Agreement, and in the event that Presage shall fail to make any payment when due under such Existing Third Party Agreement, MEI shall have the right to make such payment on behalf of Presage. In such event, Presage shall promptly reimburse MEI any such amounts paid by MEI or, at MEI's election, MEI may offset such amounts paid by MEI against any future amounts payable to Presage hereunder.

5.6 **Mode of Payment and Currency**. All payments to Presage hereunder shall be made by deposit of USD in the requisite amount to such bank account as Presage may from time to time designate by written notice to MEI. With respect to sales not denominated in USD, MEI shall convert applicable sales in foreign currency into USD by using the average of the exchange rates for the purchase and sale of United States Dollars reported by the Wall Street Journal (U.S., Western Edition) on the last business day of the calendar quarter to which such royalty or other payments relate. Based on the resulting sales in USD, the then applicable royalties shall be calculated. The Parties may vary the method of payment set forth herein at any time upon mutual written agreement, and any change shall be consistent with the local Law at the place of payment or remittance.

5.7 **Legal Restrictions**. If at any time legal restrictions prevent the remittance by MEI of all or any part of any amounts due hereunder with respect to any given country, MEI shall have the right and option to make such payment either by depositing the amount thereof in local currency to an account in the name of Presage in a bank or other depository selected by Presage in such country.

5.8 **Audits**. During the Term and for **[*CONFIDENTIAL*]** thereafter, and not more than **[*CONFIDENTIAL*]** in each Calendar Year, MEI shall permit, and shall cause its Affiliates and shall use Commercially Reasonable Efforts to cause its Sublicensee to permit, an independent certified public accounting firm of nationally recognized standing selected by Presage, and reasonably acceptable to MEI or such Affiliate or Sublicensee, to have access to and to review, during normal business hours upon reasonable prior written notice, the applicable records of MEI and its Affiliates and such Sublicensees to verify the accuracy of the reports and payments under this Article 5 ("**Initial Audit**"). Such review may cover the records for any Calendar Year ending not more than **[*CONFIDENTIAL*]** prior to the date of such request. The accounting firm shall disclose to Presage and MEI only whether the payments made were correct or incorrect. No other information shall be provided to Presage. If such accounting firm concludes that additional amounts were owed with respect to such period, and MEI agrees with such calculation, MEI shall pay the additional undisputed amounts within **[*CONFIDENTIAL*]** after the date Presage delivers to MEI such accounting firm's written report together with interest on such unpaid amounts at the rate set forth in Section 5.9. If such accounting firm concludes that an overpayment was made, such overpayment shall be fully creditable against amounts payable in subsequent payment periods or, at Presage's election, shall be reimbursed to MEI within **[*CONFIDENTIAL*]** after the date Presage delivers to MEI such accounting firm's written report. If MEI disagrees with such calculation, it may retain its own independent certified public accounting firm of recognized standing and reasonably acceptable to Presage, to conduct a review ("**Confirmatory Audit**"), and if such firm concurs with the other accounting firm, MEI shall make the required payment within **[*CONFIDENTIAL*]** after the date MEI receives the report of its accounting firm together with interest on such unpaid amounts at the rate set forth in Section 5.9. If MEI's accounting firm does not concur, MEI and Presage shall meet and negotiate in good faith a resolution of the discrepancies between the two firms. Presage shall pay for the cost of **[*CONFIDENTIAL*]**, unless MEI has underpaid Presage by the greater of

[*CONFIDENTIAL*] of the payments due hereunder for the period being audited, in which case MEI shall pay for the costs of **[*CONFIDENTIAL*]**. In any event, MEI shall pay for the cost of **[*CONFIDENTIAL*]**. Each Party shall treat all information that it receives under this Section 5.8 in accordance with the confidentiality provisions of Article 7 of this Agreement, and shall cause its accounting firm to enter into an acceptable confidentiality agreement with the other Party obligating such firm to retain all such financial information in confidence pursuant to such confidentiality agreement, except to the extent necessary for such Party to enforce its rights under this Agreement.

5.9 **Overdue Payments**. If any amounts payable by MEI to Presage under this Agreement that are not paid when due, such outstanding amounts shall accrue interest (from the date such amounts were due through and including the date upon which full payment is made) at the prime rate as reported by the Wall Street Journal (U.S., Western Edition) on the date such payment is due, plus an additional **[*CONFIDENTIAL*]**, or the maximum rate permitted by applicable Law, whichever is less. This Section 5.9 shall in no way limit any other remedies available to the Parties.

5.10 **Taxes**. Presage shall be responsible for the payment of any and all state, local or federal income Taxes and the like levied against Presage on account of the payments to Presage by or on behalf of MEI under this Agreement. If Law requires that Taxes be deducted and withheld from payments under this Agreement, MEI shall: (a) deduct those Taxes and interests and penalties assessed thereon as required by law from the payment owed by MEI hereunder; (b) pay such Taxes to the proper Governmental Body; (c) send evidence of the obligation together with proof of Tax payment to Presage within **[*CONFIDENTIAL*]** following such payment; (d) remit the net amount, after deductions or withholding made under this Section 5.10; and (e) cooperate with Presage, in any way reasonably requested by Presage, to obtain available reductions, credits or refunds of such Taxes; provided, however, that Presage shall reimburse MEI for MEI's Out-of-Pocket Expenses incurred in providing such assistance.

ARTICLE 6
INVENTIONS AND PATENTS

6.1 **Certification Under Drug Price Competition and Patent Restoration Act**. Each Party shall immediately give written notice to the other Party of any certification of which they become aware filed pursuant to 21 U.S.C. Section 355(b)(2)(A) (or any amendment or successor statute thereto) claiming that any Presage Patents Covering Compound or Product, or the Development, manufacture, use or Commercialization of Compound or Product, are invalid or unenforceable, or that infringement will not arise from the research, development, manufacture, use, commercialization or sale of a Product by a Third Party.

6.2 **Listing of Patents**. MEI shall have the sole right to determine which of the Presage Patents, if any, shall be listed for inclusion in the Approved Drug Products with Therapeutic Equivalence Evaluations pursuant to 21 U.S.C. Section 355, or any successor Law in the United States, together with any comparable Laws in any other country.

6.3 **Patent Prosecution and Maintenance**. MEI shall have the first right, but not the obligation, to file, prosecute and maintain Presage Patents in Presage's name, at MEI's cost and expense, including, at MEI's discretion, obtaining patent term extensions for Presage Patents. MEI shall keep Presage reasonably informed of the status of the filing and prosecution of Presage Patents or related proceedings (e.g., interferences, oppositions, reexaminations, reissues, revocations or nullifications). At MEI's request, Presage will provide MEI with reasonable assistance in prosecuting Presage Patents to the extent possible, including providing such data in Presage's possession that is, in MEI's reasonable judgment, needed to support the prosecution of a Presage Patent. If MEI elects not to file or to continue to prosecute or maintain a Presage Patent in Presage's name, then it shall notify Presage in writing at **[*CONFIDENTIAL*]** before any deadline applicable to the filing, prosecution or maintenance of such Presage Patent, as the case may be, or any other date by which an action must be taken to establish or preserve such Presage Patent in such country or possession. In such case, Presage shall have the right to pursue the filing or support the continued prosecution or maintenance of such Presage Patent at its sole discretion. MEI shall own any Know-How developed by MEI or any of its Affiliates or a Third Party on behalf of MEI and shall have the right, but not the obligation, to file, prosecute and maintain Patent Rights covering or claiming any such Know-How ("**MEI Patent**").

6.4 **Enforcement of Patents and Know-How**.

(a) Notice. If either Party reasonably believes that any Presage Patent in the Territory is being infringed by a Third Party, or is subject to a declaratory judgment action arising from such infringement pursuant to which a Third Party claims that any Presage Patent is invalid or unenforceable, or a Third Party is engaged in an unauthorized use or misappropriation of any Presage Know-How that pertains to the Compound or a Product in the Territory (an "**Infringing Activity**"), the Party possessing such knowledge or belief shall promptly notify the other Party and provide it with details of such infringement or claim that are known by such Party. In addition, in the event that Presage believes that any Patent Right Controlled by MEI or any of its Affiliates that relates to the Compound and/or Product, including the composition, method of use and/or method of manufacture thereof, including any MEI Patent, if any, is being infringed by a Third Party or is subject to a declaratory judgment action arising from such infringement pursuant to which a Third Party claims that any MEI Patent is invalid or unenforceable, Presage shall promptly notify MEI and provide it with details of such infringement or claim.

(b) Right to Bring an Action. MEI shall have the first right and authority, but not the obligation, to enforce the Presage Technology in the Territory with respect to such Infringing Activity, or to defend any declaratory judgment action with respect thereto, in the Territory (each, an "**Action**") and to compromise or settle any such Action. MEI agrees not to settle any Action, or make any admissions or assert any position in such Action, in a manner that could materially adversely affect the validity, enforceability or scope of any Presage Patent or applicable Presage Know-How, as the case may be, or could otherwise materially adversely affect Presage's rights or interests in the Compound

and/or Product, without the prior written consent of Presage, which consent shall not be unreasonably withheld conditioned or delayed. In the event that MEI fails to initiate an Action under this Section 6.4(b) to enforce the Presage Technology, within **[*CONFIDENTIAL*]** of a request by Presage to initiate such Action, Presage may initiate such Action, at its own expense. In such case, MEI shall cooperate in such Action at Presage's expense. Presage agrees not to settle any Action or make any admissions or assert any position in such Action, in a manner that would materially adversely affect MEI's rights or interests in the Compound or Product in the Territory, without the prior written consent of MEI, which consent shall not be unreasonably withheld, conditioned or delayed.

(c) Cooperation. The Party controlling an Action pursuant to Section 6.4(b) shall be the "**Controlling Party**." The Controlling Party shall keep the other Party reasonably informed of the progress of such Action and the other Party shall have the right to participate in such Action with counsel of its own choice and at its own expense. At the Controlling Party's request, the other Party shall cooperate fully with the Controlling Party in connection with any such Action as the Controlling Party may request, including providing the Controlling Party with all relevant documentation (as may be requested by the Controlling Party) evidencing that the Controlling Party is validly empowered by the other Party to control the defense and settlement of such an Action and executing such documents as the Controlling Party may reasonably request. To the extent necessary or so requested by the Controlling Party, the other Party agrees to join the Controlling Party in such Action as a nominal party, to the extent necessary or so requested by the Controlling party, including if such Controlling Party reasonably determines that it is necessary to demonstrate "standing to sue."

(d) Distribution of Amounts Recovered. Any amounts recovered by taking an Action pursuant to this Section 6.4, whether by settlement or judgment, shall be allocated in the following order: (i) to pay **[*CONFIDENTIAL*]**; (ii) to reimburse the Parties for any costs incurred (pro rata to the extent funds are not available for full reimbursement of both Parties); and (iii) the remaining amount of such recovery shall be allocated **[*CONFIDENTIAL*]** to the Party initiating or defending such Action and **[*CONFIDENTIAL*]** to the other Party.

(e) MEI Patents. MEI shall have the sole right and authority, but not the obligation, to enforce MEI Patents against any Third Party infringer; provided, that Presage shall, upon MEI's request, provide reasonable assistance to MEI with respect thereto, including providing access to relevant documents and other evidence and making its employees available, subject to MEI's reimbursement of any Out-of-Pocket Expenses incurred on an on-going basis in providing such assistance.

6.5 **Third Party Actions Claiming Infringement**.

(a) Notice. If a Party becomes aware of any claim or assertion made by a Third Party against either Party that claims that the Compound or Product, or its use, Development, manufacture or Commercialization infringes or misappropriates such Third Party's intellectual property rights ("**Third Party Action**"), then such Party shall promptly notify

the other Party of all details regarding such claim or action that is reasonably available to such Party and the Parties shall promptly confer to consider the claim or assertion and the appropriate course of action.

(b) Right to Defend. Unless the Parties otherwise agree in writing, each Party shall have the right to defend itself against a suit that names such Party as a defendant using counsel reasonably acceptable to the other Party.

(c) Consultation. The Party defending a Third Party Action pursuant to Section 6.5(b) shall be the "**Defending Party**." The Defending Party shall keep the non-Defending Party reasonably informed of all material developments in connection with any such Infringement Action. The Parties shall reasonably cooperate with each other in all such actions or proceedings.

(d) Appeal. In the event that a judgment in a Third Party Action is entered against the Defending Party and an appeal is available, the Parties shall promptly confer to consider the claim or assertion and the appropriate course of action; provided, that, for clarity, nothing in this Section 6.5(d) shall restrict either Party (as the Defending Party) from appealing at its sole discretion.

(e) Costs of an Action. Subject to the respective indemnity obligations of the Parties set forth in Article 9, the Defending Party shall pay all costs associated with such Third Party Action other than the expenses of the other Party if the other Party elects to join such Third Party Action (as provided in the last sentence of this paragraph). The non-Defending Party will be entitled to participate in the defense and/or settlement of any Third Party Action at its own expense with independent counsel of its own choice, at its own expense.

(f) No Settlement Without Consent. Neither Party shall settle or otherwise compromise any Third Party Action by admitting that any Presage Patent is invalid or unenforceable without the other Party's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed, and, in the case of Presage, Presage may not settle or otherwise compromise a Third Party Action in a way that adversely affects or would be reasonably expected to adversely affect MEI's rights and benefits hereunder, without MEI's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Further, MEI agrees not to settle or otherwise compromise any Third Party Action or make any admissions or assert any position in such Third Party Action, in a manner that could adversely affect the Presage Patents, Compound, a Product, and/or the manufacture, use or sale of a Compound and/or a Product without Presage's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed.

6.6 **Existing Third Party Agreement; Third Party License Agreements**.

(a) Existing Third Party Agreement. The obligations of Presage and the rights of MEI under this Agreement shall be subject to, and limited by, the terms of the Existing Third Party Agreement that are summarized and identified on Schedule 1.19.

(b) Third Party License Agreements. If, after the Effective Date, Presage enters into any Third Party License Agreement, then Presage shall so notify MEI and the following shall apply: The rights and licenses granted to MEI under this Agreement with respect to such Third Party License Agreement shall be subject to MEI (i) agreeing to be bound by the terms of any such Third Party License Agreement applicable to a sublicensee thereunder and (ii) promptly reimbursing Presage for any milestones, royalties or other amounts that become owing to such Third Party by reason of the grant to, or exercise by or under the authority of, MEI of such rights with respect to such Third Party License Agreement and MEI shall reimburse Presage for a reasonable portion of any upfront fee or other similar amounts paid in connection entering into such Third Party License Agreement that is allocable to the rights granted to MEI under such Third Party License Agreement hereunder; provided, that, any milestones, royalties or other amounts owing to such Third Party cannot be disproportionately allocated to the Compound, Product or MEI's rights hereunder (e.g., the royalty for Product sales cannot be greater than the royalty due for any other product under the agreement) and, in the event of any such disproportion, the Parties shall reasonably agree regarding a reasonable allocation for purposes of this Agreement. Upon request by MEI, Presage shall disclose to MEI a true, complete and correct written description of such payment and other obligations, and MEI's obligation to reimburse such amounts following such request shall be limited to those payment obligations as so disclosed by Presage. In the event MEI does not promptly agree in writing to reimburse Presage for such amounts upon request (subject to such amounts being reasonably allocated to the Compound, Product or MEI's rights hereunder; provided, that, to the extent a Party believes amounts have not been reasonably allocated, it shall notify the other Party and the Parties shall promptly resolve such dispute in accordance with Article 11), or to be bound by the terms of such Third Party License Agreement applicable to a sublicensee thereunder, then the rights licensed under such Third Party License Agreement shall thereafter be deemed excluded from the Presage Patents and/or Presage Know-How, as applicable, hereunder. The reimbursement made by MEI to Presage under this Section 6.6(b) may then be treated by MEI as Third Party Royalties under Section 5.5 above.

6.7 **Acquisition of Presage**. Notwithstanding any provision to the contrary in this Agreement, Presage Patents, Presage Know-How, Compound and/or Products shall not include, and Presage or its Affiliate shall not be deemed to Control: (i) **[*CONFIDENTIAL*]**, and (ii) **[*CONFIDENTIAL*]**. **[*CONFIDENTIAL*]**.

ARTICLE 7
CONFIDENTIALITY

7.1 **Confidentiality Obligations**. Each Party agrees that, for the Term and for **[*CONFIDENTIAL*]** thereafter, such Party shall, and shall ensure that its Representatives, hold in confidence all Confidential Information disclosed to it by the other Party pursuant to this Agreement, and the Product Information, unless such information: (a) is or becomes generally available to the public other than as a result of disclosure by the recipient or any of its Representatives; (b) is already known by or in the possession of the recipient at the time of disclosure by the disclosing Party without

obligations of confidentiality; (c) is independently developed by recipient without use of or reference to the disclosing Party's Confidential Information or the Product Information; or (d) is lawfully obtained by recipient from a Third Party that has not breached any obligations of confidentiality. The recipient shall not disclose any of the disclosing Party's Confidential Information, or the Product Information, except to the recipient's Representatives who need to know such Confidential Information, or the Product Information, for the purpose of performing the recipient's obligations, or exercising its rights, under this Agreement and who are bound by written obligations of non-use and non-disclosure at least as protective of the disclosing Party and its Confidential Information, and the Product Information, as those set forth herein. The recipient shall be responsible for any disclosure or use of the disclosing Party's Confidential Information, or the Product Information, by such Representatives. The recipient shall protect the disclosing Party's Confidential Information, and the Product Information, using not less than the same care with which it treats its own confidential information, but at all times shall use at least reasonable care. Each Party shall: (i) implement and maintain appropriate security measures to prevent unauthorized access to, or disclosure of, the other Party's Confidential Information and the Product Information; (ii) promptly notify the other Party of any unauthorized access to or disclosure of such other Party's Confidential Information or the Product Information; and (iii) upon reasonable request, cooperate with such other Party in the investigation and remediation of any such unauthorized access or disclosure.

7.2 **Limited Use and Disclosure**. Notwithstanding Section 7.1, a Party may use and disclose the Confidential Information of the other Party, or the Product Information, for the purpose of performing its obligations, or exercising its rights, under this Agreement, including for purposes of: (a) filing or prosecuting patent applications, subject to the terms of Section 6.3; (b) prosecuting or defending litigation; (c) conducting pre-clinical studies or clinical trials pursuant to this Agreement; (d) seeking or maintaining Regulatory Approval of the Product; or (e) complying with Law, including securities Law and the rules of any securities exchange or market on which a Party's securities are listed or traded.

7.3 **Required Disclosure**. The recipient may disclose the disclosing Party's Confidential Information, or the Product Information, to the extent required by Law or court order; provided, however, that the recipient promptly provides to the disclosing party prior written notice of such disclosure and, save to the extent in appropriate in the case of patent applications or otherwise, provides reasonable assistance in obtaining an order or other remedy protecting the Confidential Information, or the Product Information, from public disclosure or limiting the Confidential Information, or the Product Information, so disclosed.

7.4 **Publications**. Presage shall not publish any information pertaining to the Compound or Product (including the Development or Commercialization thereof) without the prior written consent of MEI, unless such information has already been publicly disclosed either prior to the Effective Date or after the Effective Date through no fault of Presage or otherwise not in violation of this Agreement or as otherwise permitted pursuant to

Section 7.5 below. MEI shall have the right to make such publications as it chooses, in its sole discretion, without the approval of Presage.

7.5 **Press Releases Confidential Terms; and Disclosure**. Following the initial joint press release of the execution of this Agreement, as mutually agreed, each Party may each disclose to Third Parties the information contained in such press release without the need for further approval by the other Party and MEI will not unreasonably withhold, condition or delay, its consent to announcements by Presage of payments received under this Agreement. Except as otherwise expressly set forth herein, Presage may not make any subsequent press release or public announcements regarding this Agreement or any matter covered by this Agreement, including the Development or Commercialization of Products, without the prior written consent of MEI. Except as otherwise permitted by this Section 7.5, each Party agrees not to disclose to any Third Party the terms of this Agreement without the prior written consent of the other Party hereto, except each Party may disclose the terms of this Agreement: (a) to advisors (including financial advisors, attorneys and accountants), actual or potential acquisition partners or private investors and others on a need-to-know basis (e.g., in the case of MEI to potential and actual Sublicensees), in each case, under appropriate confidentiality obligations; and (b) to the extent necessary to comply with applicable Laws (including securities laws, rules and regulations and with court orders); provided that in the case of the foregoing clause (b), the Party required to make such disclosure to comply with Law shall promptly notify the other Party, (other than in the case where such disclosure is necessary, in the reasonable opinion of the disclosing Party's legal counsel, to comply with securities laws or regulations) use good faith efforts to seek limitations on the portion of the Agreement that is required to be disclosed and to obtain confidential treatment for any such disclosure, provide the other Party with the proposed confidential treatment request with reasonable time for such other Party to provide comments, and include in such confidential treatment request all reasonable comments of the other Party. Notwithstanding any provision of this Agreement to the contrary, (i) Presage shall be permitted to share a redacted copy of this Agreement with **[*CONFIDENTIAL*]** (as a licensor of certain of the Presage Technology) as required by Section 2.2(b) of the Existing Third Party Agreement; provided, that, MEI shall first have the opportunity to review and approve such redacted copy as only containing those terms that are reasonably necessary for **[*CONFIDENTIAL*]** to determine Presage's compliance with the Existing Third Party Agreement, and (ii) MEI shall be permitted to share a redacted copy (in the form provided by Presage to MEI prior to the Effective Date) of the Existing Third Party Agreement in accordance with subclauses (a) and (b) above.

ARTICLE 8
REPRESENTATIONS, WARRANTIES AND COVENANTS

8.1 **Representations and Warranties**. Each Party represents and warrants to the other Party that, as of the Effective Date: (a) such Party is duly organized and validly existing under the Laws of the jurisdiction of its incorporation or organization; (b) such Party has taken all action necessary to authorize the execution and delivery of this Agreement and the performance of its obligations under this Agreement; (c) this Agreement is a legal and

valid obligation of such Party, binding upon such Party and enforceable against such Party in accordance with the terms of this Agreement, except as enforcement may be limited by applicable bankruptcy, fraudulent conveyance, insolvency, reorganization, moratorium and other laws relating to or affecting creditors' rights generally and by general equitable principles; (d) the execution, delivery and performance of this Agreement by such Party does not conflict with, breach or create in any Third Party the right to accelerate, terminate or modify, any agreement or instrument to which such Party is a party or by which such Party is bound, and does not violate any Law of any Governmental Body having authority over such Party; and (e) such Party has all right, power and authority to enter into this Agreement, to perform its obligations under this Agreement.

8.2 **Additional Representations and Warranties of Presage**. Presage represents and warrants to MEI that, as of the Effective Date, except as may have been disclosed in a separate writing from Presage to MEI expressly referencing this Agreement and exceptions to the representations and warranties in this Section 8.2:

(i) no claims have been asserted, or threatened in writing by any Person, nor to Presage's Knowledge are there any valid grounds for any claim of any such kind (a) challenging the validity, effectiveness, enforceability or ownership of Presage Technology, and/or (b) to the effect that the use, reproduction, modification, manufacturing, distribution, licensing, sublicensing, sale or any other exercise of rights in any of Presage Technology infringes or will infringe on any intellectual property right of any Person;

(ii) to the Knowledge of Presage, there is no unauthorized use, infringement or misappropriation of any of Presage Technology by any employee or former employee of Presage or any other Third Party;

(iii) the Presage Patents are subsisting and have not been and are not the subject of any litigation procedure, discovery process, interference, reissue, reexamination, opposition, appeal proceedings or any other legal dispute;

(iv) the Presage Patents constitute all Patent Rights practiced by Presage and its Affiliates, or in which Presage and its Affiliates has any rights, as of the Effective Date that are necessary or have actually been used for the Development, manufacture, use or Commercialization of Compound and Product;

(v) the Presage Know-How constitutes all Know-How practiced by Presage and its Affiliates, or in which Presage and its Affiliates has any rights, as of the Effective Date that is necessary or has actually been used for the Development, manufacture, use or Commercialization of Compound and Product and, to Presage's Knowledge, none of the Confidential Information or Product Information relating to, including constituting, Presage Know-How has been disclosed to any Third Party other than under appropriate written obligations regarding confidentiality and non-use by any such Third Party recipients;

(vi) to Presage's Knowledge, MEI's and its Affiliates' and Sublicensees' practice and use of the inventions claimed in the Presage Patents to Develop, manufacture, use or Commercialize Compound and Product as permitted herein does not infringe any intellectual property rights of any Third Party;

(vii) it has the full right to provide the Presage Inventory to MEI and to transfer to MEI all right, title and interest in and to the Presage Inventory to be provided to MEI pursuant to this Agreement;

(viii) all Representatives of Presage who have performed any research activities on its behalf regarding Compound or Product have assigned to Presage the whole of their rights in any intellectual property made, discovered or developed by them as a result of such research, and no Third Party has any rights to any such intellectual property;

(ix) other than pursuant to the Existing Third Party Agreement, Presage Controls all right, title and interest in and to the Presage Technology and Presage Technology free and clear of any liens, charges, encumbrances or rights of others to possession or use;

(x) Presage has not previously licensed, assigned, transferred, or otherwise conveyed any right, title or interest in and to the Presage Technology to any Third Party with respect to Compound or Product;

(xi) Presage has the right, power and authority to grant to MEI the rights granted to MEI hereunder with respect to the Existing Third Party Agreement. In particular, the grant of such sublicense requires no consent, waiver or other action by any party to the Existing Third Party Agreement and the rights and obligations of MEI set forth in this Agreement do not contravene nor are they inconsistent with or in conflict with the terms of any Existing Third Party Agreement;

(xii) The Existing Third Party Agreement constitutes the only agreement with any Third Party pursuant to which Presage has in-licensed, or otherwise obtained rights, with respect to intellectual property Covering the Compound and Product. Presage has provided to MEI an accurate, true and complete copy of the Existing Third Party Agreement, as amended as of the Effective Date and the Existing Third Party Agreement is in full force and effect and Presage is not in breach or default in the performance of its obligations under the Existing Third Party Agreement. Presage has not received any notice from any Third Party of any breach, default or non-compliance of Presage under the terms of the Existing Third Party Agreement. There have been no amendments or other modification to the Existing Third Party Agreement, except as have been disclosed to MEI in writing;

(xiii) Presage is not aware of any additional Third Party licenses that have to be taken now or in the future to guarantee freedom-to-operate to Develop, manufacture, use and/or Commercialize Products without any limitation;

(xiv) all tangible information and data provided by or on behalf of Presage to MEI on or before the Effective Date in contemplation of this Agreement was (when provided) and is (as of the Effective Date), to the extent developed by or on behalf of Presage, and to the extent developed by or on behalf of **[*CONFIDENTIAL*]** to the Knowledge of Presage, true, accurate and complete in all material respects, and Presage has not intentionally or negligently failed to disclose, or cause to be disclosed, any material information or data relevant to the proposed transaction with MEI (including the exercise of MEI's rights, or performance of MEI's obligations, under this Agreement) in its or any of its Affiliates' Control or possession or of which it is aware, concerning: (a) the Presage Patents; (b) the Presage Know-How; (c) the Compound or Product; (d) the Existing Third Party Agreement (or Presage's relationship with the counterparty thereto); or (e) the activities contemplated by this Agreement; in each case, that would be material to MEI's decision to enter into this Agreement and to undertake the commitments and obligations set forth herein;

(xv) Presage (and its Affiliates) has not employed or otherwise used in any capacity, and will not employ or otherwise use in any capacity, the services of any Person debarred under United States law, including under Section 21 USC 335a or any foreign equivalent thereof, with respect to Compound or Product;

(xvi) to the extent conducted by or on behalf of Presage, and to the extent conducted by or on behalf of **[*CONFIDENTIAL*]** to the Knowledge of Presage, all research and development (including non-clinical studies and clinical studies) of the Compound and Product prior to the Effective Date has been conducted in accordance with all Laws; and

(xvii) the materials to be provided to MEI hereunder were (and at all times up until delivery of such materials hereunder shall remain) manufactured, packaged, labeled, tested, stored and handled in accordance with all Laws. Such materials are not adulterated or misbranded within the meaning of any Law and are not articles that could not, under the provisions of Law, be introduced into interstate commerce. All such materials are free and clear of all encumbrances (including through lien, charge, security interest, mortgage, encumbrance or otherwise).

8.3 **Presage Covenants**. Presage covenants to MEI that:

(i) Presage shall fulfill all of its obligations, including its payment obligations, under the Existing Third Party Agreement or any Third Party License Agreement to which Presage is a Party ("**Presage Third Party License Agreement**");

(ii) Presage shall not amend or waive, or take any action or omit to taking any action that would alter, any of Presage's rights under any Existing Third Party Agreement or any Presage Third Party License Agreement in any manner that adversely affects, or would reasonably be expected to adversely affect, MEI's rights and benefits under this Agreement. Presage shall promptly notify MEI of any default under, termination or amendment of, any Existing Third Party Agreement or Presage Third Party License Agreement; and

(iii) Presage shall exercise its rights under, and shall use Commercially Reasonable Efforts to cause the counterparties to, any Existing Third Party Agreement or any Presage Third Party License Agreement to undertake such actions as MEI may reasonably request in connection with exercising MEI's rights under this Agreement, including enabling MEI to exercise any applicable "stand by" rights under any such any Existing Third Party Agreement or any Presage Third Party License Agreement such that MEI directly receives a license from any such counterparty if Presage were to lose its direct license.

ARTICLE 9
INDEMNIFICATION AND INSURANCE

9.1 **Indemnification by MEI**. MEI shall indemnify, defend and hold Presage and its Affiliates and each of their respective employees, officers, directors and agents, as well as **[*CONFIDENTIAL*]** (in its role as a licensor of certain of the Presage Technology under the Existing Third Party Agreement) and its Affiliates and each of their respective directors, officers, employees and agents (the "**Presage Indemnitees**") harmless from and against any and all liability, damage, loss, cost or expense (including reasonable attorneys' fees) to the extent arising out of any Third Party claim, action, proceeding or suit (each, a "**Third Party Claim**") incurred by any Presage Indemnitee to the extent arising from or occurring as a result of: (a) the gross negligence or willful misconduct of any of the MEI Indemnitees in connection with this Agreement; (b) the Development, manufacture, storage, handling, use, packaging, labeling or Commercialization of the Compound or Product by MEI, its Affiliates or Sublicensees, or MEI's performance of its other obligations under this Agreement; or (c) breach by MEI of any term or condition of this Agreement; provided, however, that MEI's obligations pursuant to this Section 9.1 shall not apply to the extent that such Third Party Claim results from (i) the negligence or willful misconduct of any of the Presage Indemnitees, or (ii) any breach by Presage of any term or condition of this Agreement.

9.2 **Indemnification by Presage**. Presage shall indemnify, defend and hold MEI and its Affiliates and each of their respective agents, employees, officers and directors ("**MEI Indemnitees**") harmless from and against any and all liability, damage, loss, cost or expense (including reasonable attorneys' fees) to the extent arising out of any Third Party Claim incurred by any MEI Indemnitee to the extent arising from or occurring as a result of: (a) the gross negligence or willful misconduct of any of the Presage Indemnitee in connection with this Agreement; (b) the Development, manufacture, storage, handling, use, packaging or labeling of the Compound or Product by Presage, its Affiliates or sublicensees (other than MEI); or (c) breach by Presage of any term or condition of this Agreement; provided, however, that Presage's obligations pursuant to this Section 9.2 shall not apply to the extent that such Third Party Claim results from (i) the negligence or willful misconduct of any of the MEI Indemnitees or (ii) any breach by MEI of any term or condition of this Agreement.

9.3 **Notification of Claims; Conditions to Indemnification Obligations**. As a condition to a Party's right to receive indemnification under this Article 9, it shall: (a) promptly notify the other Party as soon as it becomes aware of a claim or suit for which indemnification

may be sought pursuant hereto; (b) cooperate, and cause the individual indemnitees to cooperate, with the indemnifying Party in the defense, settlement or compromise of such claim or suit; and (c) permit the indemnifying Party to control the defense, settlement or compromise of such claim or suit, including the right to select defense counsel. In no event, however, may the indemnifying Party compromise or settle any claim or suit in a manner which admits fault or negligence on the part of the indemnified Party or any indemnitee without the prior written consent of the indemnified Party. Each Party shall reasonably cooperate with the other Party and its counsel in the course of the defense of any such suit, claim or demand, such cooperation to include without limitation using reasonable efforts to provide or make available documents, information and witnesses. The indemnifying Party shall have no liability under this Article 9 with respect to claims or suits settled or compromised without its prior written consent.

9.4 **Insurance**. During the Term and for a period of **[*CONFIDENTIAL*]** thereafter, each Party shall obtain and maintain, at its sole cost and expense, insurance (including any self-insured arrangements) in types and amounts, that are reasonable and customary in the United States pharmaceutical and biotechnology industry for companies engaged in comparable activities. It is understood and agreed that this insurance shall not be construed to limit either Party's liability with respect to its indemnification obligations hereunder. Each Party will, except to the extent self-insured, provide to the other Party upon request a certificate evidencing the insurance such Party is required to obtain and keep in force under this Section 9.4.

9.5 **No Consequential Damages**. EXCEPT WITH RESPECT TO EACH PARTY'S INDEMNIFICATION OBLIGATIONS UNDER SECTION 9.1 OR SECTION 9.2, AS APPLICABLE, OR LIABILITY RESULTING FROM A PARTY'S GROSS NEGLIGENCE, FRAUD OR WILLFUL MISCONDUCT, IN NO EVENT SHALL EITHER PARTY OR ANY OF ITS AFFILIATES BE LIABLE TO THE OTHER PARTY OR ANY OF ITS AFFILIATES FOR SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, INCLUDING LOSS OF PROFITS, WHETHER IN CONTRACT, WARRANTY, TORT, NEGLIGENCE, STRICT LIABILITY OR OTHERWISE ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREIN OR ANY BREACH HEREOF. NOTWITHSTANDING THE FOREGOING, NOTHING IN THIS AGREEMENT SHALL LIMIT EITHER PARTY FROM SEEKING OR OBTAINING ANY REMEDY AVAILABLE UNDER LAW FOR ANY BREACH OF BY THE OTHER PARTY OF ITS CONFIDENTIALITY AND NON-USE OBLIGATIONS UNDER ARTICLE 8.

ARTICLE 10
TERM AND TERMINATION

10.1 **Term and Expiration**. The term of this Agreement (the "**Term**") shall commence on the Effective Date and, unless earlier terminated as provided in this Article 10, shall continue in full force and effect, until the date on which MEI's payment obligations hereunder expire; provided, that, on a country-by-country basis, with respect to those countries subject to the royalty payments in accordance with Section 5.4, upon the

expiration of the Royalty Term with respect to a given country, this Agreement and the Term shall be deemed to have expired with respect to such country(ies).

10.2 **Termination of the Agreement for Convenience**. MEI may, at its convenience, terminate this Agreement in its entirety upon **[*CONFIDENTIAL*]** prior written notice to Presage. If at any time following the **[*CONFIDENTIAL*]** MEI has not **[*CONFIDENTIAL*]** (other than because a Regulatory Authority is not authorizing the conducting of the **[*CONFIDENTIAL*]** and there are no Products or Compounds for which **[*CONFIDENTIAL*]** development activities are being undertaken (and such cessation of activity is not due to the orders of Regulatory Authorities throughout the Territory), or with respect to which **[*CONFIDENTIAL*]** commercialization activities are being undertaken, by MEI, its Affiliates or Sublicensees in the Territory for a period of **[*CONFIDENTIAL*]**, Presage may terminate this Agreement upon written notice to MEI.

10.3 **Termination upon Material Breach**.

(a) Material Breach. If a Party materially breaches this Agreement, the Party not in default may give to the breaching Party a written notice specifying the nature of the default, requiring it to cure such breach, and stating its intention to terminate this Agreement if such breach is not cured within **[*CONFIDENTIAL*]**. If such breach is not cured within **[*CONFIDENTIAL*]** after the receipt of such notice, the Party not in default shall be entitled to terminate this Agreement immediately by written notice to the other Party.

(b) Presage Cure Period. If Presage is the defaulting party and a breach by Presage is not cured or disputed within **[*CONFIDENTIAL*]** of receipt following a notice from MEI under Section 10.3(a) (the "**Cure Period**"), MEI may request that the amounts payable to Presage under Article 5 are adjusted to reflect the consequences of such breach, as to be agreed by the Parties, and if the Parties cannot agree, the adjustment shall be, at the discretion of MEI, determined in accordance with Article 11 below; **[*CONFIDENTIAL*]**.

(c) Material Breach Dispute. Any dispute regarding an alleged material breach of this Agreement shall be resolved in accordance with Article 11.

10.4 **Effects of Expiration and Termination**.

(a) Survival. Notwithstanding the expiration or termination of this Agreement, the following provisions shall survive: Article 1 (to the extent necessary to give effect to the other surviving provisions); and Sections 3.6, 5.8, 6.6(a), 7.1, 7.2 ,7.3, 7.5 (provided, that with respect to Sections 7.1, 7.2 ,7.3, and 7.5 only for the period set forth in Section 7.1), Article 9, 10.4 (as applicable), 10.5 (as applicable), 11.1-11.3, 12.11, 12.16, 12.17 (only for the period set forth in Section 12.17), 12.18 and 12.19. Expiration or termination of this Agreement shall not relieve the Parties of any liability or obligation that accrued hereunder prior to the effective date of such expiration or termination. In addition, expiration or termination of this Agreement shall not preclude either Party from pursuing

all rights and remedies it may have hereunder or at Law or in equity with respect to any breach of this Agreement nor prejudice either Party's right to seek performance of any obligation.

(b) Post-Expiration Licenses. As of the effective date of expiration of the Term with respect to a given country, or this Agreement in its entirety, as applicable (but not, for clarity, an earlier termination of this Agreement), the license from Presage to MEI under Section 2.1 shall convert to a fully paid, royalty free, irrevocable, perpetual, exclusive, and sublicensable license under the Presage Technology to research, develop, manufacture, use and commercialize Compound and Product in the Field in such country.

(c) Post-Termination Transition. Upon termination of MEI's rights under this Agreement for any reason other than a termination by MEI under Section 10.3(a) for Presage's material breach, this Section 10.4(c) shall apply.

(i) Presage Inventory. In the event that any Presage Inventory remains, MEI shall make such Presage Inventory available for Presage to have picked-up at Presage's sole cost and expense; provided, that any such remaining Presage Inventory will be made available "as-is" and with no warranties. MEI will destroy any remaining Presage Inventory that Presage does not pick-up within **[*CONFIDENTIAL*]** of the effective date of termination.

(ii) Development. In the event there are any on-going clinical trials of any Product in the Territory, at Presage's request, MEI agrees to promptly transition, and Presage agrees to accept, such clinical trials to Presage (or its designee) and/or to wind-down such clinical trials in accordance with Law and ethical obligations.

(iii) Commercialization. MEI and its Affiliates and Sublicensees shall continue to distribute (but shall not be obligated to market or promote) such Product(s) in the Territory if Regulatory Approval therefor has been obtained, in accordance with the terms and conditions of this Agreement, for up to twelve (12) months following the effective date of any such termination (the "**Wind down Period**"); provided, that, the Parties shall enter into a transition services agreement pursuant to which MEI will continue to distribute such Product(s) in such country(ies) **[*CONFIDENTIAL*]**. At Presage's request, such transition services agreement shall be negotiated in good faith during the applicable notice period preceding termination of this Agreement. In any event, MEI shall, and shall cause its Affiliates and Sublicensees to, cease distribution of the Product, or any portion thereof, upon **[*CONFIDENTIAL*]** notice by Presage requesting that such activities (or portion thereof) be ceased at any time following the expiration of Wind down Period). Notwithstanding any other provision of this Agreement, during the Wind down Period, MEI's rights with respect to Compound and Product in the Territory shall be non-exclusive and Presage shall have the right to engage one or more other distributor(s) and/or licensee(s) of the Compound and Product in the Territory. Any Products sold or disposed by MEI, its Affiliates and/or Sublicensees, in the Territory during the Wind down Period shall be subject to payments under and in accordance with Section 5 above. Within **[*CONFIDENTIAL*]** of expiration of the Wind down Period, MEI shall notify Presage of any quantity of Compound and/or

Product remaining in MEI's inventory and Presage shall repurchase any such quantities of Compound and/or Product, as applicable, from MEI at a price equal to the supply price paid by MEI for such Compound and/or Product plus **[*CONFIDENTIAL*]**; except with respect to any such quantities of such Compound and/or Product manufactured by MEI (or its contract manufacturer), in respect of which the price shall be equal to MEI's actual costs for such quantities of Compound and/or Product, as applicable, plus **[*CONFIDENTIAL*]**. In addition, MEI shall use Commercially Reasonable Efforts to cooperate, at Presage's sole cost and expense, to transition to Presage upon Presage's request any arrangement with any contractor from which MEI was obtaining supply of any Compound and/or Product to the extent such arrangement solely pertains to the Compound and/or Product and no other products of MEI. Notwithstanding anything to the contrary in this Section 10.4(c)(iii), in the event of a safety or ethical concern regarding the continued Commercialization or use of the Product, MEI shall not be obligated to continue Commercializing the Product.

(iv) Assignment of MAA and Regulatory Approvals. MEI shall assign, or cause to be assigned, to Presage or its designee (or if not so assignable, at Presage's sole election, MEI shall withdraw) all regulatory filings and registrations (including INDs, MAAs and Regulatory Approvals) for the Compound and Product in the Territory, including any such regulatory filings and registrations made or owned by MEI's Affiliates and/or others under authority of MEI. In each case, unless otherwise required by any applicable Laws, the foregoing assignment (or availability) shall be made within **[*CONFIDENTIAL*]** after the effective date of any such termination of this Agreement and upon such assignment Presage hereby grants MEI a non-exclusive right under such filings and registrations as may be necessary for MEI to continue exercising its rights and performing its obligations under this Section 10.4(c); provided that, if Presage does not make an election between the assignment of such regulatory filings and registrations to it or its designee and the withdrawal of any such filings and registrations prior to the expiration of such **[*CONFIDENTIAL*]** period, then MEI shall have the right to withdraw any such filings and registrations and shall notify Presage in writing promptly upon such withdrawal.

(v) Transition. Without limiting the other provisions of this Section 10.4(c), MEI shall use Commercially Reasonable Efforts for a period of **[*CONFIDENTIAL*]** following the effective date of termination to cooperate with Presage and/or its designee to effect a smooth and orderly transition of the Compound and Product in the Territory. The Parties will discuss in good faith the licensing of any Patent Rights and Know-How that MEI Controls as of the effective date of termination that are related to the Compound and Product; provided, that neither Party will be under any obligation to enter any such license. In addition, MEI shall provide to Presage, promptly following Presage's request, a copy of all information (including Know-How) generated or Controlled by MEI, its Affiliates and/or Sublicensees relating to the Compound and/or Product, or the Development or Commercialization thereof, in the Territory that is reasonably required by Presage (or its designee) to satisfy regulatory or other legal reporting requirements with respect to the Compound and/or Product in any country of the Territory; provided,

that, any such Know-How may be solely used to satisfy regulatory or other legal reporting requirements.

(vi) Licenses. Effective as of the notice of any such termination of this Agreement, at Presage's election, the Parties shall negotiate in good faith a license agreement pursuant to which MEI would grant to Presage a royalty bearing, worldwide, exclusive license (including the right to grant and authorize sublicenses through multiple tiers) under all Know How and Patents, and with respect to trademarks used exclusively in connection with the Product, in each case, Controlled by MEI, its Affiliates and/or Sublicensees as of the date of termination and that are reasonably necessary to Develop, manufacture, use, import, export, sell and otherwise Commercialize the Compound and/or Product (provided, that, any such licensed intellectual property shall be subject to Section 6.6 applied *mutatis mutandis*, subject to replacing references to "Presage" with references to "MEI"). The Parties shall negotiate in good faith and agree upon a reasonable royalty and milestones to be paid by Presage to MEI and the other customary terms and conditions for such license; provided that if the Parties cannot agree regarding the terms of such license within **[*CONFIDENTIAL*]** after the effective date of termination, at either Party's election, the matter shall be resolved in accordance with Section 11.2 below. In connection with entering such a license agreement, the Parties will provide for a technology transfer.

(vii) Sublicensees. Any Outlicensing Transaction with Third Party Sublicensees of the Product in the Territory engaged by MEI prior to the issuance of the relevant notice of termination shall be assigned to Presage (A) if (1) the relevant Sublicensee is not in material breach of the terms of the Outlicensing Transaction as of the date of termination of this Agreement; (2) such Outlicensing Transaction complies with the terms of Section 2.2 above; and (3) the relevant Sublicensee agrees in a writing delivered to Presage prior to the effective date of termination that Presage shall have the full right and authority to enforce the terms of the Outlicensing Transaction against such Sublicensee (or if such Outlicensing Transaction conflicts with this Agreement, such writing shall acknowledge and agree that Presage may enforce the terms of this Agreement against such Sublicensee as if such Sublicensee were MEI); and (B) subject to the foregoing requirements in clause (A) being satisfied in full, Presage shall step into the shoes of MEI in such Outlicensing Transaction; provided, that Presage shall not be obligated to undertake any obligations in excess of those set forth in this Agreement. However, if a Sublicensee who is a counterparty to an Outlicensing Transaction does not satisfy the requirements of clause (A) above, the Outlicensing Transaction shall automatically terminate on the effective date of termination of this Agreement.

10.5 **Termination on Bankruptcy or Insolvency; Right of First Negotiation**.

(a) Either Party may terminate this Agreement in its entirety upon written notice if any Bankruptcy Event has occurred with respect to the other Party.

(b) Bankruptcy Code. All rights and licenses granted under or pursuant to this Agreement by Presage are, and shall otherwise be deemed to be, for purposes of Section 365(n) of the U.S. Bankruptcy Code, if applicable, licenses of right to

"intellectual property" as defined under Section 101 of the U.S. Bankruptcy Code. The Parties agree that MEI, as licensee of such rights under this Agreement, shall retain and may fully exercise all of its rights and elections under the U.S. Bankruptcy Code. The Parties further agree that, in the event of Presage Bankruptcy Event, MEI shall be entitled to a complete duplicate of (or complete access to, as appropriate) any such intellectual property and all embodiments of such intellectual property, which, if not already in MEI's possession, shall be promptly delivered to it (i) following any such commencement of a bankruptcy proceeding upon MEI's written request therefor, unless Presage elects to continue to perform all of its obligations under this Agreement or (ii) if not delivered under clause (i), following the rejection of this Agreement by Presage upon written request therefor by MEI. Notwithstanding the foregoing, in no event shall this Section 10.5(b) be construed to grant to MEI access to intellectual property that it would not otherwise have had access to had Presage elected to continue to perform all of its obligations under this Agreement.

(c) Right of First Refusal. In addition to the foregoing, in the event of a Presage Bankruptcy Event, MEI shall, to the extent allowed by Law, have a right of first refusal to purchase all of Presage's interest in Compound and Product and the Presage Technology (the "**Right of First Refusal**"). The Right of First Refusal shall operate as follows: (i) Presage (or other authorized representative of Presage, including a bankruptcy trustee) shall promptly send to MEI a reasonably detailed written notification of any Presage Bankruptcy Event; and (ii) Presage (or other authorized representative of Presage, including a bankruptcy trustee) shall promptly send to MEI a written notification of any Third Party offer made on Compound, Product or Presage Technology. For a period of up to **[*CONFIDENTIAL*]** after MEI receives such notice (such period, the "**Right of First Refusal Notice Period**"), MEI shall have the right to notify Presage of its intention to exercise its Rights of First Refusal. In the event MEI exercises its Right of First Refusal, the terms of the Third Party offer shall become binding upon MEI and Presage. For the avoidance of doubt, Presage shall not enter into any agreement with a Third Party relating to Presage's interest in Compound, Product or Presage Technology during the Right of First Refusal Notice Period.

10.6 **Termination for Patent Challenge**. If MEI or any of its Affiliates or Sublicensees challenges under any court action or proceeding, or before any patent office, the validity, patentability or enforceability of any Presage Patent, or initiates a reexamination of any Presage Patent, or assists any Third Party to conduct any of the foregoing activities (each, a "**Challenge**"), Presage will have the right to terminate this Agreement, in its entirety if such Challenge is not withdrawn within **[*CONFIDENTIAL*]** of Presage providing written notice requesting such withdrawal; provided, that, notwithstanding the foregoing, Presage shall have no such right to terminate this Agreement in the case of any claim made by MEI or any of its Affiliates or Sublicensees as a defense in any lawsuit or administrative proceeding pertaining specifically to the Compound, Product or Presage Technology initiated by Presage against MEI or its applicable Affiliate or Sublicensee.

*A request for confidential treatment has been made with respect to portions of the following document that are marked with [*CONFIDENTIAL*]. The redacted portions have been filed separately with the SEC.*

ARTICLE 11
DISPUTE RESOLUTION

11.1 **Disputes**. The Parties recognize that disputes, controversies or claims as to certain matters may from time to time arise during the Term which relate to either Party's rights and/or obligations hereunder or the validity, enforceability, construction, performance or breach hereof (and including the applicability of this Article 11 to any such dispute, controversy or claim) (each a "**Dispute**"). It is the objective of the Parties to establish under this Article 11 procedures to facilitate the resolution of Disputes (other than any disputes relating to matters which under this Agreement MEI has sole decision-making authority and/or discretion regarding, in which case, such matter shall be determined by MEI and shall not be part of the dispute resolution procedure set forth in this Article 11) in an expedient manner by mutual cooperation and without resort to litigation. Any Dispute shall be first submitted to the Senior Executives for attempted resolution by good faith negotiations within **[*CONFIDENTIAL*]**. In such event, each Party shall cause its Senior Executives to meet and be available to attempt to resolve such issue. In the event that the Parties are unable to resolve such dispute through diligent review and deliberation by the Senior Executives within **[*CONFIDENTIAL*]** from the day that one Party had designated the issue as a Dispute in written notice to the other Party, then either Party may submit such Dispute for resolution by final, binding arbitration pursuant to Section 11.2.

11.2 **Arbitration**.

(a) Conduction of the Arbitration. Any arbitration pursuant to this Section 11.2 shall be conducted pursuant to the Arbitration Rules of the Judicial Arbitration and Administrations Services, Inc. (or any successor entity thereof, "JAMS"), except as modified by this Section 11.2. The arbitration shall be conducted by three arbitrators (the "Arbitrators"), one of whom will be selected by Presage, one of whom will be selected by MEI, and the third of whom will be selected by the first two. The Arbitrators shall engage an expert with experience in the subject matter of the Dispute to advise the Arbitrators in reaching their decision.

(b) Arbitration Proceedings. The Parties and the Arbitrators shall use all reasonable efforts to complete any such arbitration within **[*CONFIDENTIAL*]** after the appointment of the Arbitrators. The Arbitrators shall determine what discovery will be permitted, consistent with the goal of limiting the cost and time which the Parties must expend for discovery; provided that the Arbitrators shall permit such discovery as he or she deems necessary to permit an equitable resolution of the Dispute. The arbitration proceedings and all pleadings, responses and evidence shall be in the English language. Any evidence originally in a language other than English shall be submitted with an English translation accompanied by an original or true copy thereof.

(i) Notwithstanding the foregoing, with respect to any Disputes arising under Section 10.4(c)(vi) regarding the terms of any license agreement between Presage and MEI (including any royalties and milestones payable under such agreement), the Parties and the Arbitrators shall use all reasonable efforts to complete any such

arbitration within **[*CONFIDENTIAL*]**, and arbitration with respect to such Disputes shall be a "baseball" type arbitration, meaning that, each Party shall prepare a written report setting forth its final position with respect to the terms of such license agreement and the Arbitrators shall then select one of the Party's positions as their final decision. The Arbitrators for a Dispute arising under Section 10.4(c)(vi) shall not have authority to render any substantive decision other than to so select the position of either Presage or MEI.

(c) Decision of the Arbitrator. The Parties agree that decision and/or award rendered by the Arbitrators shall be the sole, exclusive and binding remedy between them regarding any Dispute presented to the Arbitrators. Any decision and/or award of the Arbitrators may be entered in any court of competent jurisdiction for judicial recognition of the decision and an order of enforcement. The arbitration proceedings and the decision of the Arbitrators shall not be made public without the joint consent of the Parties and each Party shall maintain the confidentiality of such proceedings and decision unless each Party otherwise agrees in writing; provided that either Party may make such disclosures as are permitted for Confidential Information of the other Party under Article 7 above.

(d) Location; Costs. Unless otherwise mutually agreed by the Parties, the arbitration proceeding shall be conducted in **[*CONFIDENTIAL*]**. The Parties agree that they shall share equally the cost of the arbitration filing and hearing fees, the cost of the independent expert retained by the Arbitrators, and the cost of the Arbitrators and administrative fees of JAMS. Each Party shall bear its own costs and attorneys' and witnesses' fees and associated costs and expenses.

11.3 **Injunctive Relief**. No provision herein shall be construed as precluding a Party from bringing an action for injunctive relief or other equitable relief prior to the initiation or completion of the above procedure.

ARTICLE 12
MISCELLANEOUS PROVISIONS

12.1 **Relationship of the Parties**. Nothing in this Agreement is intended or shall be deemed, for financial, tax, legal or other purposes, to constitute a partnership, agency, joint venture or employer-employee relationship between the Parties. Except as may be specifically provided herein, neither Party shall have any right, power or authority, nor shall they represent themselves as having any authority to assume, create or incur any expense, liability or obligation, express or implied, on behalf of the other Party, or otherwise act as an agent for the other Party for any purpose.

12.2 **Assignment**. Except as expressly provided herein, neither this Agreement nor any interest hereunder shall be assignable, nor any other obligation delegable, by either Party without the prior written consent of the other Party (which consent shall not be unreasonably withheld, conditioned or delayed). Either Party may assign this Agreement, in whole or in part, to any of its Affiliates or any Third Party that acquires all or substantially all of the business or assets of such Party to which this Agreement pertains,

whether by merger, reorganization, consolidation, change of control, acquisition, sale, or otherwise without the consent of the other Party; provided that if any such assignment by a Party results in a material adverse tax consequence to the other Party, then the assigning Party (or the Person to whom this Agreement is assigned) shall be responsible for the incremental increase in the taxes due. The assigning Party shall give written notice to the other Party promptly following any such assignment and the assignee shall agree in writing to be bound by all obligations of the assigning Party hereunder. This Agreement shall be binding upon the successors and permitted assigns of the Parties. Any assignment not in accordance with this Section 12.2 shall be void. If Presage shall assign or transfer any Presage Technology to any Third Party, Presage shall also require such Third Party to acknowledge that the applicable Presage Technology is subject to MEI's rights under and in accordance with this Agreement.

12.3 **Performance and Exercise by Affiliates**. Subject to the terms and conditions of this Agreement, MEI shall have the right to have any of its obligations hereunder performed, or its rights hereunder exercised, by, any of its Affiliates and the performance of such obligations by any such Affiliate shall be deemed to be performance by MEI; provided, however, that MEI shall be responsible for ensuring the performance of its obligations under this Agreement and that any failure of any Affiliate performing obligations of MEI hereunder shall be deemed to be a failure by MEI to perform such obligations and MEI shall remain responsible to Presage for all activities of its Affiliates to the same extent as if such activities had been undertaken by MEI itself. For clarity, the foregoing means that MEI may designate an Affiliate to perform its obligations hereunder or to be the recipient of Presage's performance obligations hereunder.

12.4 **Change of Control**. In the event of a Change of Control of Presage in which a MEI Competitor acquires control (as defined in Section 1.2) of Presage, then as from the date of such Change of Control, (i) the JSC shall disband and no longer meet and (ii) MEI shall cease to have any reporting obligations under Sections 3.1, 3.2 and 3.6 toward Presage or its successor entity.

12.5 **Further Actions**. Each Party agrees to execute, acknowledge and deliver such further instruments and to do all such other acts as may be necessary or appropriate in order to carry out the purposes and intent of this Agreement, in each case, at the reasonable expense of, and to the extent reasonably requested by, the other Party.

12.6 **Accounting Procedures**. Each Party shall calculate all amounts, and perform other accounting procedures required, under this Agreement and applicable to it in accordance with GAAP.

12.7 **Force Majeure**. Neither Party shall be liable to the other Party or be deemed to have breached or defaulted under this Agreement for failure or delay in the performance of any of its obligations under this Agreement for the time and to the extent such failure or delay is caused by or results from acts of God, earthquake, riot, civil commotion, terrorism, war, strikes or other labor disputes, fire, flood, failure or delay of transportation, omissions or delays in acting by a governmental authority, acts of a government or an agency thereof or judicial orders or decrees or restrictions or any other reason which is

beyond the control of the respective Party. The Party affected by force majeure shall provide the other Party with full particulars thereof as soon as it becomes aware of the same (including its best estimate of the likely extent and duration of the interference with its activities), and will use Commercially Reasonable Efforts to overcome the difficulties created thereby and to resume performance of its obligations hereunder as soon as practicable. If the performance of any such obligation under this Agreement is delayed owing to such a force majeure for any continuous period of more than **[*CONFIDENTIAL*]**, the Parties will consult with respect thereto.

12.8 **No Trademark Rights**. Without limiting Section 12.16, no right, express or implied, is granted by this Agreement to a Party to use in any manner the name or any other trade name or trademark of the other Party in connection with the performance of this Agreement or otherwise.

12.9 **Entire Agreement of the Parties; Amendments**. This Agreement, including the Schedules hereto constitute and contain the entire understanding and agreement of the Parties respecting the subject matter hereof and cancel and supersede any and all prior negotiations, correspondence, understandings and agreements between the Parties, whether oral or written, regarding such subject matter. No waiver, modification or amendment of any provision of this Agreement shall be valid or effective unless made in a writing referencing this Agreement and signed by a duly authorized officer of each Party.

12.10 **Captions**. The captions to this Agreement are for convenience only, and are to be of no force or effect in construing or interpreting any of the provisions of this Agreement.

12.11 **Governing Law**. This Agreement shall be governed by and interpreted in accordance with the laws of New York, excluding application of any conflict of laws principles that would require application of the Law of a jurisdiction outside of New York.

12.12 **Notices and Deliveries**. Any notice, request, approval or consent required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been sufficiently given if delivered in person, transmitted by facsimile (receipt verified), by express courier service (signature required) or five days after it was sent by registered letter, return receipt requested (or its equivalent) to the Party to which it is directed at its address or facsimile number shown below or such other address or facsimile number as such Party shall have last given by notice to the other Party.

If to MEI, addressed to:

MEI Pharma, Inc.
3611 Valley Centre Drive, Suite 500
San Diego, CA 92130
Attention: Chief Executive Officer
Fax: +1 858-369-7101

With copies to (which shall not constitute notice):

MEI Pharma, Inc.
3611 Valley Centre Drive, Suite 500
San Diego, CA 92130
Attention: General Counsel
Fax: +1 858-369-7101

If to Presage, addressed to:

Presage Biosciences, Inc.
530 Fairview Avenue North, Suite 1000
Seattle, WA 98109
Attn: Chief Executive Officer

12.13 **Language.** The official language of this Agreement and between the Parties for all correspondence shall be the English language.

12.14 **Waiver**. Neither Party may waive or release any of its rights or interests in this Agreement except in writing. A waiver by either Party of any of the terms and conditions of this Agreement, or failure of either Party to assert a right hereunder or to insist upon compliance with any term or condition of this Agreement, in any instance shall not be deemed or construed to be a waiver of such term or condition for the future, or of any other term or condition hereof. All rights, remedies, undertakings, obligations and agreements contained in this Agreement shall be cumulative and none of them shall be in limitation of any other remedy, right, undertaking, obligation or agreement of either Party.

12.15 **Severability**. When possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under Law, but if any provision of this Agreement is held to be prohibited by or invalid under Law, such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of this Agreement. The Parties shall make a good faith effort to replace the invalid or unenforceable provision with a valid one which in its economic effect is most consistent with the invalid or unenforceable provision.

12.16 **No Implied License**. Except for the rights expressly granted under this Agreement, no right or license is granted by either Party to the other Party hereunder whether by implication, estoppel, or otherwise to any know-how, patent or other intellectual property right owned or controlled by such Party or its Affiliates. All rights with respect to technology, Know-How or intellectual property rights that are not specifically granted herein are reserved to the owner of such technology, Know-How or intellectual property rights. Without limiting the foregoing, nothing herein shall be deemed to grant to MEI a right or license to any active pharmaceutical ingredient other than a Compound, nor any rights in or to the **[*CONFIDENTIAL*]**.

12.17 **Non-Solicitation**. During the term of this Agreement and for a period of **[*CONFIDENTIAL*]** after the termination of this Agreement, neither Party will

directly or indirectly recruit or solicit any employee of the other party, or induce or attempt to induce any employee of the other Party to terminate his or her employment with the other party; provided, however, that the foregoing shall not preclude any Party from: (i) making good faith generalized solicitations for employees through advertisements, web-based employment services or search firms and hiring any persons through such solicitations; provided, that such Party does not encourage or advise such firm to approach any such employee; or (ii) responding to or hiring any employee of the other Party who contacts it at his or her own initiative without any prior direct or indirect encouragement or solicitation (other than as permitted by clause (i) of this Section 12.17).

12.18 **Interpretation**. Unless expressly stated otherwise: (i) the words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation;” (ii) the word “notice” shall require notice in writing (whether or not specifically stated) and shall include notices, consents, approvals and other written communications contemplated under this Agreement; (iii) the words “hereof,” “herein,” “hereunder,” “hereby” and derivative or similar words refer to this Agreement (including any Schedules); (iv) provisions that require that a Party or the Parties “agree,” “consent” or “approve” or the like shall require that such agreement, consent or approval be specific and in writing; and (v) references to any specific law, or article, section or other division thereof, shall be deemed to include the then-current amendments thereto or any replacement thereof. All references herein to Articles, Sections, and Schedules shall be deemed references to Articles and Sections of, and Schedules to, this Agreement unless the context shall otherwise require. Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time. Unless the context otherwise requires, countries shall include territories.

12.19 **Counterparts**. This Agreement may be executed in counterparts, each of which will be deemed an original, and all of which together will be deemed to be one and the same instrument. A facsimile or a portable document format (PDF) copy of this Agreement, including the signature pages, will be deemed an original.

SIGNATURE PAGE FOLLOWS

*A request for confidential treatment has been made with respect to portions of the following document that are marked with [*CONFIDENTIAL*]. The redacted portions have been filed separately with the SEC.*

IN WITNESS WHEREOF, duly authorized representatives of the Parties have executed this Agreement as of the Effective Date.

PRESAGE BIOSCIENCES, INC.		**MEI PHARMA, INC.**	
Signature:	/s/ Nathan Caffo	Signature:	/s/ Daniel P. Gold
Printed Name:	Nathan Caffo	Printed Name:	Daniel P. Gold
Title:	President	Title:	President & Chief Executive Officer

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Schedule 1.11

Voruciclib Chemical Structure***[ONE PAGE HAS BEEN REDACTED]**

[*CONFIDENTIAL*]

[*CONFIDENTIAL*]

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Schedule 1.19

Existing Third Party Agreement and Selected Provisions **[ONE PAGE HAS BEEN REDACTED]**

[*CONFIDENTIAL*]

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Schedule 1.41

Presage Inventory [**SEVEN PAGES HAVE BEEN REDACTED]**

[*CONFIDENTIAL*]

[*CONFIDENTIAL*]

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*A request for confidential treatment has been made with respect to portions of the following document that are marked with [*CONFIDENTIAL*]. The redacted portions have been filed separately with the SEC.*

Schedule 1.42

Presage Know-How [**SIXTY PAGES HAVE BEEN REDACTED]**

[*CONFIDENTIAL*]

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Schedule 1.43

Presage Patents [**NINE PAGES HAVE BEEN REDACTED]**

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Schedule 2.3, Part 1

Technology Transfer Plan [**FOUR PAGES HAVE BEEN REDACTED]**

[*CONFIDENTIAL*]

[*CONFIDENTIAL*]

[*CONFIDENTIAL*]

[*CONFIDENTIAL*]

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Schedule 2.3, Part 2

Certain Agreements Related to the Compound or Product [**ONE PAGE HAS BEEN REDACTED]**

[*CONFIDENTIAL*]

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Schedule 3.1

POC Plan[**TWO PAGES HAVE BEEN REDACTED]**

[*CONFIDENTIAL*]

[*CONFIDENTIAL*]

[*CONFIDENTIAL*]

[*CONFIDENTIAL*]

Exhibit 31.1

CERTIFICATION

I, Daniel P. Gold, certify that:

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

2. Based on my knowledge, this Quarterly 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 Quarterly Report;

3. Based on my knowledge, the financial statements, and other financial information included in this Quarterly 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 Quarterly Report;

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

   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Quarterly 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 the Quarterly Report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Quarterly Report based on such evaluation; and

   (d) disclosed in this Quarterly 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.

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

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

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

Date: November 7, 2017

/s/ Daniel P. Gold

Daniel P. Gold Chief Executive Officer (Principal Executive Officer)

Exhibit 31.2

CERTIFICATION

I, Brian G. Drazba, certify that:

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

2. Based on my knowledge, this Quarterly 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 Quarterly Report;

3. Based on my knowledge, the financial statements, and other financial information included in this Quarterly 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 Quarterly Report;

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

   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this Quarterly 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 the Quarterly Report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Quarterly Report based on such evaluation; and

   (d) disclosed in this Quarterly 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.

5. Our other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:

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

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

Date: November 7, 2017

/s/ Brian G. Drazba
Brian G. Drazba
Chief Financial Officer (Principal Financial Officer)

Exhibit 32.1

CERTIFICATION

Pursuant to the requirement set forth in Rule 13a-14(b) or Rule 15d-14(b) of the Securities Exchange Act of 1934, as amended, and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. § 1350), Daniel P. Gold, the Chief Executive Officer of MEI Pharma, Inc. (the "Registrant"), and Brian G. Drazba, the Chief Financial Officer of the Registrant, each hereby certifies that, to his knowledge:

1. The Registrant's Quarterly Report on Form 10-Q for the period ended September 30, 2017, (the "Form 10-Q") to which this Certification is attached as Exhibit 32.1, fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Form 10-Q fairly presents, in all material respects, the financial condition of the Registrant at the end of the period covered by the Form 10-Q and results of operations of the registrant for the period covered by the Form 10-Q.

These certifications accompanying the Form 10-Q to which they relate, are not deemed filed with the Securities and Exchange Commission and are not to be incorporated by reference into any filing of the registrant under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Form 10-Q), irrespective of any general incorporation language contained in such filing.

Dated: November 7, 2017

/s/ Daniel P. Gold
Daniel P. Gold
Chief Executive Officer (Principal Executive Officer)

/s/ Brian G. Drazba
Brian G. Drazba
Chief Financial Officer (Principal Financial Officer)